

Managing for Results in America's Great City Schools



A Report of the Performance
Measurement and
Benchmarking Project

Council of the Great City Schools

October 2009

Performance Measurement & Benchmarking for K12 Operations

To Great City School Members—

The Council of Great City Schools is pleased to present this report, *Managing for Results in America's Great City Schools 2009*, to the membership and the public. It is the product of a multiyear effort to identify performance measures, key indicators, and best practices that can guide the improvement of non-instructional operations in urban public school districts across the nation.

The goals, objectives, and structure of this report were developed during the Council's annual meetings of Chief Operating Officers, Chief Financial Officers, Chief Human Resources Officers, and Chief Information Officers; and the work was overseen by the organization's Task Force on Leadership, Governance, and Management and its Task Force on Finance. The Council organized technical teams composed of member-district administrators with extensive expertise in each functional area to develop and manage the project. They did an outstanding job and we thank them for their work.

In addition, the project used a detailed and sophisticated research approach to collect, validate, and analyze the data. The report includes analyses of key indicators—or measures—that were developed in the areas of business services, finances, technology and human resources. The data are presented city-by-city on each indicator, so members can compare themselves to each other.

The Council will continue to work with its member districts to refine the effort, establish longer trend lines, share effective practices, automate results, and fine-tune the measures to allow cities to make better policy and resource-deployment decisions.

We thank the Hewlett Foundation, the Microsoft Corporation, and TransACT Communications—in addition to the membership—for their support, expertise, and considerable time on this project. All involved should be very proud of the results.

We hope that the membership finds this effort useful and productive.

Michael Casserly
Executive Director
Council of the Great City Schools

Robert Carlson
Director, Management Services
Council of the Great City Schools

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Executive Summary

This report defines and presents an extensive array of statistical indicators developed by the Council of the Great City Schools and its member urban school districts to measure performance on a broad range of operational functions, including business services, finances, human resources and technology.

The purpose of this project is to help the nation's urban public school systems measure their performance, improve their non-instructional operations, strengthen their decision making, and build on their attempts at continuous improvement. This report marks the third time that the Council has published data on such indicators, but it is the first time that the organization has assembled in one place the complete set of data on all four broad operational areas. It is also the first time that we have distilled the indicators into an "essential few" and drafted a set of initial "power indicators." And it is the first report to include such a large number of participating cities.

The project behind this report was driven by teams of school-district experts in a range of operational functions. Preliminary data were collected by the Council from its major city school systems. Results were fine-tuned using Six Sigma quality-assurance procedures to ensure uniformity and rigor. Additional data were collected when necessary. And the final data were analyzed and presented for publication.

Each of the indicators in this report includes information about why the measure is important; factors that influence performance; how the indicator is defined and calculated; what the range of responses were across the cities; and how the values on each indicator are affected by other school district practices. All data were collected on fiscal year 2008 and include comparable city-by-city results.

The Council expects that school boards, superintendents, and staff members in our major city school districts will be able to use the indicators and the data on them to assess their operational practices, measure progress, and demonstrate greater transparency to the public. Subsequent work will allow the participating districts to identify best practices behind the indicators and make better policy decisions.

The Council thanks its Task Force on Leadership, Governance, and Management and its Task Force on Finance for their guidance of the work, and expresses its appreciation to the member cities for the expertise and countless hours that went into this report. Finally, the Council is grateful to the Hewlett Foundation, the Microsoft Corporation, and Transact Communications for their generous contributions of time and resources to support this important effort.

**Background, Project Development and
Overview, & Methodology**

Background

America's Great City Schools are under enormous pressure to improve their academic performance, strengthen their leadership and operations, and regain the public's confidence. The Council's work to assess the public's perceptions of how large city school districts perform indicates continuing concern about recurring issues of achievement, efficiency, bureaucracy, and waste.

In order to address these concerns, the nation's big-city school systems have responded with a number of initiatives. They have conducted extensive research on how some city school systems improve faster academically than do others. They have initiated the Trial Urban District Assessment of NAEP to provide comparable achievement data across state lines. They have formed Strategic Support Teams to review and analyze each other's instructional and operational practices. They have launched public information campaigns. They have taken the lead in advocating for higher national education standards. And they have published their state assessment results in unprecedented detail.

These and other efforts have helped spur reform and improve results, but they are sometimes hampered by the lack of data by which to compare and analyze each other's work and assess each other's progress. This situation has been particularly acute on the non-instructional side of the house, where good data have been important for many years but comparable information from one school system to another has been scarce.

The Council of the Great City Schools, the nation's premier coalition of large urban public school systems, began addressing these shortcomings in 2005 by launching a major effort to identify, assess, analyze and recognize excellence in non-instructional operations. The purposes of this effort were to—

- Establish a common set of key performance indicators in a range of big city school operations, including business services, finances, human resources, and technology.
- Benchmark the performance of the nation's largest urban public school systems on these key performance indicators.
- Document effective management practices of the top-performing districts, so other member districts could utilize these practices to improve their operations.
- Automate the performance data in a way that would allow districts to improve resource deployment and decision making over time.
- Develop standards of excellence for each of the indicators.

Collecting and analyzing these performance data has intrinsic value, of course, but benchmarking or comparing the data from city-to-city pays special dividends. Good data give school districts the ability to analyze how well they manage their resources in exactly the same ways that the private sector uses its data. Good data provide the evidence needed to identify best practices and the wherewithal to determine why some practices produce better results than others do. And good data enable school districts to build knowledge about how large systems work and what it takes to improve them.

Finally, good data have substantial benefits for school leaders. Better data allow school boards, superintendents, and senior staff members to identify practices that fail to produce desired results for students and teachers. Better data permit school administrators to identify and devote more resources to classroom instruction and instructional support. Better data also improve the effectiveness of non-instructional operations by spurring accountability for results; clarifying goals and priorities; measuring progress; enhancing transparency; reducing vulnerability to negative press; and improving various policy options.

The focus on automation, moreover, is a critical component of this work. Too often district executives indicate that the lack of usable information foils their abilities to see strategic issues and options, and focus on areas of special need. Automating the indicators allows for better data collection, eases analysis of results, permits analysis of “what if” scenarios, and frees managers to devote more time to implementing best practices with greater confidence than ever before.

For these and other reasons, the Council of the Great City Schools and its member districts launched this first-of-its-kind benchmarking effort to improve the performance of its non-instructional operations. This effort is significant not only because it represents a “first,” but because it was launched by the school districts themselves. The initiative signals clearly that urban school systems are serious about using data to inform and improve their operations.

Project Development and Overview

This Performance Measurement and Benchmarking Project began in 2005 at the annual meetings of Chief Financial Officers and Chief Operating Officers of member districts of the Council of the Great City Schools. The effort entailed developing an initial project framework that continued through 2006 with the identification and definition of an initial set of Key Performance Indicators (KPIs) that could be used to assess the performance of urban school districts in critical business and financial operational areas. A senior project team was selected and the work was built around five major activities:

- Identification of key performance measures
- Development of a commonly accepted measurement methodology
- Creation and implementation of a measurement strategy
- Analysis and reporting of comparative data
- Assessment of effective management practices that produce superior performance

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The Council then established a series of work groups that were composed of Chief Operating Officers and Chief Financial Officers from member districts. These groups identified initial key performance measures in major functional areas and developed sample surveys to gather data in those areas. Preliminary results from these initial surveys were analyzed and presented to the Council's Task Forces on School Finance, and Leadership, Governance and Management during their fall meetings in 2006.

The enthusiastic reception to the initial work prompted the Chief Operating and Financial Officers to develop a wider national initiative that would establish a broader array of key indicators and gather comparable data on core business and financial operations in the nation's major urban public school districts. The Chief Operating Officers identified five major functional areas that would be the focus of their in-depth work—food services, maintenance and operations, procurement, safety and security, and transportation. The Chief Financial Officers identified four areas that would be the focus of their work—budgeting, financial management, general accounting, and compensation.

Technical teams of experts from the member districts were then organized that developed initial lists of potential measures. These measures were subsequently narrowed to the most important ones; in-depth surveys were developed to gather data on the measures; and a methodology for analyzing the results was designed. An initial report on business services was finalized and presented to the Council's task forces in March 2007.

The technical teams were reconvened at the April 2007 meeting of Chief Operating Officers to refine the initial measures and add others. The teams subsequently developed a second in-depth survey that they used to gather and analyze data on the new measures. This analysis also involved the teams' first attempts to collect trend data on the indicators.

Similar teams of experts were reconvened at the October 2007 meeting of Chief Financial Officers to refine and add new financial indicators to the initial set of measures. The teams also agreed to begin development of measures around grants management, position management, and risk management. The teams developed another in-depth survey, gathered data and trends, and presented the results at the Council's 2008 annual meeting.

In the meantime, work began at the February 2007 meeting of the Council's Human Resources Officers and the June 2007 meeting of Chief Information Officers on areas of particular importance to these groups. Human Resource Officers picked human resource operations, recruiting, and staffing areas on which to focus. And Chief Information Officers picked network operations, applications, and help desk support as the areas on which they would focus. Technical teams were identified, measures were identified, and surveys were developed to gather and analyze data. Results were reported to the broader organization at the 2008 annual meeting.

This 2008 report was followed by an intensive effort in 2009 to expand data collection on the full range of indicators, increase the number of participating districts, and automate the

results. This expansion was assisted by new support from the Hewlett Foundation, the Microsoft Corporation, and TransACT Communications—all of whom saw the enormous potential in the initial work. This 2009 report contains the expanded set of indicators and the data collected on them in a much larger set of cities.

Particular attention was given in 2009 to automating the work. It was clear from the beginning of the project in 2005 that it would be important for districts to post their raw data electronically and be able to analyze it in order to make better policy and program decisions. This year marked the first time in the project that districts were able to submit their raw data electronically, have it calculated automatically, and aggregated in the form of performance measures. The automation also allowed districts to use more recent data than the three to five year old measures that one sees in some other data bases. Finally, the automation process has set the ground work for more powerful analytic techniques and better policy decision making and resource deployment in subsequent iterations. This process will continue in 2010 and beyond.

Methodology

The Council of the Great City Schools and its project teams organized the technical teams, surveyed the members, analyzed data, conducted the research, and prepared this report for the membership and other interested parties.

Oversight

The project work was done under the oversight of two of the Council's task forces: the Task Force on Leadership, Governance, and Management and the Task Force on Finance.

Task Force on Leadership, Governance and Management

Bill Isler, Task Force Co-Chair and School Board Member, Pittsburgh Public Schools
Beverly Hall, Task Force Co-Chair and Superintendent, Atlanta Public Schools

Task Force on Finance

Eugene Sanders, CEO, Cleveland Metropolitan School District
Mona McGregor, School Board Member, Omaha Public Schools

Project Management Team

The main project management team consisted of a set of managers and technical advisors listed below.

Project Managers

Robert Carlson, Director of Management Services,
Council of the Great City Schools

Michael Eugene, Chief Operations Officer
Orange County Public Schools

Frederick Schmitt, Chief Financial Officer (Ret.)
Norfolk Public Schools

Heidi Hrowal, Administrative Services Manager
Los Angeles Unified School District

Technical Advisors

Don Kennedy, Chief Finance/Operations Officer
Seattle Public Schools

Pedro Martinez, Chief Financial Officer
Chicago Public Schools

Tom Ryan, Chief Information Officer
Albuquerque Public Schools

Ann Chan, Director, Human Resources Operations
Chicago Public Schools

Joel Lathrop, Industry Market Manager
Microsoft US Education

Mark Passovoy, Systems Administrator
TransACT Communications

Surveys and Data Analysis

The process of developing indicators for this report, conducting surveys to collect the data, and designing the methodology for analyzing the results are described below.

Indicator Development

The indicators used in this report were developed in brainstorming sessions during annual meetings of the Council's Chief Operating, Finance, Human Resources and Information Officers. The process started by listing potential indicators and discussing the "value-add" each indicator

brought to the functioning of the organization. From there, potential measures of performance on each indicator were suggested, discussed, and winnowed down. Methodologies on how to quantify and report the indicators were then developed. Project teams were formed to fine-tune how the measures were defined and which measures would be included in initial surveys. Survey forms were then designed and data were collected from the member city school districts of the Council of the Great City Schools. Results were subsequently analyzed to determine the feasibility, range, and values of potential indicators using metric-definition worksheets based on Six Sigma processes.

Results of the metric-definition worksheets formed the building blocks for the final surveys that would capture information on each potential measure, including the purpose, definition, data sources, equations, and other relevant notes needed to qualify or explain the measures. Districts were asked to provide raw data in each case to ensure quality control in the calculations process. Eventually, every numerator and denominator on the worksheets became the basis for a question on the final surveys. In some cases, a data point was used on more than one indicator (e.g., district budget). Ultimately, the technical teams defined the measures in each functional area, and the project management team developed and organized survey questions from worksheet results.

Survey Development

Once the technical teams completed the process of fine-tuning the indicators, the project-management team used the measurement criteria and any additional contextual information to write final survey questions in each functional area. The Council partnered with TransACT Communications to build electronic versions of the surveys to collect data online. This process helped minimize transcription errors, increased response rates, stored data more effectively than was the case initially, allowed more efficient analysis of results, and reduced errors caused by indecipherable handwriting. The company also trained project management team members to use the data tool. In addition, the company used an electronic-reminder feature to notify districts that had not responded to the surveys. This feature boosted responses considerably. Ultimately, 60 cities responded to 67 percent of the total 1,320 surveys administered.

Data Analysis and Results

The surveys were designed to capture data points only. Respondents were asked to report actual data on the survey forms and were not required to perform calculations on their own. This approach allowed the teams to analyze the same data points across surveys and to calculate uniform performance rates. Doing so also helped ensure the uniformity, reliability, and validity of results across cities. To ensure additional data integrity, the Chief Operating, Financial, Human Resources, and Information Technology Officers were asked to certify their survey data.

Technical teams used a detailed methodology to ensure comparability and data integrity throughout the project. Six Sigma quality-control methods were used to establish uniformity,

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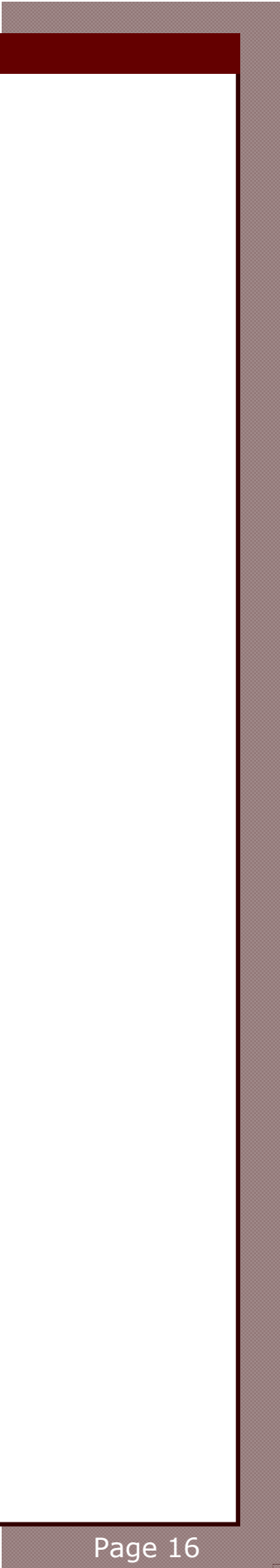
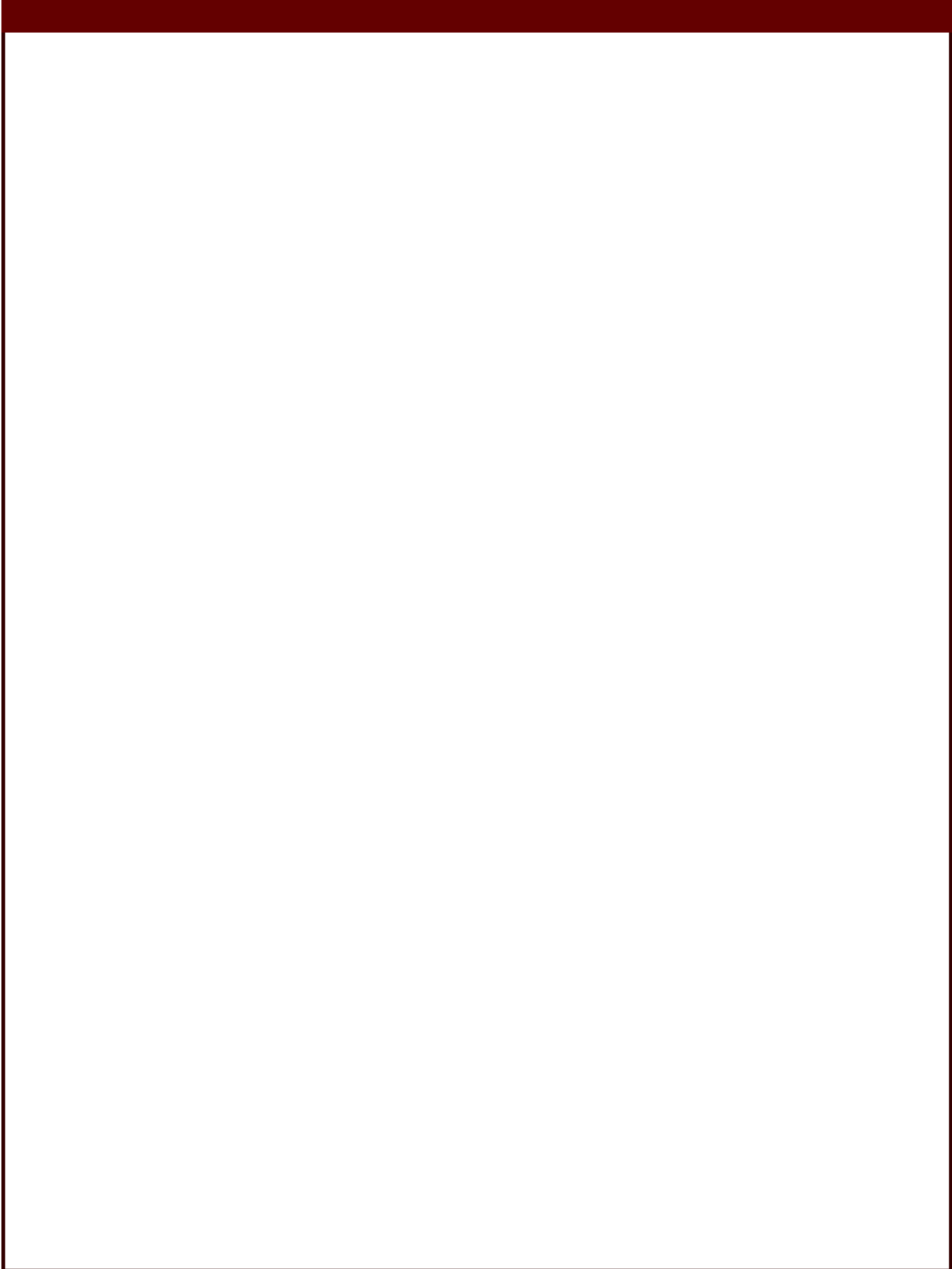
ensure high-quality measurement procedures, write detailed survey questions, and provide technical assistance to responding districts when they needed clarification of survey items.

Nonetheless, there were instances when calculations produced results that the technical teams determined were not reliable, valid, or defensible. In such cases, either the data were not included or comments addressing the concerns about the data were noted. The process of reviewing, refining, and assessing the quality of the data will continue to be a key feature of this project going forward.

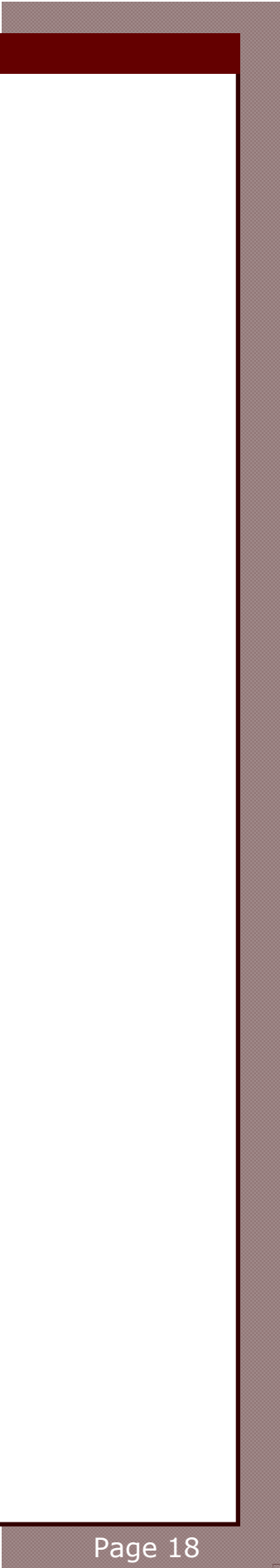
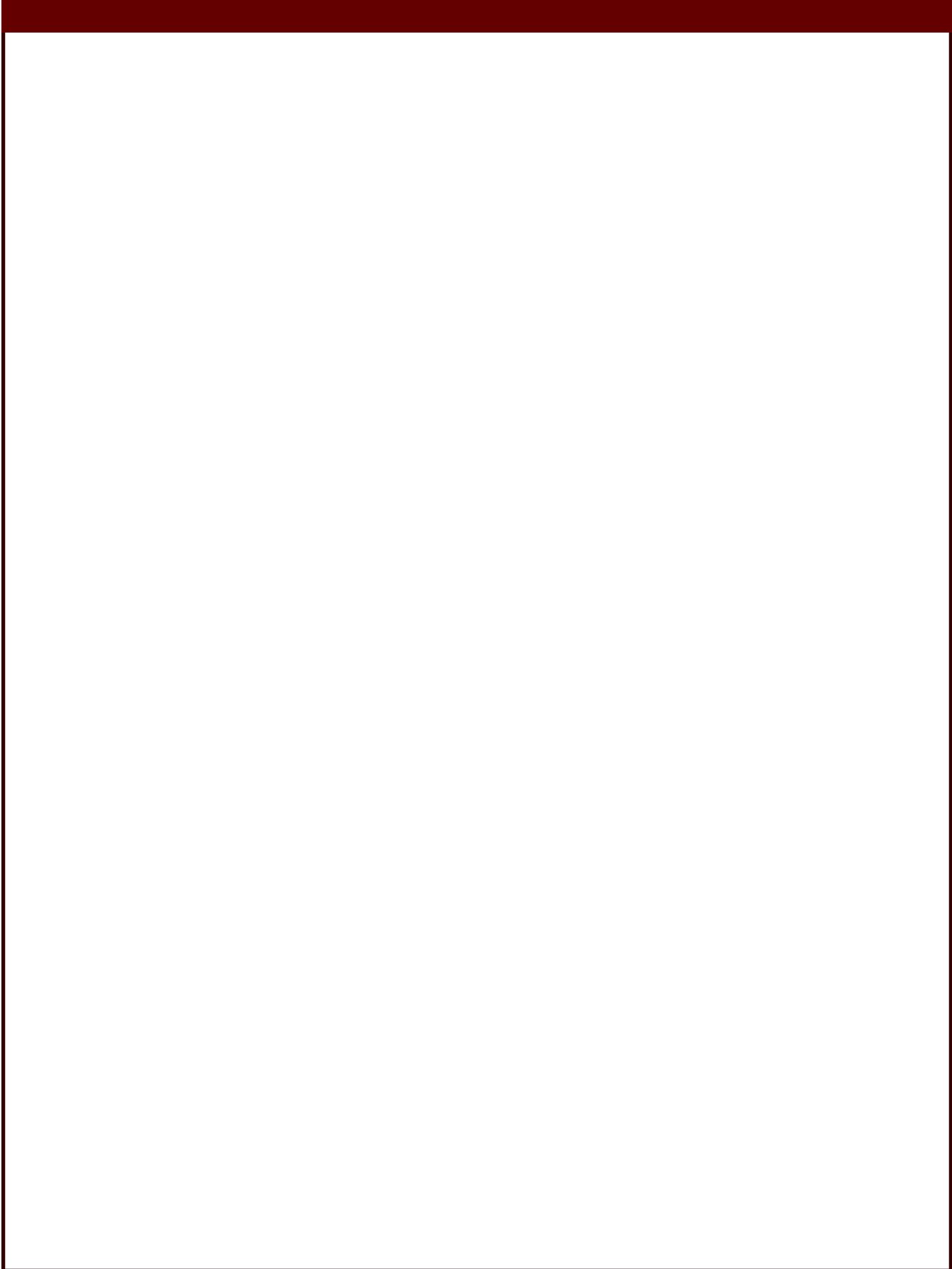
Presentation of Data

The pages that follow include a brief discussion and analyses of key performance indicators in each functional area for fiscal year 2008. Each indicator has a brief description about why the measure is important. Information is also included about variables that influence the measure, that is, the factors that affect whether the indicator is high or low. The indicators and how they are calculated are defined, and response rates and ranges of results are presented in three forms. Bar charts are used for measures that are numerical and lend themselves to comparisons across responding districts. Pie charts are used where the data are grouped or sorted by response type; where there is a considerable range of responses; or where the responses are simple counts of an event or consist of yes/no answers. In some cases, both a pie chart and bar chart are shown because the technical teams had questions about the reliability or validity of the data. The third presentation involved a table format to show counts within categories.

Managing for Results in America's Great City Schools 2009 is based on a philosophy of continuous improvement among the nation's major urban school districts. Urban school districts should be able to compare themselves to each other so they can understand how they stack up against others, study effective management practices that produce top performing results, and use information to prioritize efforts suited to their individual needs. The Council has attempted to create a "safe environment" by which these goals are pursued in three ways. First, executives from member districts manage the project and ensure confidentiality and integrity. Second, the data collected are shared only among the Council and its technical teams. Third, public reporting of the data is done through district identification numbers, not by district name. Each identification number, however, refers to the same district in each graph or chart. Districts receive their numbers individually to allow them to compare themselves with other districts.



Business Operations



Food Services

Total Costs per Revenue

Total direct cost plus total indirect costs *divided by* total revenue

Why This Measure Is Important

This measure gives an indication of the financial status of the food service program, including management company fees. Districts that keep expenses lower than revenues are able to build a surplus for reinvestment back into the program for capital replacement, technology, and other improvements. Districts that report expenses higher than revenues, may either be drawing from their fund balance, or may be subsidized by the district's general fund.

Factors That Influence This Measure

- The “chargebacks” to food service programs such as energy costs, custodial costs, non-food service administrative staff, trash removal, and dining room supervisory staff,
- Direct costs such as food, labor, supplies, equipment, etc.
- Meal quality
- Participation rates
- Purchasing practices
- Marketing
- Leadership expertise
- Meal prices
- Staffing formulas

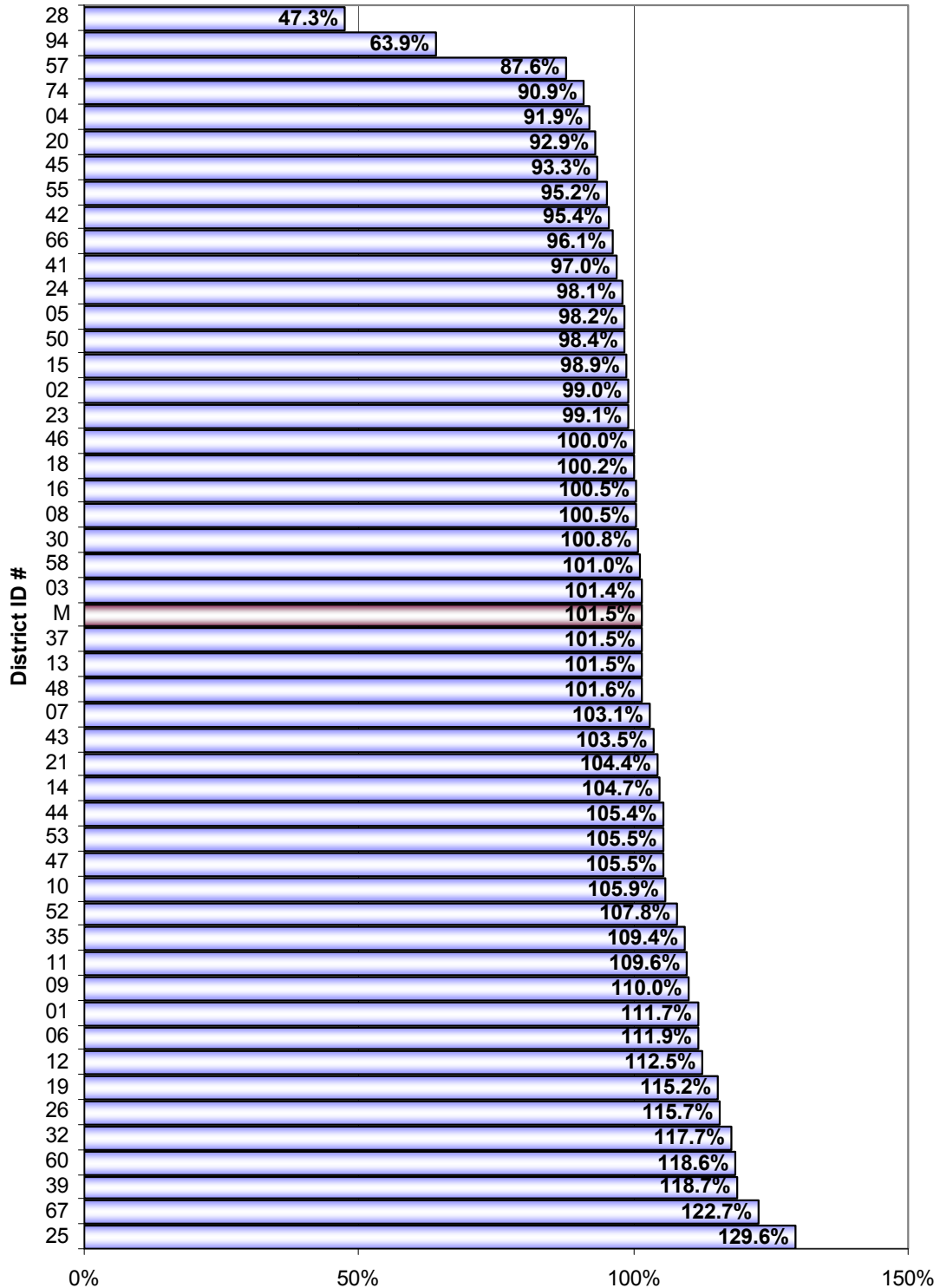
Analysis of the Data

- FY 08 > 49 districts responded
- FY 08 > Low = 47.3%; High = 129.6%; Median = 101.5%
- 17 districts (34.7%) reported that their total costs were lower than their revenues with an additional 5 districts reporting they were at or near breaking even. The total direct costs for the remaining 27 districts exceeded their total revenues by 1-30%.

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Power Indicator

Total Costs Per Revenue



Food Costs per Revenue

Total food costs *divided by* total revenue

Why This Measure Is Important

This measure is important because food cost is the second largest expenditure that foodservice programs incur and can be controlled through district leadership and foodservice staff. Through the use of careful menu planning practices, competitive bids for purchasing supplies, including commodity processing contracts, and the implementation of consistent production practices, food costs can be controlled. Food cost as a percent of revenue can be reduced if participation revenue is high.

Factors That Influence This Measure

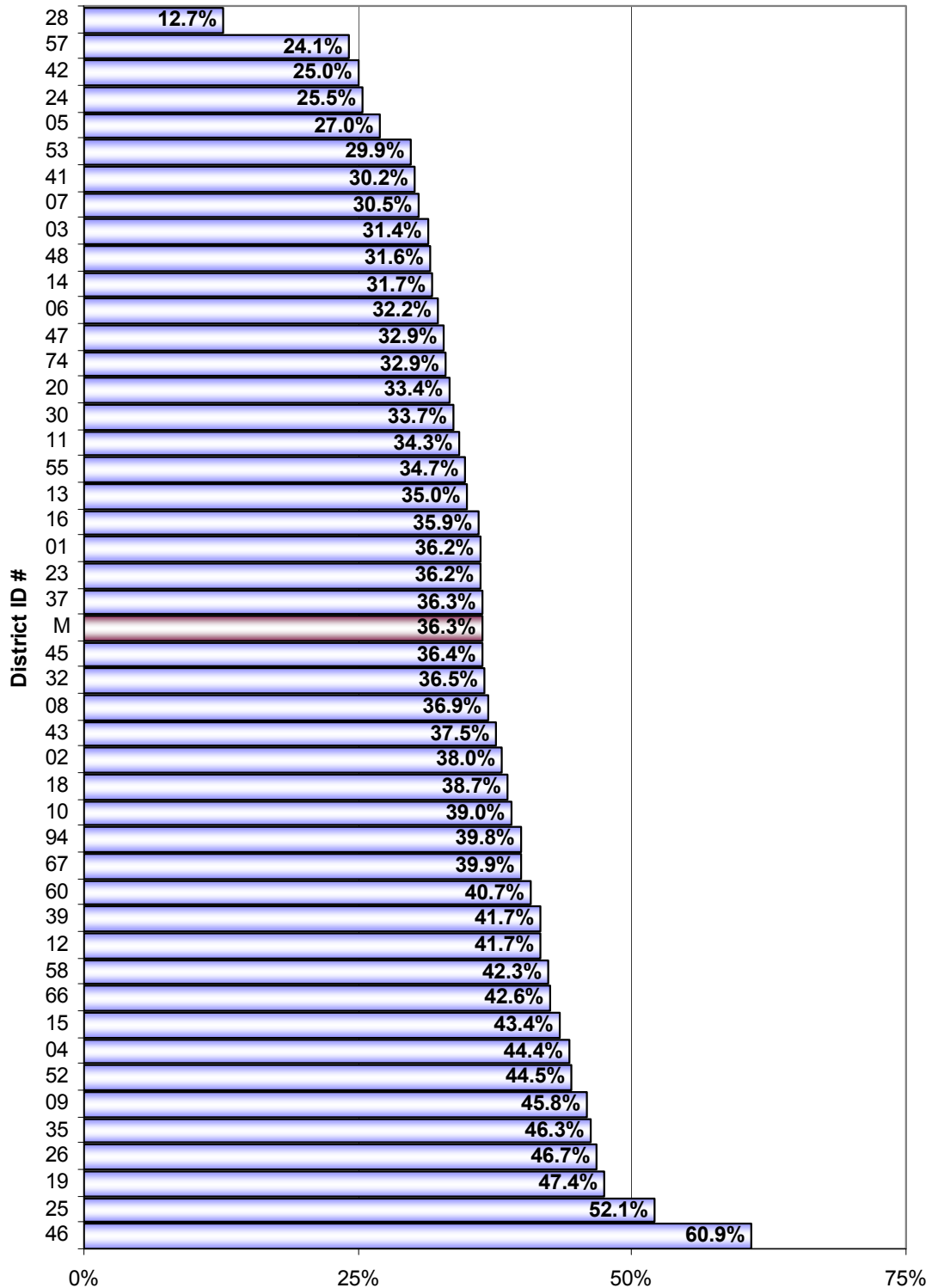
- USDA menu requirements
- USDA nutrient requirements
- A la carte items
- Convenience vs. scratch-food Items
- Production operating procedures
- Purchasing practices
- Meal prices
- Participation rates
- Use of commodities
- Use of a warehouse or the use of drop-ship deliveries
- Theft

Analysis of the Data

- FY 08 > 46 districts responded
- FY 08 > High = 60.9%; Low = 12.7%; Median = 36.3%
- The total food costs for 27 districts are clustered between 30-40% of total revenue, with an additional 17 districts clustered within the 20-50% range.

Performance Measurement & Benchmarking for K12 Operations

Food Costs Per Revenue



Key Performance Indicator

Labor Costs per Revenue

Total department labor expenses, plus benefits and taxes, plus workers' compensation costs *divided by* total revenue

Why This Measure Is Important

This measure is important because labor is the largest expense that food service revenue must cover. The expense is largely controlled by school boards because they establish salary schedules and benefit plans, and give raises. However, directors can control labor cost by implementing productivity standards and staffing formulas.

Factors That Influence This Measure

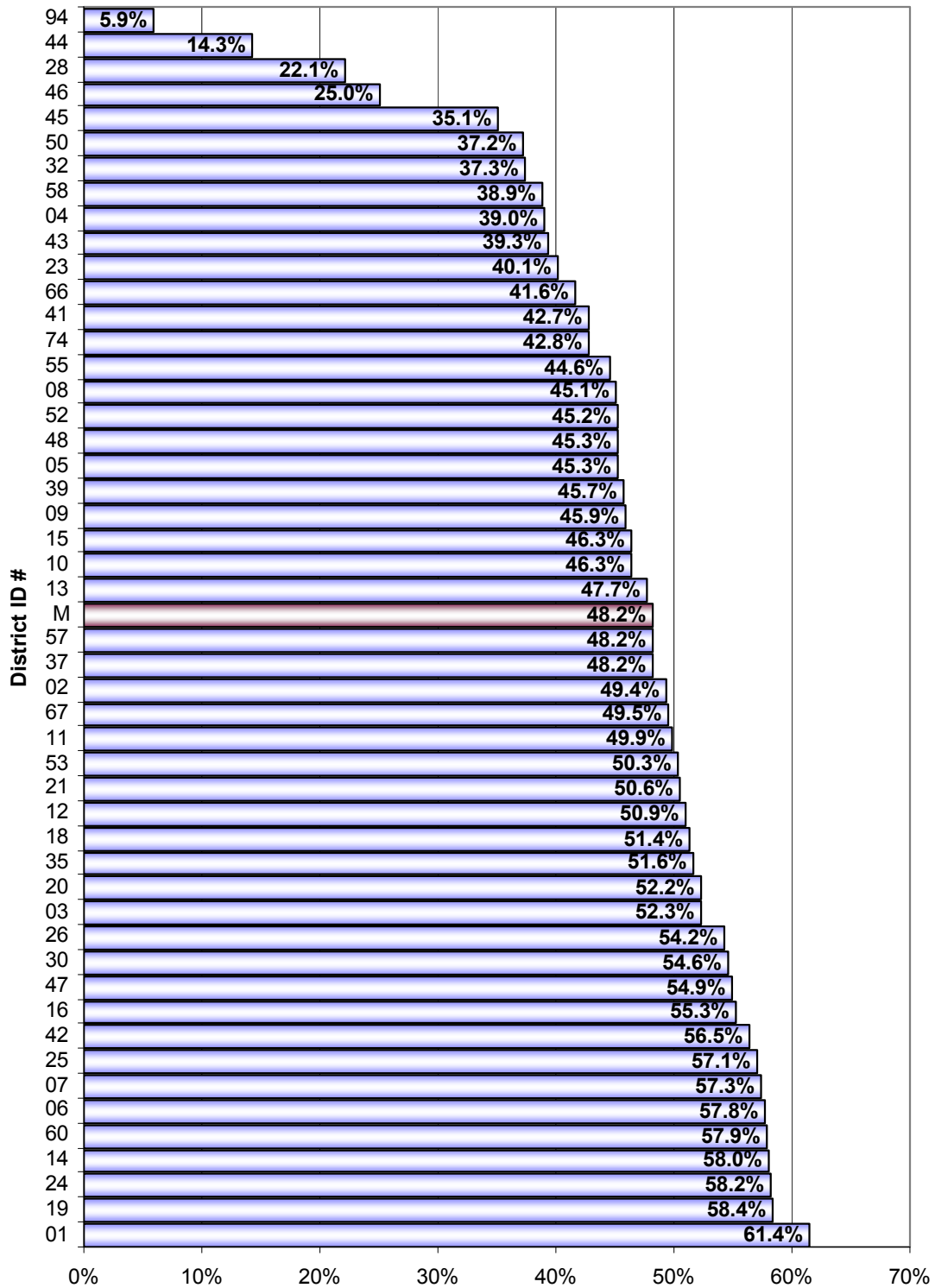
- District policies for health benefits for employees and dependents
- District policies for retirement benefits
- Number of annual work days
- Number of annual paid holidays
- Staffing formulas
- Productivity Standards
- Salary Schedule
- Union contracts
- Type of menu items

Analysis of the Data

- FY 08 > 49 districts responded
- FY 08 > Low = 5.9%; High = 61.4%; Median = 48.2%
- Labor costs constitute nearly 50% or more of all food-service costs in 23 districts with an additional 12 districts approaching the 50% threshold.

Performance Measurement & Benchmarking for K12 Operations

Labor Costs Per Revenue



Key Performance Indicator

Fund Balance As a Percent of Revenue

Fund balance *divided by* total revenue

Why This Measure Is Important

This measure is an indicator of the financial status of a foodservice program. A positive fund balance can provide a contingency fund for equipment purchases, technology upgrades, and emergency expenses. A “break-even” status indicates that there is just enough revenue to cover program expenses, but none left for program improvements. A negative balance indicates that the school district’s general fund is being used to subsidize the food service program. This results in a decreased ability to generate funds for future program improvement, such as the development of an equipment replacement plan. Furthermore, the school district is taking money from reserves that could be used to fund classroom initiatives and instead, using it to balance the food service program budget.

Factors That Influence This Measure

- USDA allows a food service program to have no more than a three month operating-expenses fund balance.
- Districts may have taken part or all of the food-services fund balance for non-food service activities.
- Food services may have funded large kitchen remodeling projects, implemented new POS systems, and thereby reduced a fund balance with a large capital outlay project
- Fund balance may include other items such as retiree health insurance and inventory.
- District philosophy on fund balance

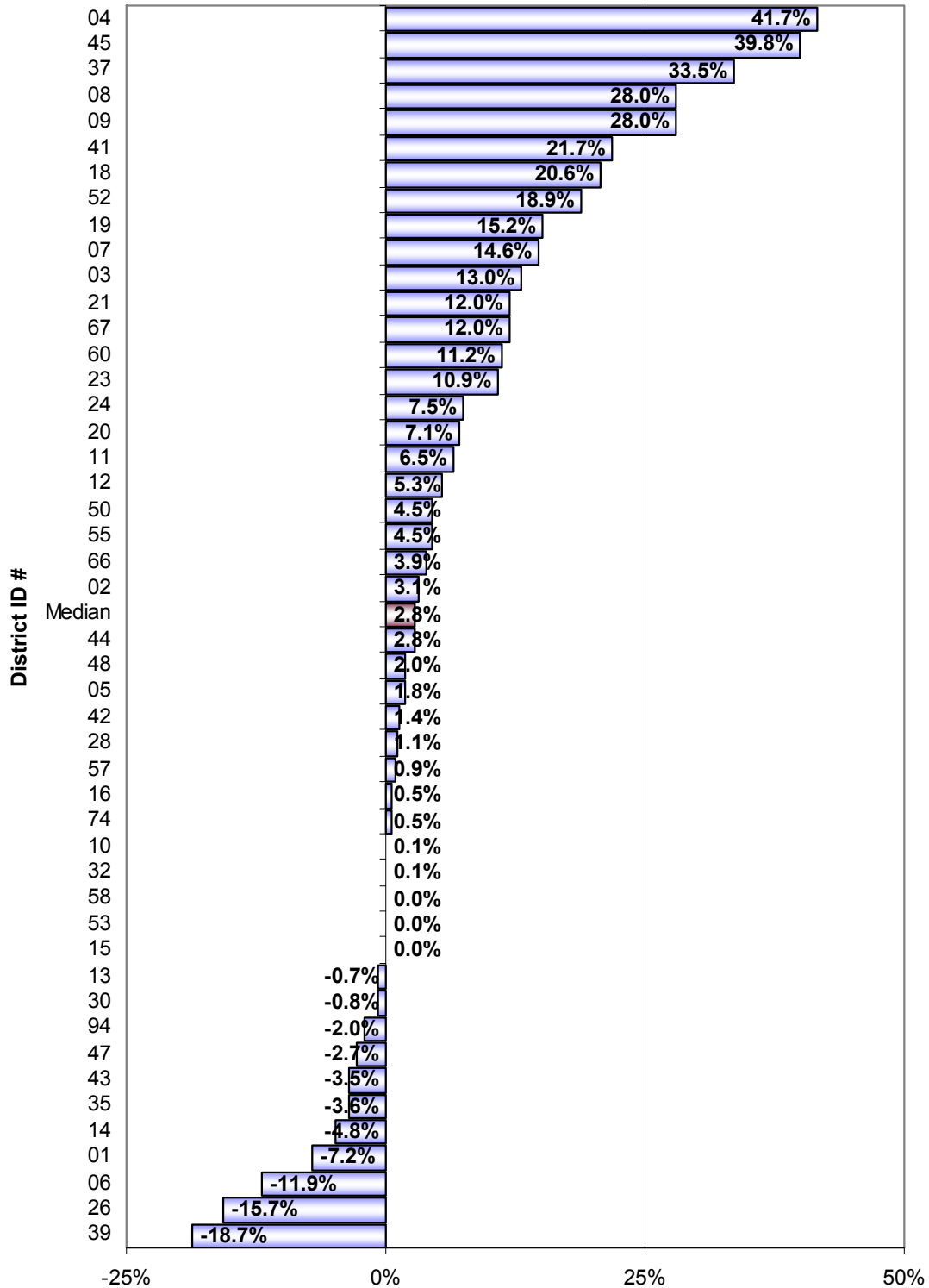
Analysis of the Data

- FY 08 > 47 districts responded
- FY 08 > High = 41.7%; Low = -18.7%; Median = 2.8%
- 33 districts report a positive fund balance-to-revenue ratio with 19 districts reporting a fund balance of less than 10%; 8 reporting a 10-20% fund balance; and 7 districts exceeding a 20% fund balance-to-revenue ratio.
- 14 districts show no fund balance with 3 reporting enough revenue to break even with costs and no remaining contingency dollars, and 11 indicating a negative fund balance to revenue ratio.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Fund Balance as Percent of Revenue



Breakfast Participation Rate

Total number of breakfasts served daily *divided by* average daily attendance

Why This Measure Is Important

Studies show a positive correlation between breakfast and school attendance, alertness, health, behavior and academic success. A strong breakfast program indicates a commitment by the food service program and the district leadership to preparing students to be “ready to learn” in the classroom.

Factors That Influence This Measure

- Menu selections
- Provision II and III and Universal Free
- Free/reduced percentage
- Food preparation methods
- Attractiveness of dining areas
- Adequate time to eat
- Adequate number of POS stations so that all children have access to breakfast in a short amount of time
- Alternative serving methods, such as classroom feeding
- District policies
- Numerous districts reported their annual number of breakfasts served, rather than the average daily. If that was the case, we divided the annual number of breakfasts served by the total number of school days to determine an average number of breakfasts served. We then divided this number by the average daily attendance.

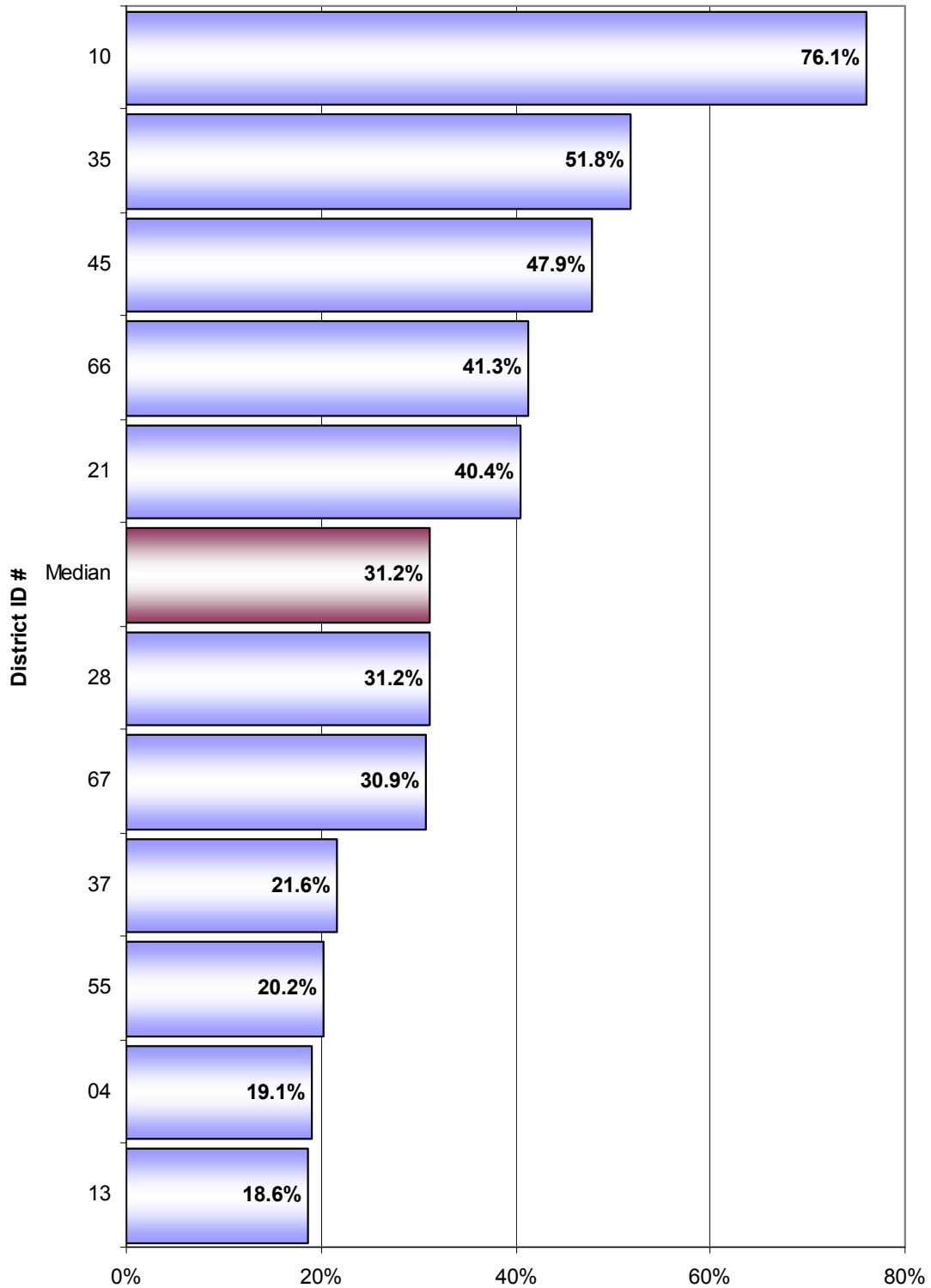
Analysis of the Data

- FY 08 > 11 districts responded
- FY 08 > High = 76.1%; Low = 18.6%; Median =31.2%
- This measure and those that follow suggest that most districts do not yet provide a comprehensive elementary and secondary breakfast program and the relatively low participation rates in districts offering the program are indicators that the opportunities are not being maximized.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Breakfast Participation Rate



Elementary Breakfast Participation Rate

Total number of breakfasts served daily in grades pre-kindergarten through 6th *divided by* average daily attendance in grades pre-kindergarten through 6th grade.

Why This Measure Is Important

Studies show a positive correlation between breakfast and school attendance, alertness, health, behavior and academic success. A strong breakfast program indicates a commitment by the food service program and the district leadership to preparing students to be “ready to learn” in the classroom.

Factors That Influence This Measure

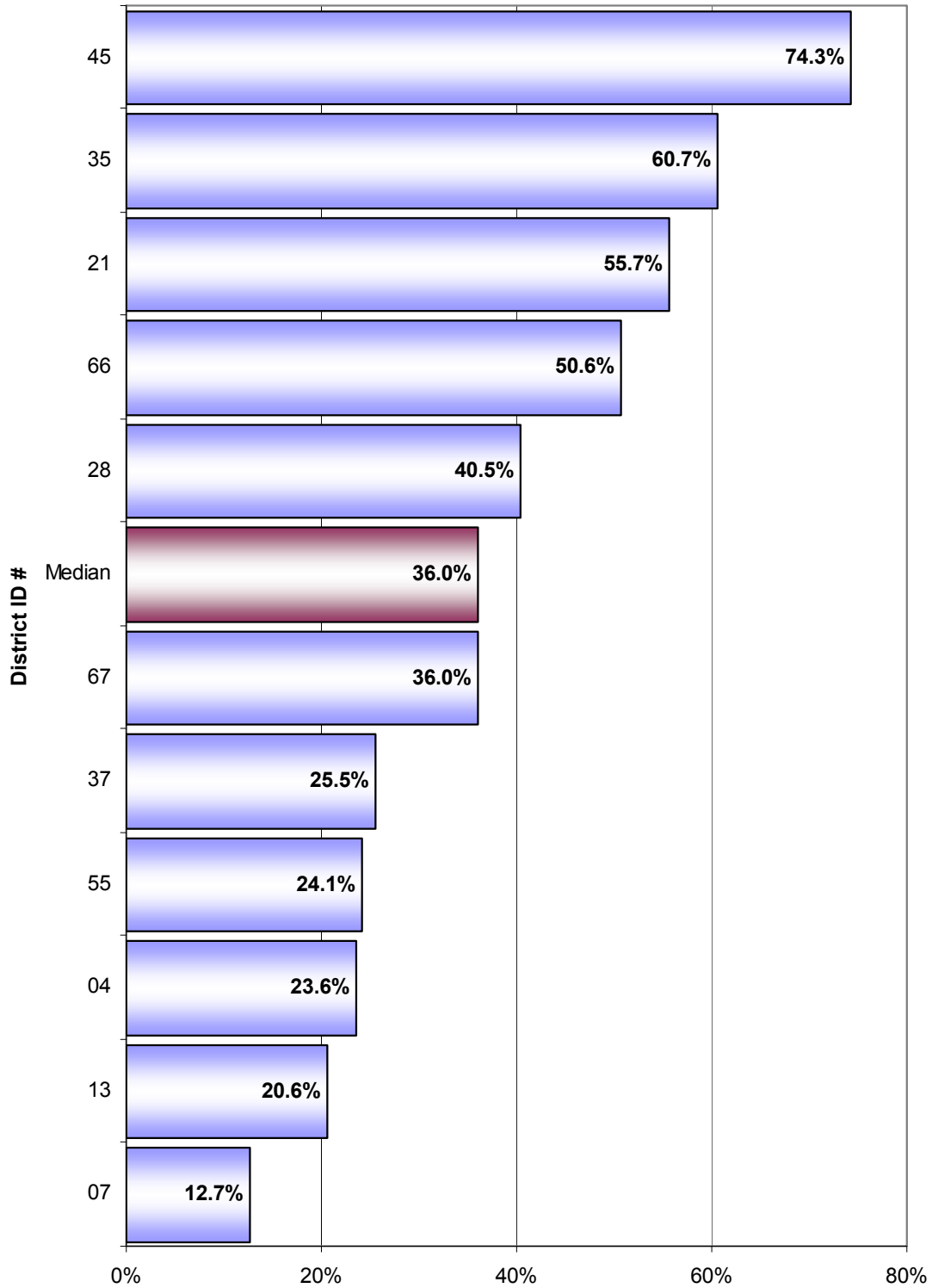
- Menu selections
- Provision II and III and Universal Free
- Free/reduced percentage
- Food preparation methods
- Attractiveness of dining areas
- Adequate time to eat
- Adequate number of POS stations so that all children have access to breakfast in a short amount of time
- Alternative serving methods, such as classroom feeding
- District policies
- Numerous districts reported their annual number of elementary breakfasts served, rather than the average daily. If that was the case, we divided the annual number of elementary breakfasts served by the total number of elementary school days to determine an average number of elementary breakfasts served. We then divided this number by the elementary average daily attendance.

Analysis of the Data

- FY 08 > 11 districts responded
- FY 08 > High = 74.3%; Low =12.7%; Median = 36.0%

Performance Measurement & Benchmarking for K12 Operations

Elementary Breakfast Participation Rate



Key Performance Indicator

Elementary Breakfast Participation of Free & Reduced Eligible Students

Breakfast participation rate for students in grades pre-kindergarten through 6th that are eligible for free or reduced-price meals *divided by* average daily attendance for grades pre-kindergarten through 6th grade.

Why This Measure Is Important

Studies show a positive correlation between breakfast and school attendance, alertness, health, behavior and academic success. A strong breakfast program indicates a commitment by the food service program and the district leadership to preparing students to be “ready to learn” in the classroom.

Factors That Influence This Measure

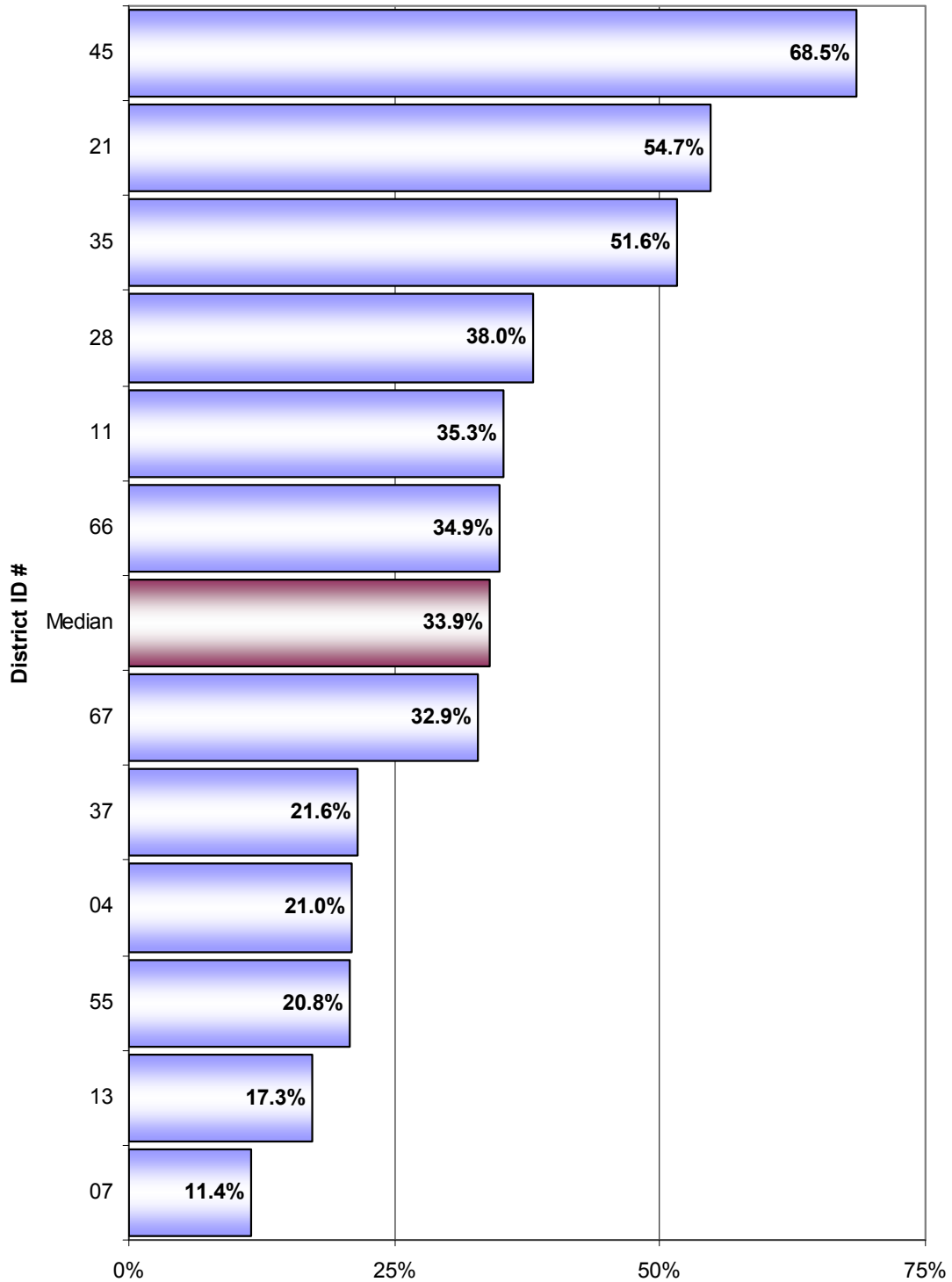
- Menu selections
- Provision II and III and Universal Free
- Food preparation methods
- Attractiveness of dining areas
- Adequate time to eat
- Adequate number of POS stations so that all children have access to breakfast in a short amount of time
- Alternative serving methods, such as classroom feeding

Analysis of the Data

- FY 08 > 12 districts responded
- FY 08 > High = 68.5%; Low = 11.4%; Median = 33.9%

Performance Measurement & Benchmarking for K12 Operations

Elementary Breakfast Participation of Free & Reduced Eligible Students



Key Performance Indicator

Elementary Breakfast Participation of Paid Students

Breakfast participation rate for full-price students in grades pre-kindergarten through 6th *divided by* average daily attendance for grades pre-kindergarten through 6th grade.

Why This Measure Is Important

Studies show a positive correlation between breakfast and school attendance, alertness, health, behavior and academic success. A strong breakfast program indicates a commitment by the food service program and the district leadership to preparing students to be “ready to learn” in the classroom.

Factors That Influence This Measure

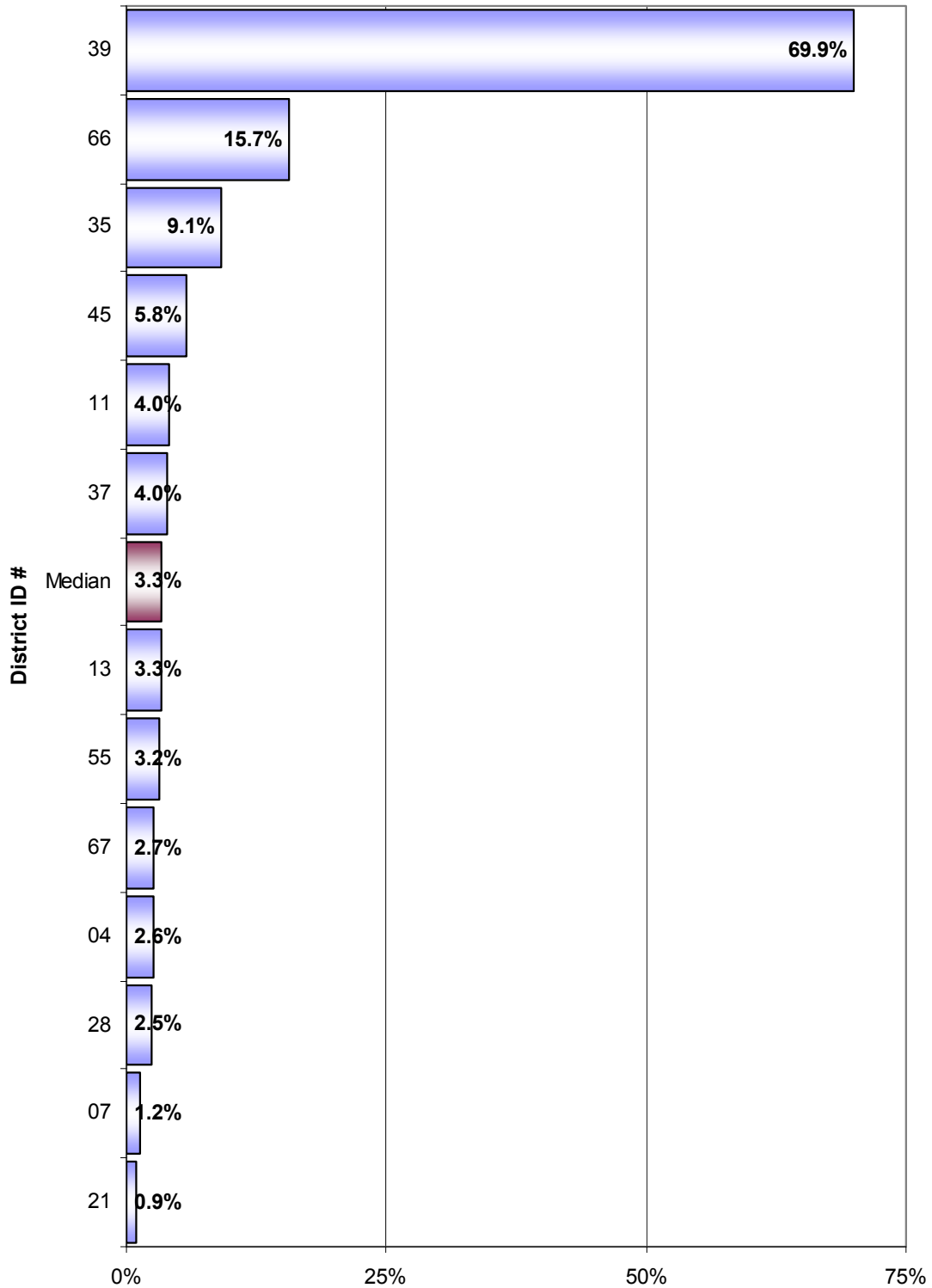
- Menu selections
- Provision II and III and Universal Free
- Free/reduced percentage
- Food preparation methods
- Attractiveness of dining areas
- Adequate time to eat
- Adequate number of POS stations so that all children have access to breakfast in a short amount of time
- Alternative serving methods, such as classroom feeding

Analysis of the Data

- FY 08 > 13 districts responded
- FY 08 > High = 69.6%; Low = 0.9%; Median = 3.3%

Performance Measurement & Benchmarking for K12 Operations

Elementary Breakfast Participation of Paid Students



Key Performance Indicator

Secondary Breakfast Participation Rate

Total number of breakfasts served daily in grades 7th through 12th *divided by* average daily attendance in grades 7th through 12th

Why This Measure Is Important

Studies show a positive correlation between breakfast and school attendance, alertness, health, behavior and academic success. A strong breakfast program indicates a commitment by the food service program and the district leadership to preparing students to be “ready to learn” in the classroom.

Factors That Influence This Measure

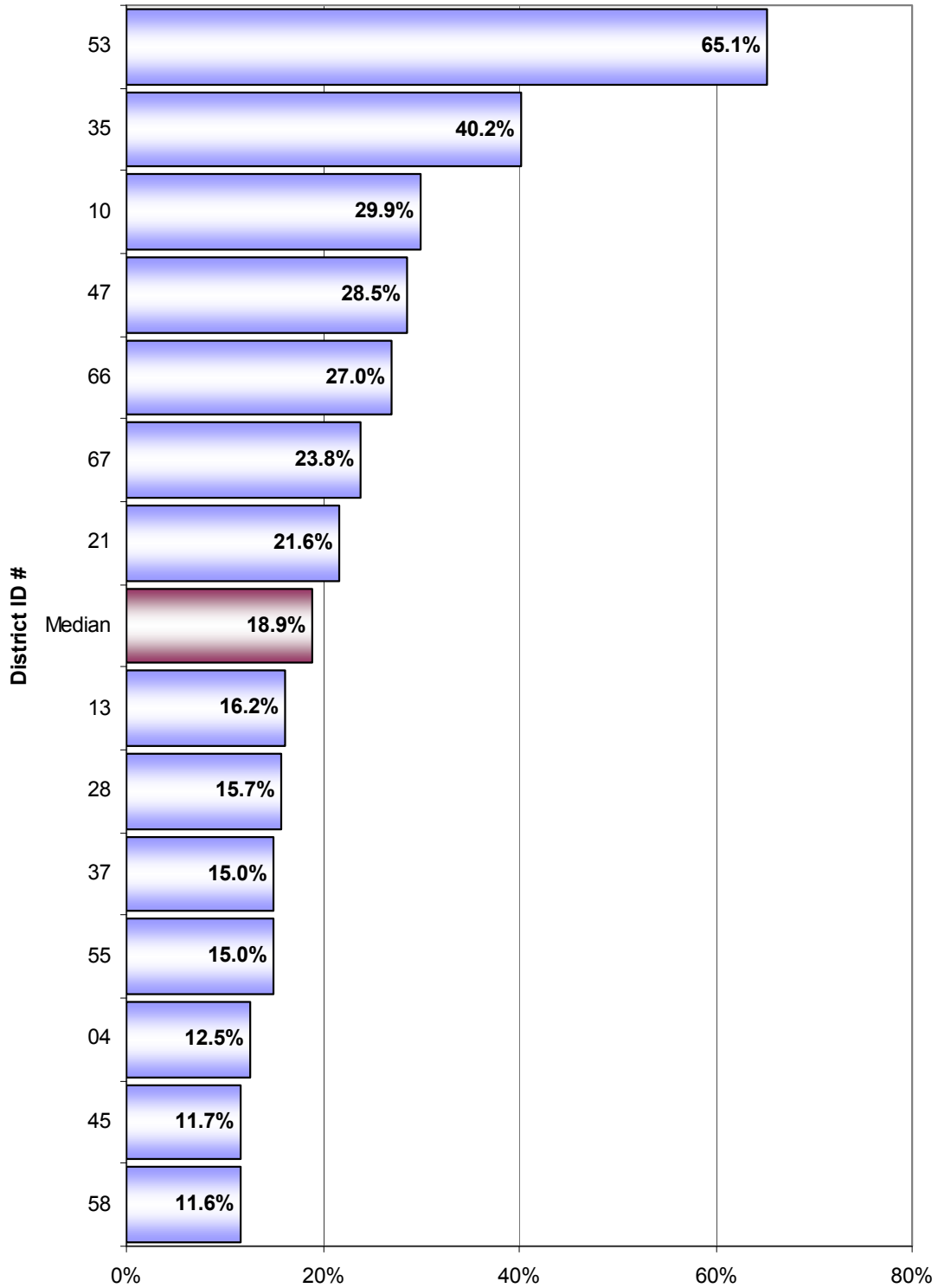
- Menu selections
- Provision II and III and Universal Free
- Free/reduced percentage
- Food preparation methods
- Attractiveness of dining areas
- Adequate time to eat
- Adequate number of POS stations so that all children have access to breakfast in a short amount of time
- Alternative serving methods, such as classroom feeding,
- Numerous districts reported their annual number of secondary breakfasts served, rather than the average daily. If that was the case, we divided the annual number of secondary breakfasts served by the total number of secondary school days to determine an average number of secondary breakfasts served. We then divided this number by the secondary average daily attendance.

Analysis of the Data

- FY 08 > 14 districts responded
- FY 08 > High = 65.1%; Low = 11.6%; Median = 18.9%

Performance Measurement & Benchmarking for K12 Operations

Secondary Breakfast Participation Rate



Key Performance Indicator

Lunch Participation Rate

Total number of lunches served daily *divided by* average daily attendance

Why This Measure Is Important

High participation rates can indicate a high level of customer satisfaction with the school lunch program. Student customers are attracted to quality food selections that are appealing, quick to eat, and economical. High rates can also show that students get their food fast and have plenty of time to eat and socialize. Program revenue can significantly increase when a large percentage of students participate in the lunch program. Furthermore, the federal reimbursement rates for free and reduced-price students who participate in the lunch program can also contribute significantly to revenue.

Factors That Influence This Measure

- Dining areas that are clean, attractive, and “kid-friendly”
- Adequate number of Point of Sale (POS) stations to help move lines quickly and efficiently
- A variety of menu selections
- Number and length of meal times determined by school administration
- Adequate time to eat
- Seating capacity
- The quality of customer service shown to students
- Numerous districts reported their annual number of lunches served, rather than the average daily. If that was the case, we divided the annual number of lunches served by the total number of school days to determine an average number of lunches served. We then divided this number by the average daily attendance.

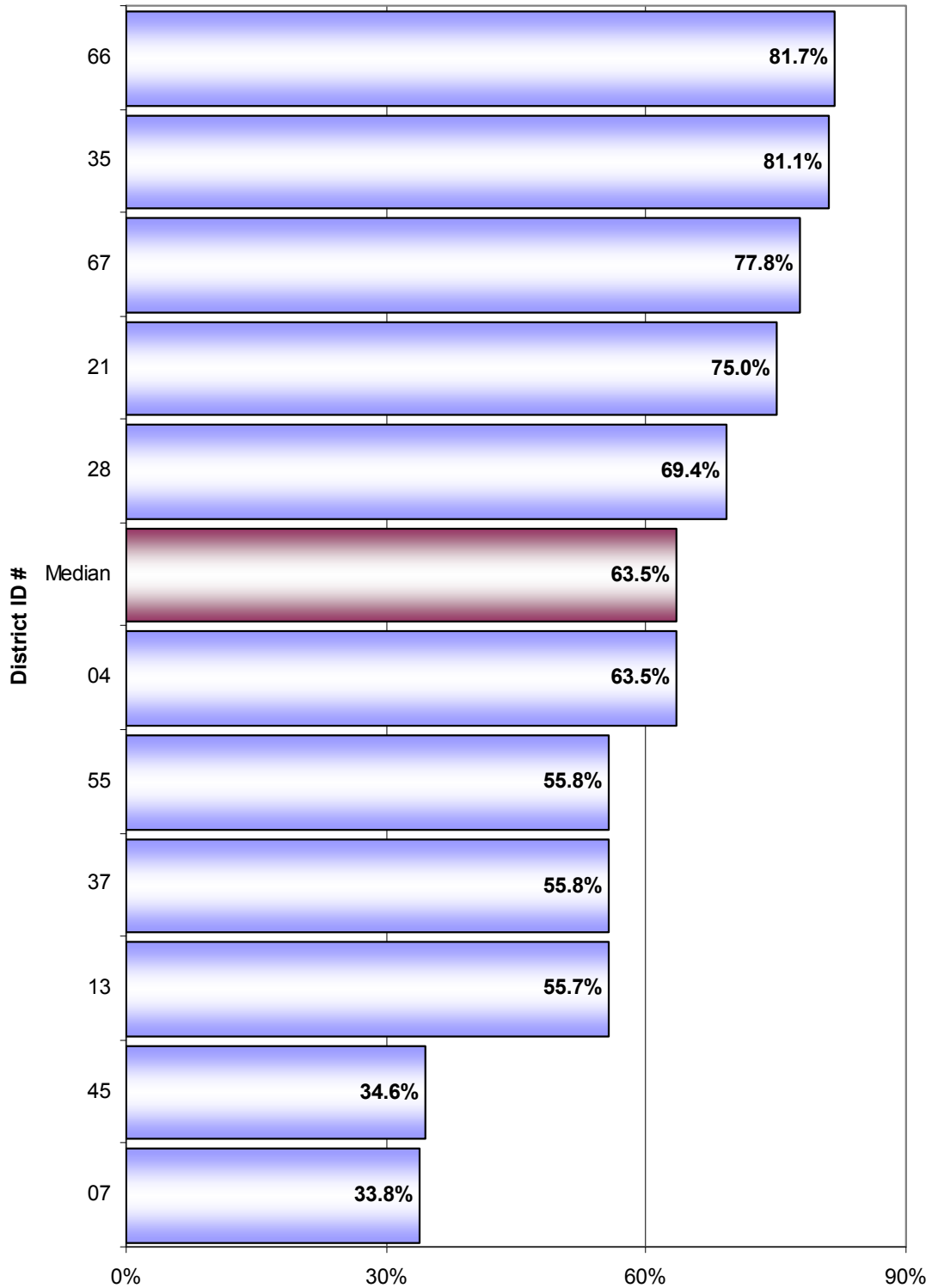
Analysis of the Data

- FY 08 > 11 districts responded
- FY 08 > High = 81.7%; Low =33.8%; Median =63.5%
- The low response and participation rates suggest that the elementary and secondary lunch programs are not being maximized.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Lunch Participation Rate



Elementary Lunch Participation Rate

Total number of lunches served daily in grades pre-kindergarten through 6th *divided by* average daily attendance in grades pre-kindergarten through 6th grade.

Why This Measure Is Important

High participation rates can indicate a high level of customer satisfaction with the school lunch program. Student customers are attracted to quality food selections that are appealing, quick to eat, and economical. High rates can also show that students get their food fast and have plenty of time to eat and socialize. Program revenue can significantly increase when a large percentage of students participate in the lunch program. Furthermore, the federal reimbursement rates for free and reduced-price students who participate in the lunch program can also contribute significantly to revenue.

Factors That Influence This Measure

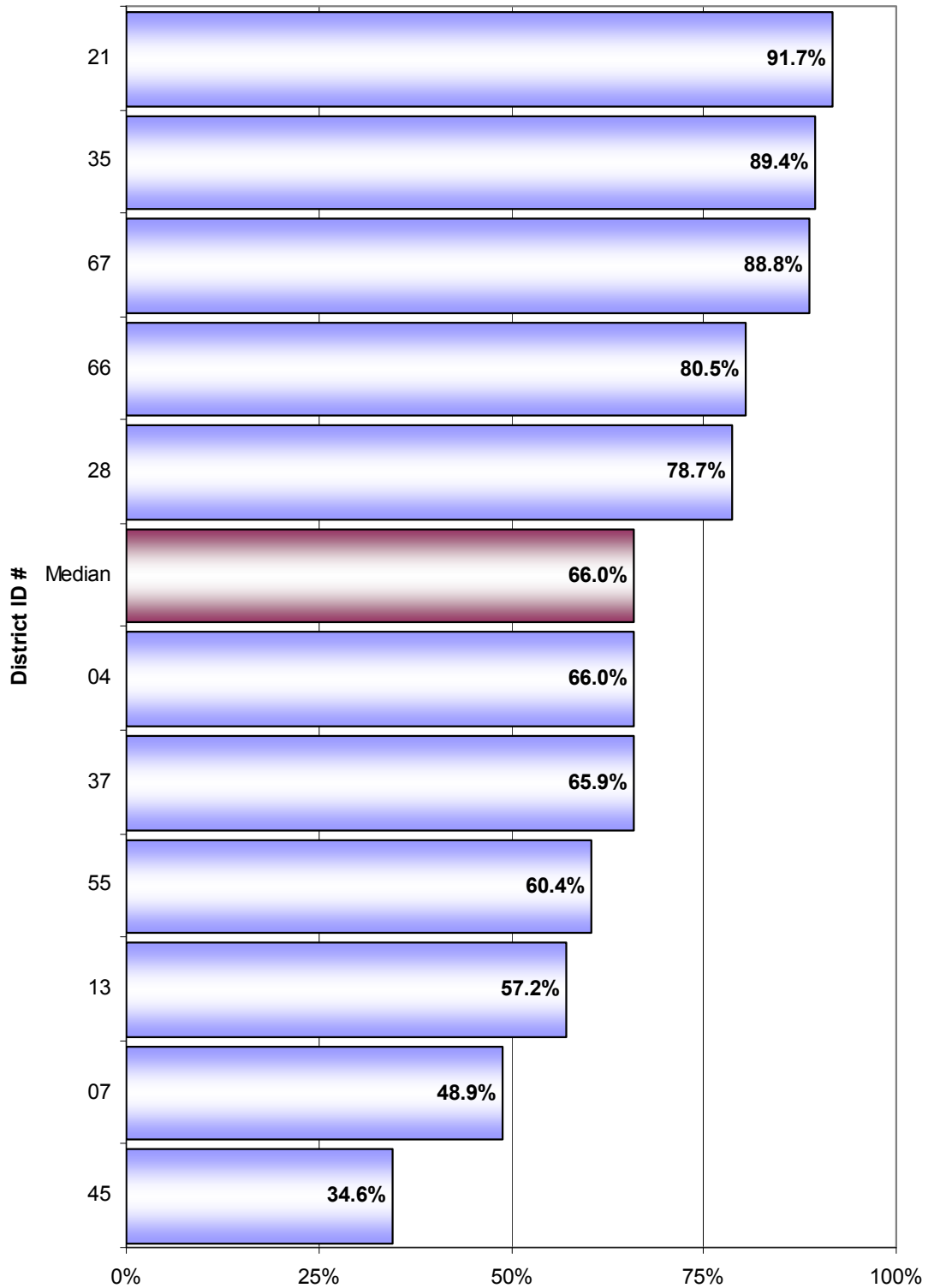
- Dining areas that are clean, attractive, and “kid-friendly”
- Adequate number of Point of Sale (POS) stations to help lines move quickly and efficiently
- A variety of menu selections
- Number and length of meal times determined by school administration
- Adequate time to eat
- Seating capacity
- The quality of customer service shown to students
- Providing an “open campus” policy
- Programs, other than school food service, that are allowed to sell food and beverages
- Prices of meals and a la carte items
- The number of students who qualify for free and reduced-price meal status
- Numerous districts reported their annual number of elementary lunches served, rather than the average daily. If that was the case, we divided the annual number of elementary lunches served by the total number of elementary school days to determine an average number of elementary lunches served. We then divided this number by the elementary average daily attendance.

Analysis of the Data

- FY 08 > 11 districts responded
- FY 08 > High = 91.7%; Low = 34.6%; Median = 66.0%

Performance Measurement & Benchmarking for K12 Operations

Elementary Lunch Participation Rate



Key Performance Indicator

Secondary Lunch Participation Rate

Total number of lunches served daily in grades 7th through 12th *divided by* average daily attendance in grades 7th through 12th

Why This Measure Is Important

High participation rates can indicate a high level of customer satisfaction with the school lunch program. Student customers are attracted to quality food selections that are appealing, quick to eat, and economical. High rates can also show that students get their food fast and have plenty of time to eat and socialize. Program revenue can significantly increase when a large percentage of students participate in the lunch program. Furthermore, the federal reimbursement rates for free and reduced-price students who participate in the lunch program can also contribute significantly to revenue.

Factors That Influence This Measure

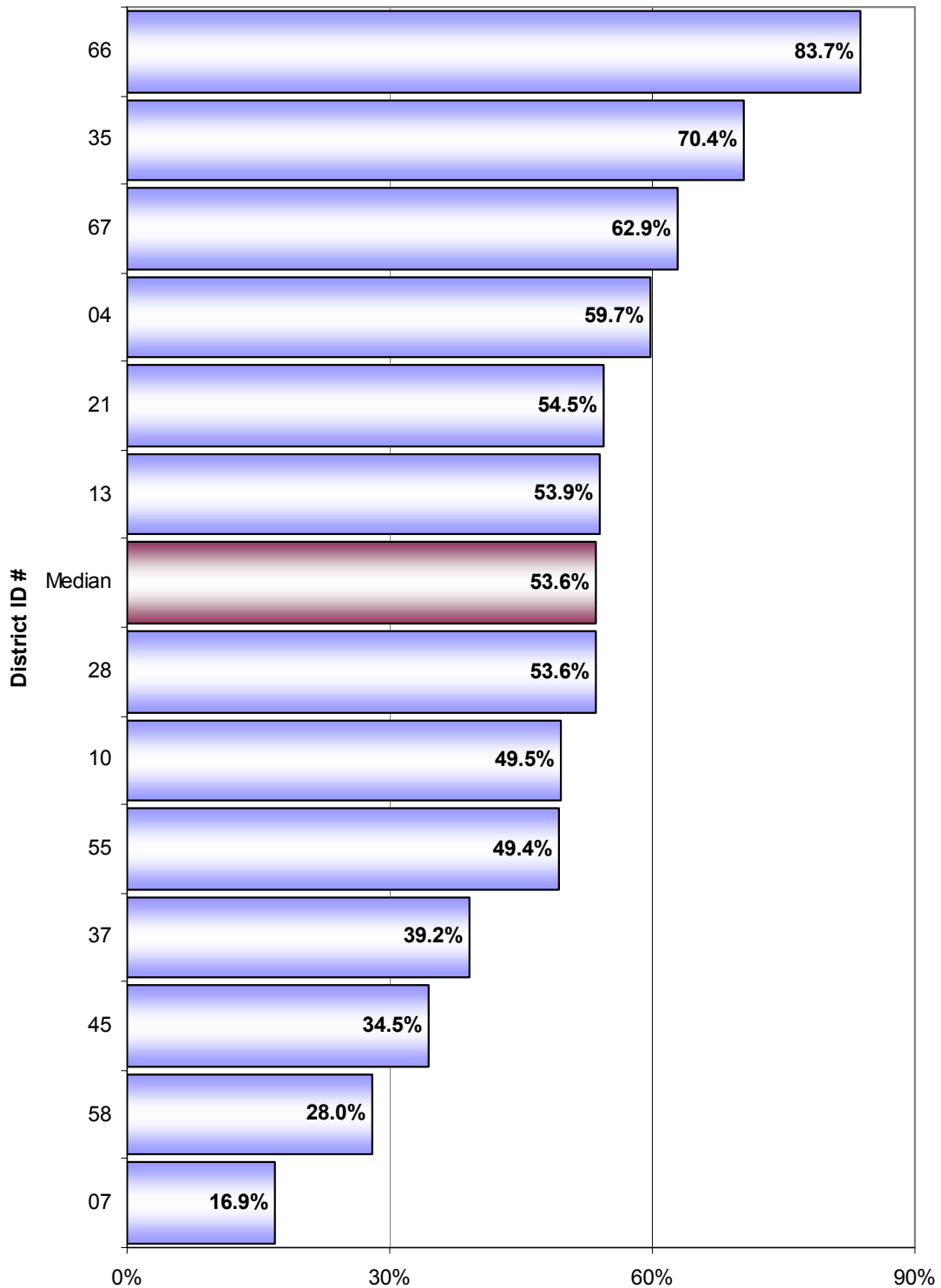
- Dining areas that are clean, attractive, and “kid-friendly”
- Adequate number of Point of Sale (POS) stations to help lines move quickly and efficiently
- A variety of menu selections
- Number and length of meal times determined by school administration
- Adequate time to eat
- Seating capacity
- The quality of customer service shown to students
- Providing an “open campus” policy
- Programs, other than school food service, that are allowed to sell food and beverages
- Prices of meals and a la carte items
- The number of students who qualify for free and reduced-price meal status
- Numerous districts reported their annual number of secondary lunches served, rather than the average daily. If that was the case, we divided the annual number of secondary lunches served by the total number of secondary school days to determine an average number of secondary lunches served. We then divided this number by the secondary average daily attendance.

Analysis of the Data

- FY 08 > 13 districts responded
- FY 08 > High = 83.7%; Low = 16.9%; Median = 53.6%

Performance Measurement & Benchmarking for K12 Operations

Secondary Lunch Participation Rate



Key Performance Indicator

Secondary Lunch Participation of Free & Reduced Eligible Students

Lunch participation rate for students in grades 7th through 12th that are eligible for free or reduced-price meals *divided by* average daily attendance in grades 7th through 12th.

Why This Measure Is Important

High participation rates can indicate a high level of customer satisfaction with the school lunch program. Student customers are attracted to quality food selections that are appealing, quick to eat, and economical. High rates can also show that students get their food fast and have plenty of time to eat and socialize. Program revenue can significantly increase when a large percentage of students participate in the lunch program. Furthermore, the federal reimbursement rates for free and reduced-price students who participate in the lunch program can also contribute significantly to revenue.

Factors That Influence This Measure

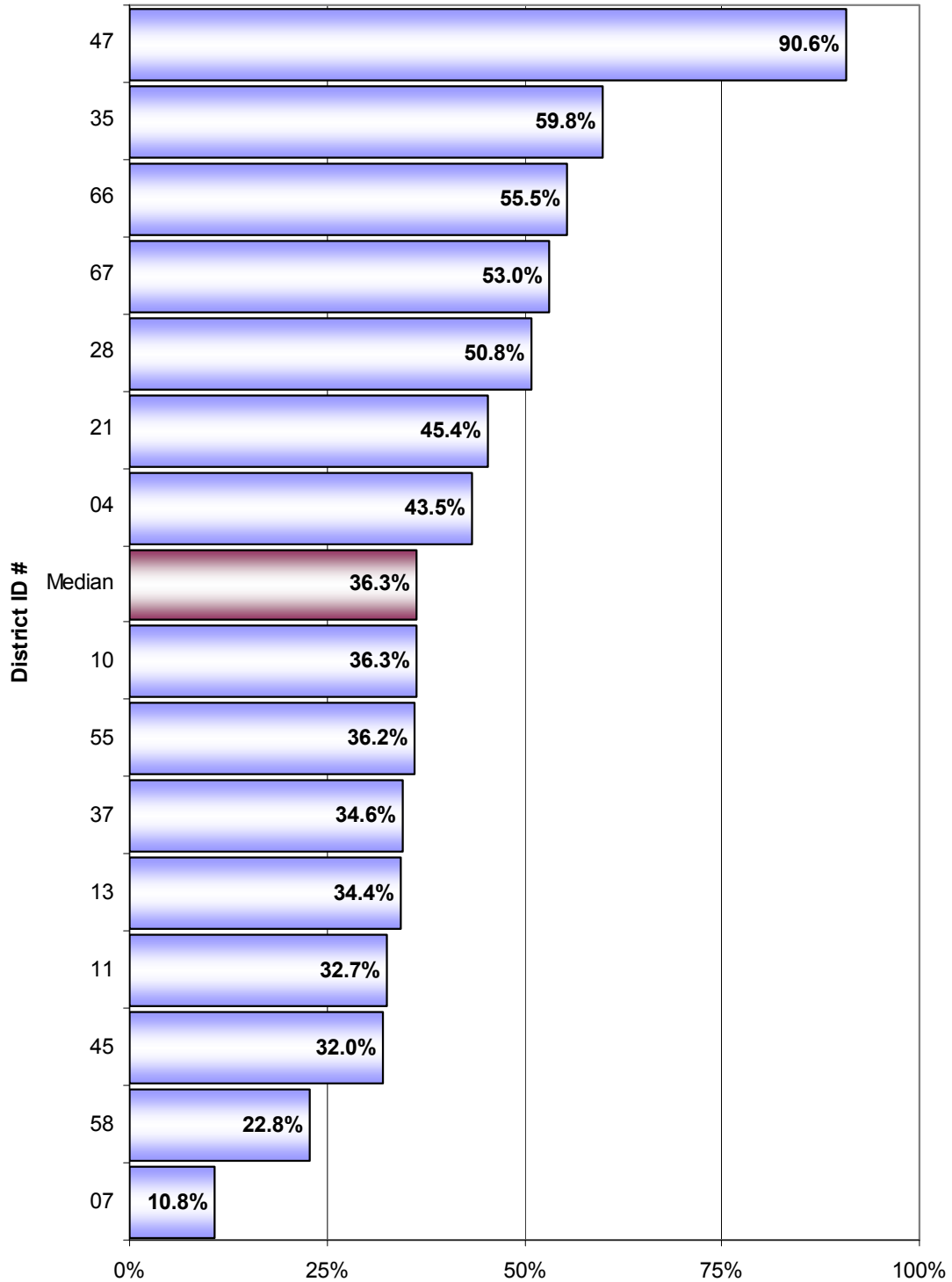
- Dining areas that are clean, attractive, and “kid-friendly”
- Adequate number of Point of Sale (POS) stations to help lines move quickly and efficiently
- A variety of menu selections
- Number and length of meal times determined by school administration
- Adequate time to eat
- Seating capacity
- The quality of customer service shown to students
- Providing an “open campus” policy
- Programs, other than school food service, that are allowed to sell food and beverages
- Prices of meals and a la carte items

Analysis of the Data

- FY 08 > 15 districts responded
- FY 08 > High = 90.6%; Low = 10.8%; Median = 36.3%

Performance Measurement & Benchmarking for K12 Operations

Secondary Lunch Participation by Free & Reduced Eligible Students



Key Performance Indicator

Secondary Lunch Participation of Paid Students

Lunch participation rate for full-price students in grades 7th through 12th *divided by* average daily attendance in grades 7th through 12th.

Why This Measure Is Important

High participation rates can indicate a high level of customer satisfaction with the school lunch program. Student customers are attracted to quality food selections that are appealing, quick to eat, and economical. High rates can also show that students get their food fast and have plenty of time to eat and socialize. Program revenue can significantly increase when a large percentage of students participate in the lunch program. Furthermore, the federal reimbursement rates for free and reduced-price students who participate in the lunch program can also contribute significantly to revenue.

Factors That Influence This Measure

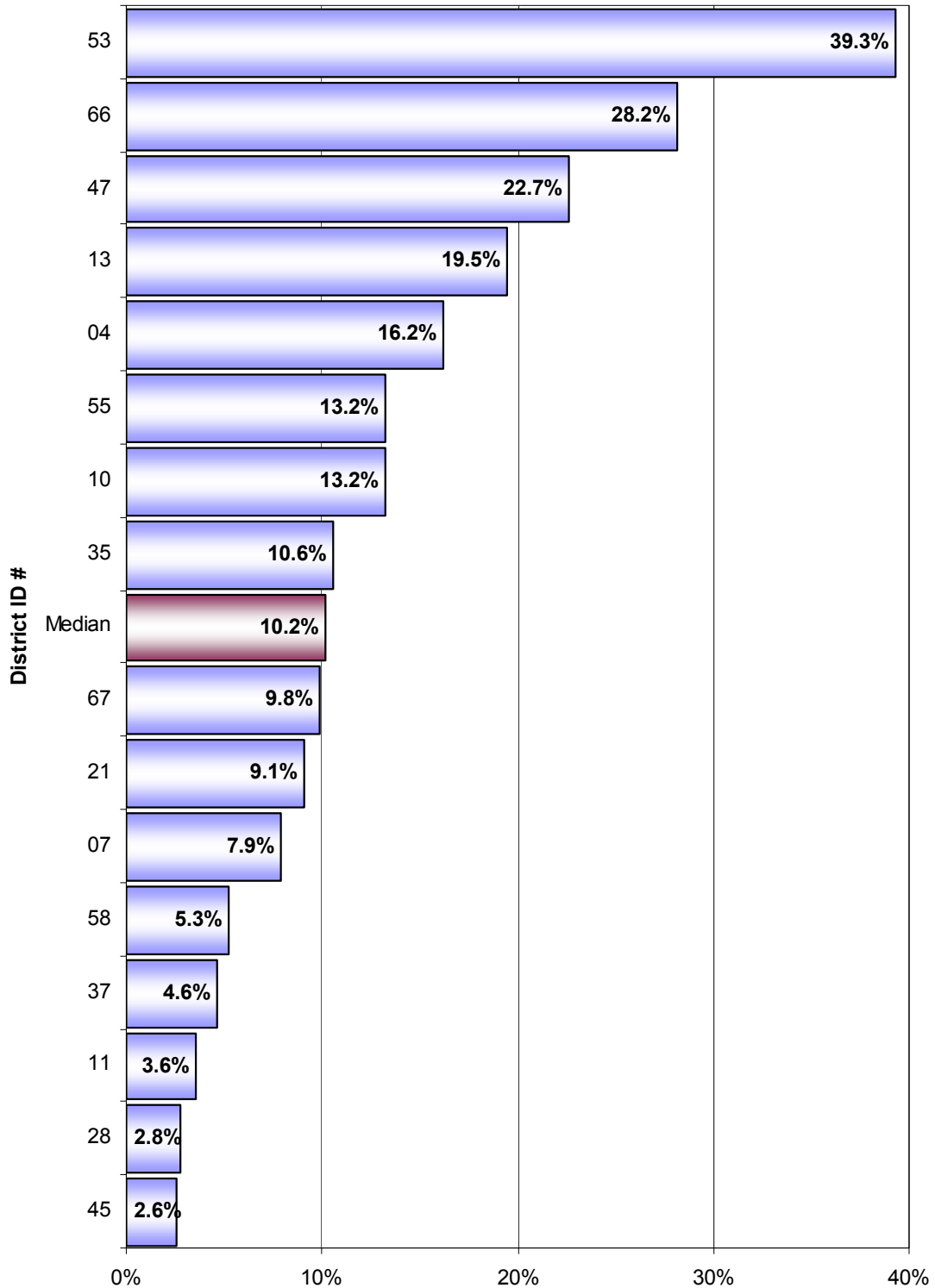
- Dining areas that are clean, attractive, and “kid-friendly”
- Adequate number of Point of Sale (POS) stations to help lines move quickly and efficiently
- A variety of menu selections
- Number and length of meal times determined by school administration
- Adequate time to eat
- Seating capacity
- The quality of customer service shown to students
- Providing an “open campus” policy
- Programs, other than school food service, that are allowed to sell food and beverages
- Prices of meals and a la carte items

Analysis of the Data

- FY 08 > 16 districts responded
- FY 08 > High = 39.3%; Low = 2.6%; Median = 10.2%

Performance Measurement & Benchmarking for K12 Operations

Secondary Lunch Participation by Paid Students



Key Performance Indicator

Secondary Lunch Participation for Open v. Closed Campuses

Secondary lunch participation rate for students in grades 7th through 12 *divided by* average daily attendance in grades 7th through 12th in open v. closed campuses.

Why This Measure Is Important

High participation rates can indicate a high level of customer satisfaction with the school lunch program. Student customers are attracted to quality food selections that are appealing, quick to eat, and economical. High rates can also show that students get their food fast and have plenty of time to eat and socialize. Program revenue can significantly increase when a large percentage of students participate in the lunch program. Furthermore, the federal reimbursement rates for free and reduced-price students who participate in the lunch program can also contribute significantly to revenue.

Factors That Influence This Measure

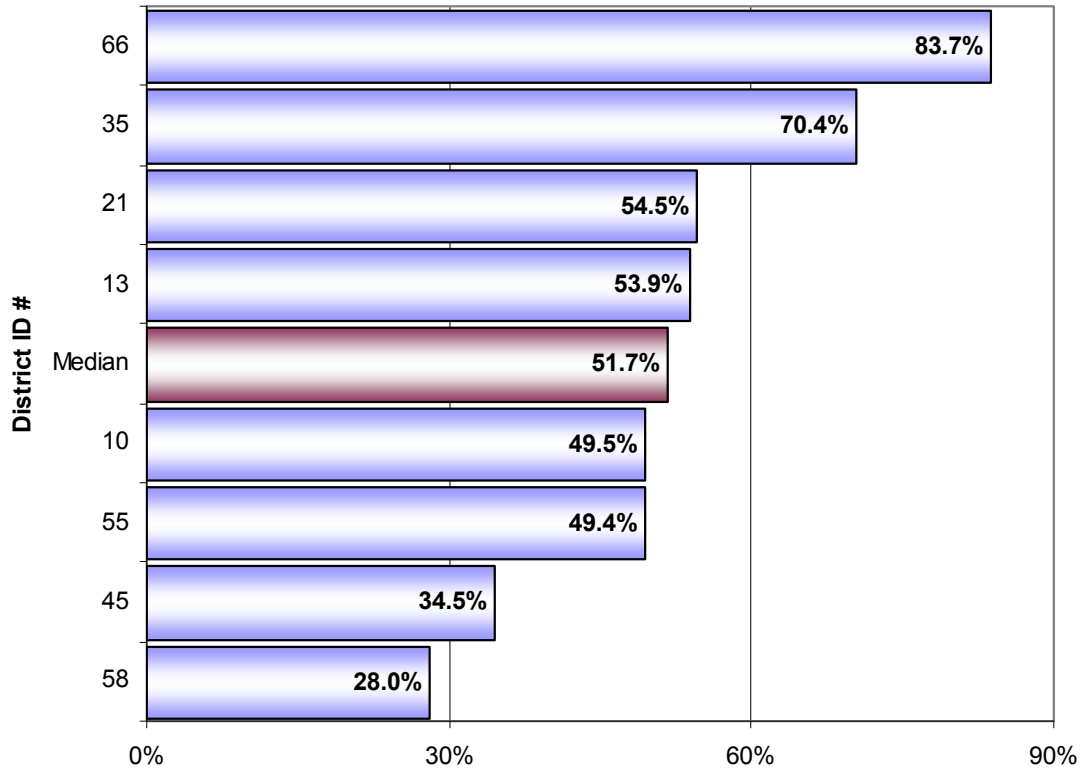
- Providing an “open campus” policy
- Proximity of school building to restaurants
- Programs, other than school food service, that are allowed to sell food and beverages
- A variety of menu selections
- Number and length of meal times determined by school administration
- Dining areas that are clean, attractive, and “kid-friendly”
- Adequate number of Point of Sale (POS) stations to help lines move quickly and efficiently
- Adequate time to eat
- Seating capacity
- The quality of customer service shown to students
- Prices of meals and a la carte items
- The number of students who qualify for free and reduced-price meal status

Analysis of the Data

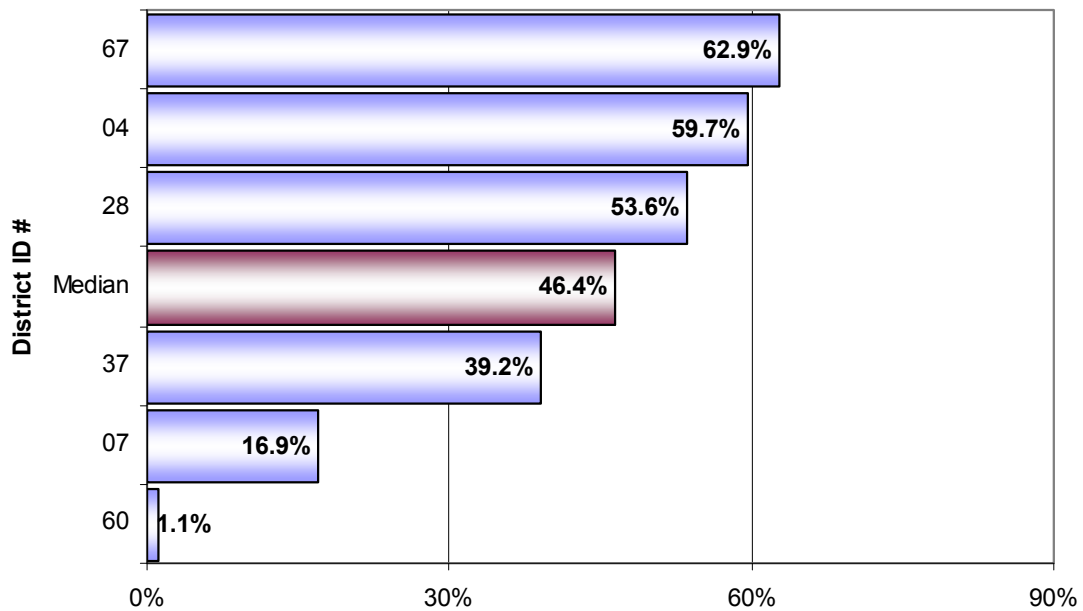
- FY 08 > 14 districts responded
- FY 08 > Closed Campus: High = 83.7%; Low = 28.0%; Median = 51.7%
- FY 08 > Open Campus: High = 62.9%; Low = 46.4%; Median = 46.4%

Performance Measurement & Benchmarking for K12 Operations

Secondary Lunch Partipation for Closed Campuses



Secondary Lunch Participation for Open Campuses



Key Performance Indicator

District Meets Federal Nutrition Standards

Did your district meet SMI nutrient standards during the last SMI Review (Yes/No)?¹

Why This Measure Is Important

School districts that administer federally-funded school meals programs must comply with federal and state requirements pertaining to free and reduced price meals and free milk.

Factors That Influence This Measure

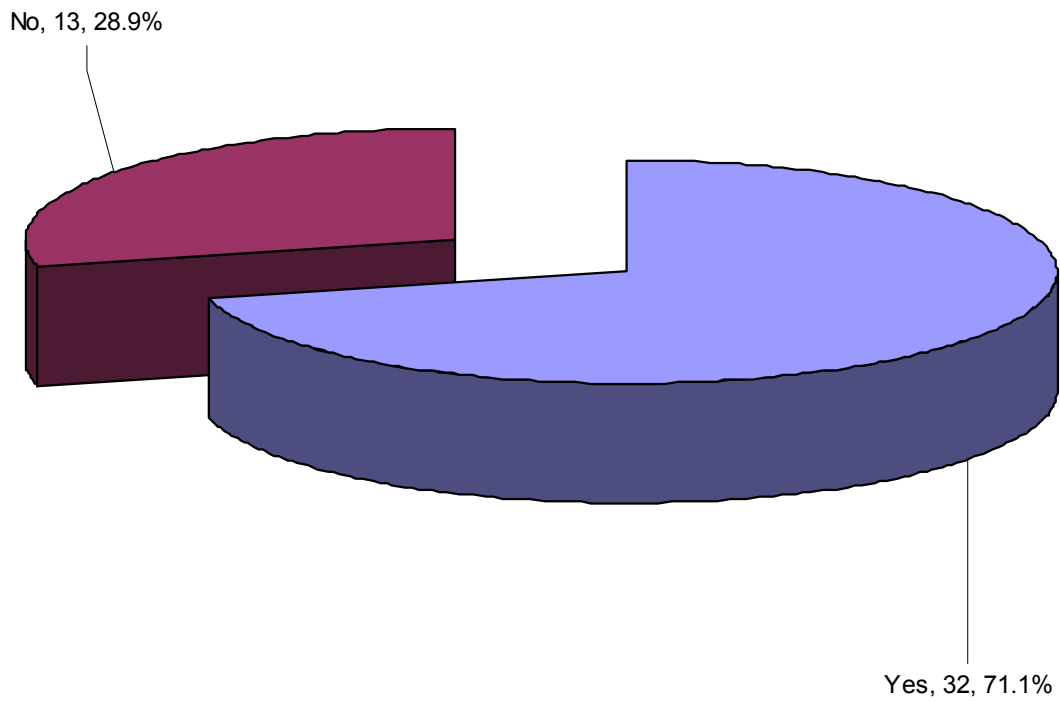
- Publication of school meals menus
- Standardized recipes for all items served
- Food production records and methods
- Availability of nutritional facts labels or nutrient analysis data

Analysis of the Data

- FY 08 > 45 districts responded
- FY 08 > Yes = 71.1%; No = 28.9%
- The districts that were successful in their SMI reviews could exchange best practices with other districts.

¹ The School Meals Initiative includes regulations set forth by the USDA that define how the *Dietary Guidelines* and other nutrition standards apply to school meals. This initiative includes actions to support state agencies, school food authorities, and communities in improving school meals and encouraging children to improve their overall diets.

District Meets Federal Nutrition Standards



ServSafe or Equivalent Staff per Site

Number of food service staff that are ServSafe or equivalent-certified *divided by* the number of sites that serve meals to students.²

Why This Measure Is Important

The measure is indicative of a district's intention to provide a safe and sanitary dining environment for students and staff.

Factors That Influence This Measure

- State requirements for food service workers
- District policy for staff

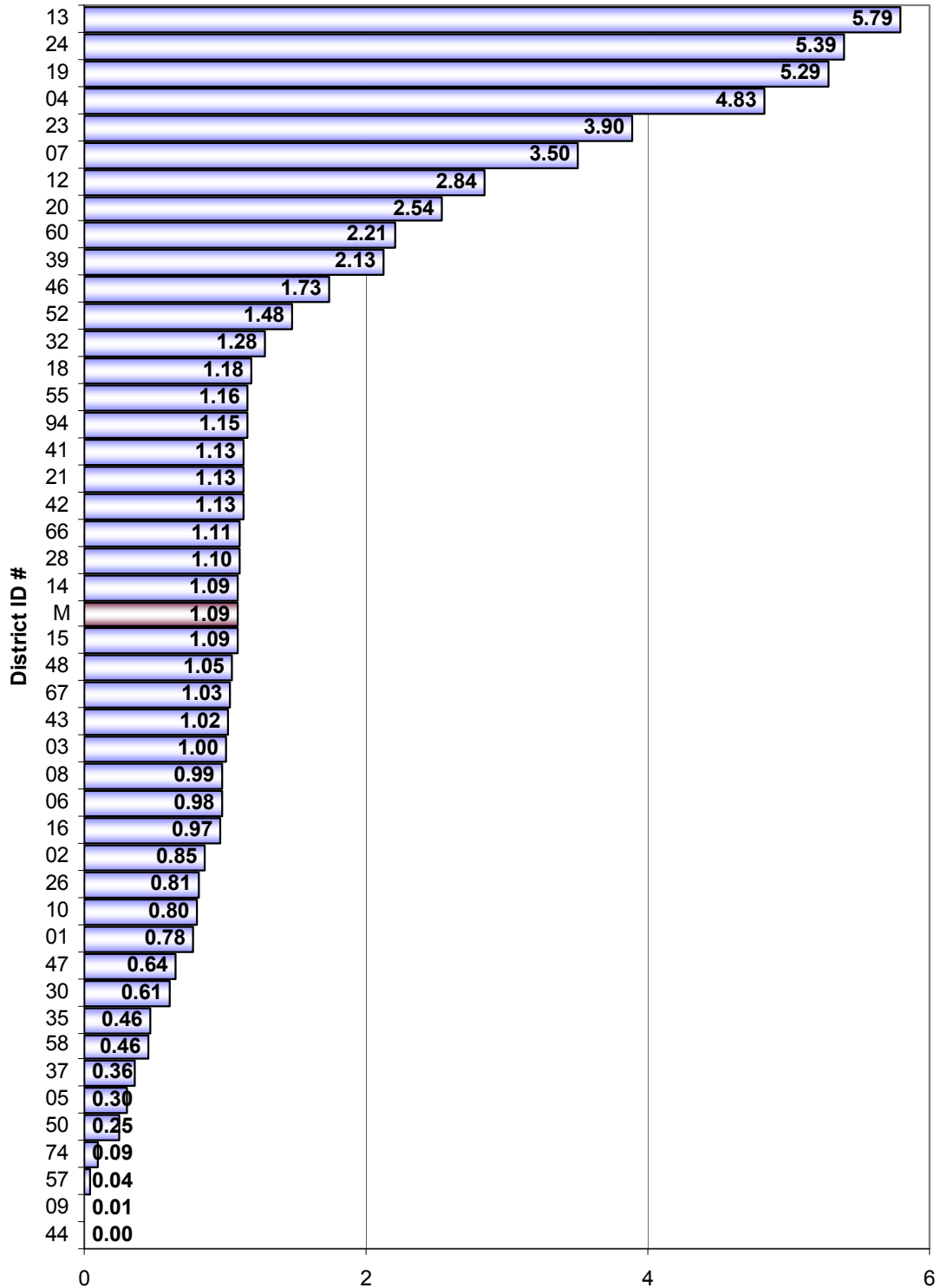
Analysis of the Data

- FY 08 > 45 districts responded
- FY 08 > High = 5.79; Low = 0.00; Median = 1.09

² ServSafe or equivalent food safety certification covers the handling, preparation, and storage of food in ways that prevent food-borne illnesses. This includes a number of routines that should be followed to avoid potentially severe health hazards.

Performance Measurement & Benchmarking for K12 Operations

ServSafe or Equivalent Certified Staff per Site



Key Performance Indicator

Sites with POS

Number of sites that use point of sale technology that electronically uploads data daily to the central office from the site *divided by* number of sites that serve meals to students

Why This Measure Is Important

This measure indicates the extent to which the level of technology is used to improve meal accountability and reduce the risk of error. Point of Sales systems provide for confidentiality, potential labor savings, accurate meal claims, and less opportunity for theft or fraud.

Factors That Influence This Measure

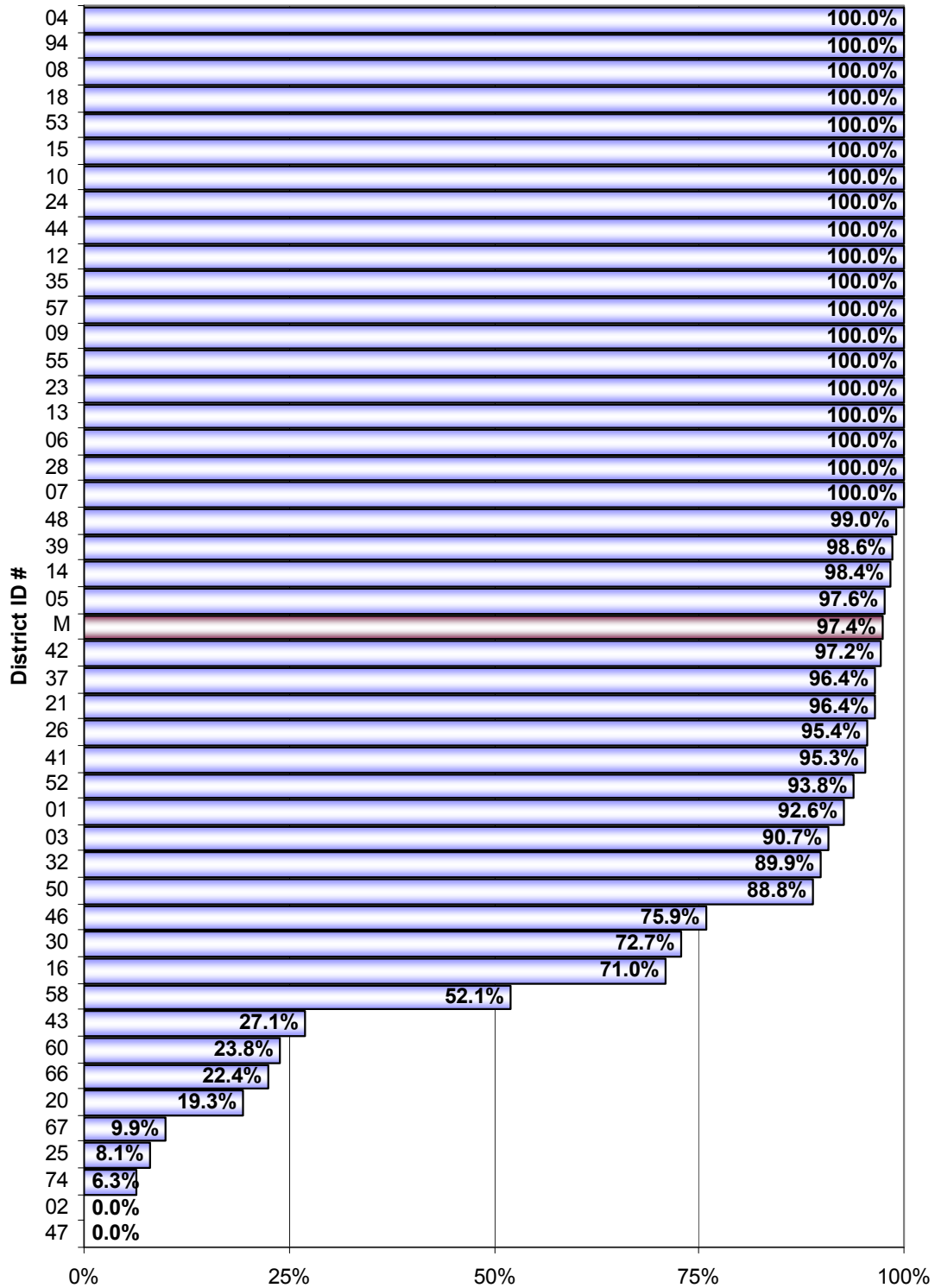
- Technological infrastructure (i.e. servers, data management systems, etc.)
- School meal participation
- Student identification protocol (i.e. biometrics, PIN codes, etc.)
- State and federal reporting requirements

Analysis of the Data

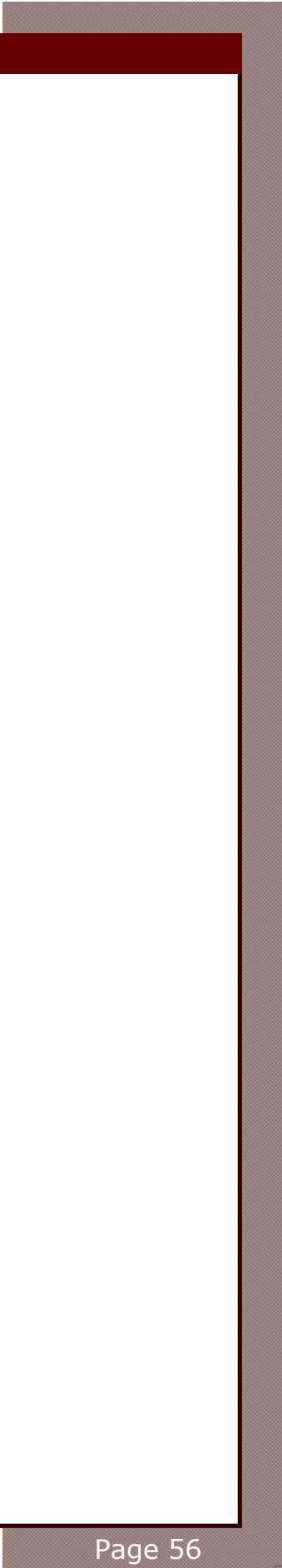
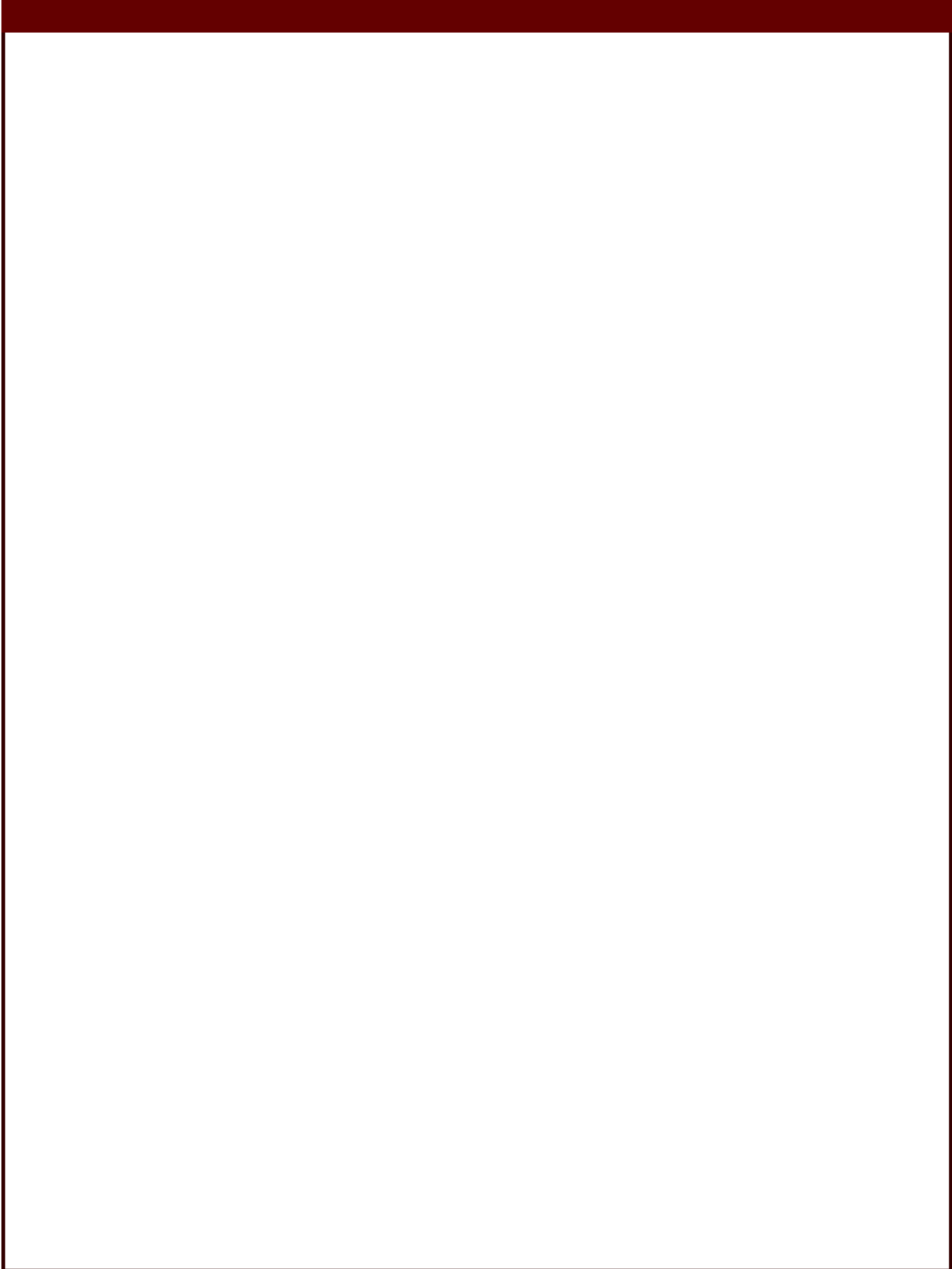
- FY 08 > 46 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 97.4%

Performance Measurement & Benchmarking for K12 Operations

Sites with POS



Key Performance Indicator



Maintenance & Operations

Custodial Cost per Square Foot (ACCRA adjusted³)

Total custodial expenditures including labor, benefits, supplies and other expenditures *divided by* total district square footage.

Why This Measure Is Important

This measure is an important indicator of the efficiency of custodial operations. The value is impacted not only by operational effectiveness, but also by labor costs, material and supply costs, supervisory overhead costs as well as other factors. This indicator can be used as an important comparison with other districts to identify opportunities for improvement in custodial operations to reduce costs.

Factors That Influence This Measure

- Cost of labor
- Cost of supplies and materials
- Scope of duties assigned to custodians

Analysis of the Data

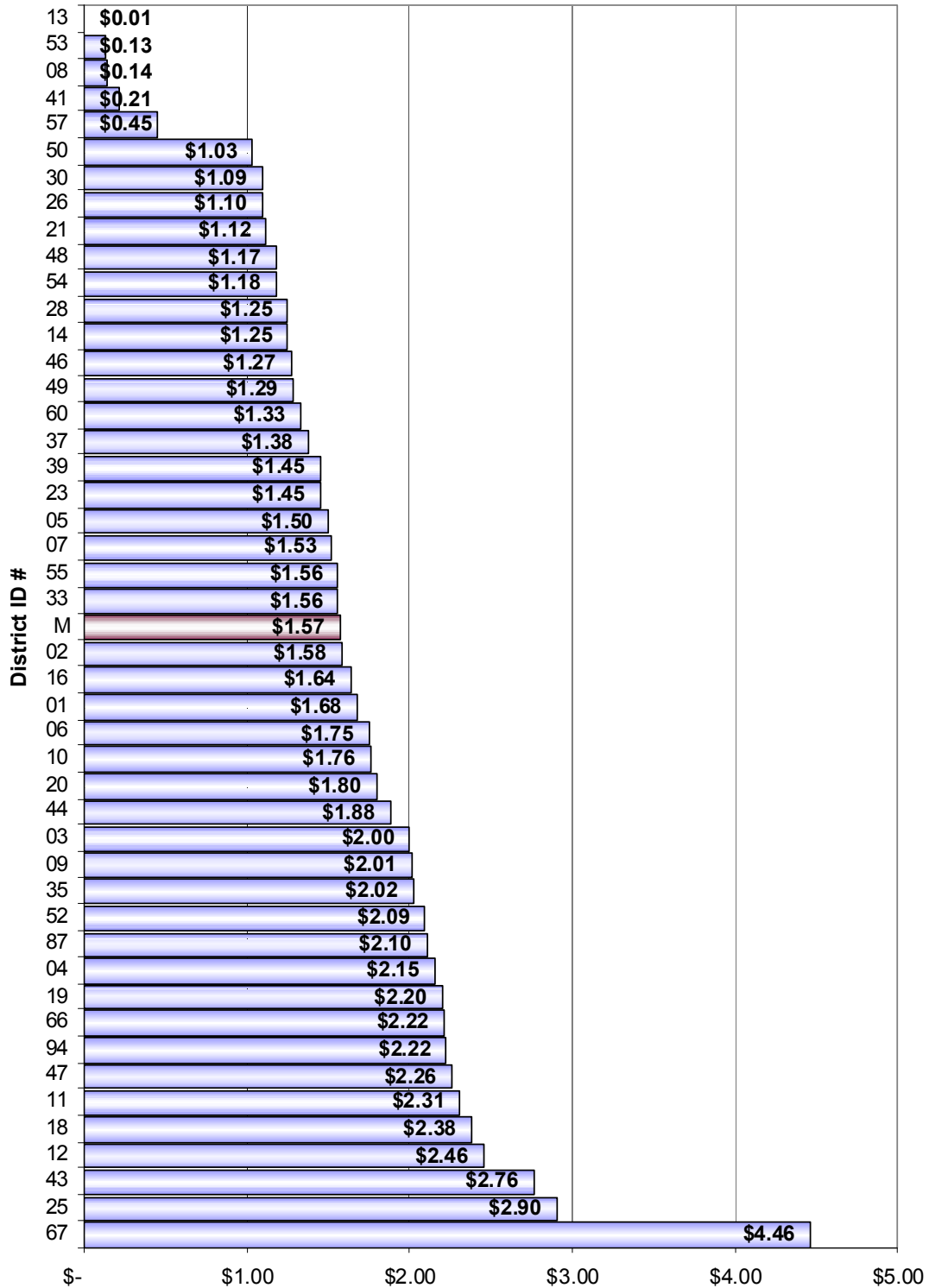
- FY 08 > 46 districts responded
- FY 08 > Low =\$0.01; High = \$4.46; Median =\$1.57
- 26 districts have custodial costs per square foot between \$1.00 and \$2.00, with the median at \$1.78.

³ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Custodial Cost per Square Foot (ACCRA Adjusted)



Custodial Workload

Total district square footage *divided by* total number of custodians.

Why This Measure Is Important

This measurement is a very good indicator of workload for each custodian. It allows districts to compare their operations with others to evaluate the relative efficiency of the custodial employees. A value on the low side could indicate that custodians may have additional assigned duties, or have opportunities for efficiencies as compared to districts with a higher ratio. A higher number could indicate a well-managed custodial program or that some housekeeping operations are assigned to other employee classifications. It is important for a district to examine what drives the ratio to determine the most effective workload.

Factors That Influence This Measure

- Assigned duties for custodians
- Management effectiveness
- Labor agreements
- District budget

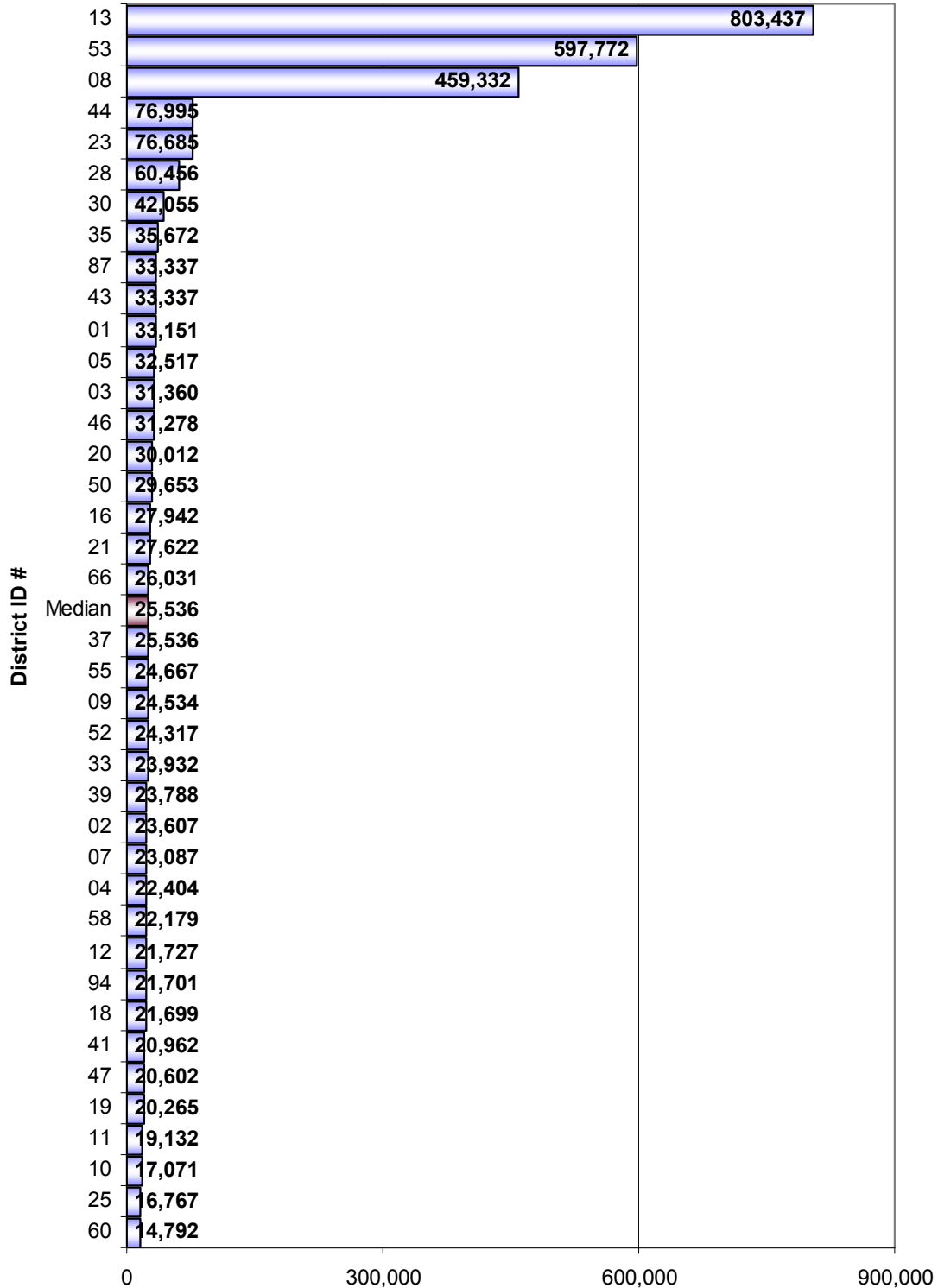
Analysis of the Data

- FY08 > 39 districts responded
- FY 08 > High =803,437; Low = 14,792; Median = 5,536
- While most districts cluster near the median, 3 districts reported a very high square foot to custodian ratio, which could be a reporting error.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Custodial Workload (Square Footage per Custodian)



M&O Expenditures as Percent of General Fund Expenditures

Total Maintenance and Operations department expenditures *divided by* total district general fund expenditures

Why This Measure Is Important

This measure is an indicator of the level of support for maintenance operations being provided by the general fund. A low percentage would indicate that other sources of funds must be provided to meet the maintenance needs. A low percentage could also be an indication that not all of the required maintenance is being performed resulting in a large amount of deferred maintenance.

Factors That Influence This Measure

- Overall funding level for the general fund
- Availability of other funds sources to perform maintenance
- Age and condition of district buildings
- Deferred maintenance decisions

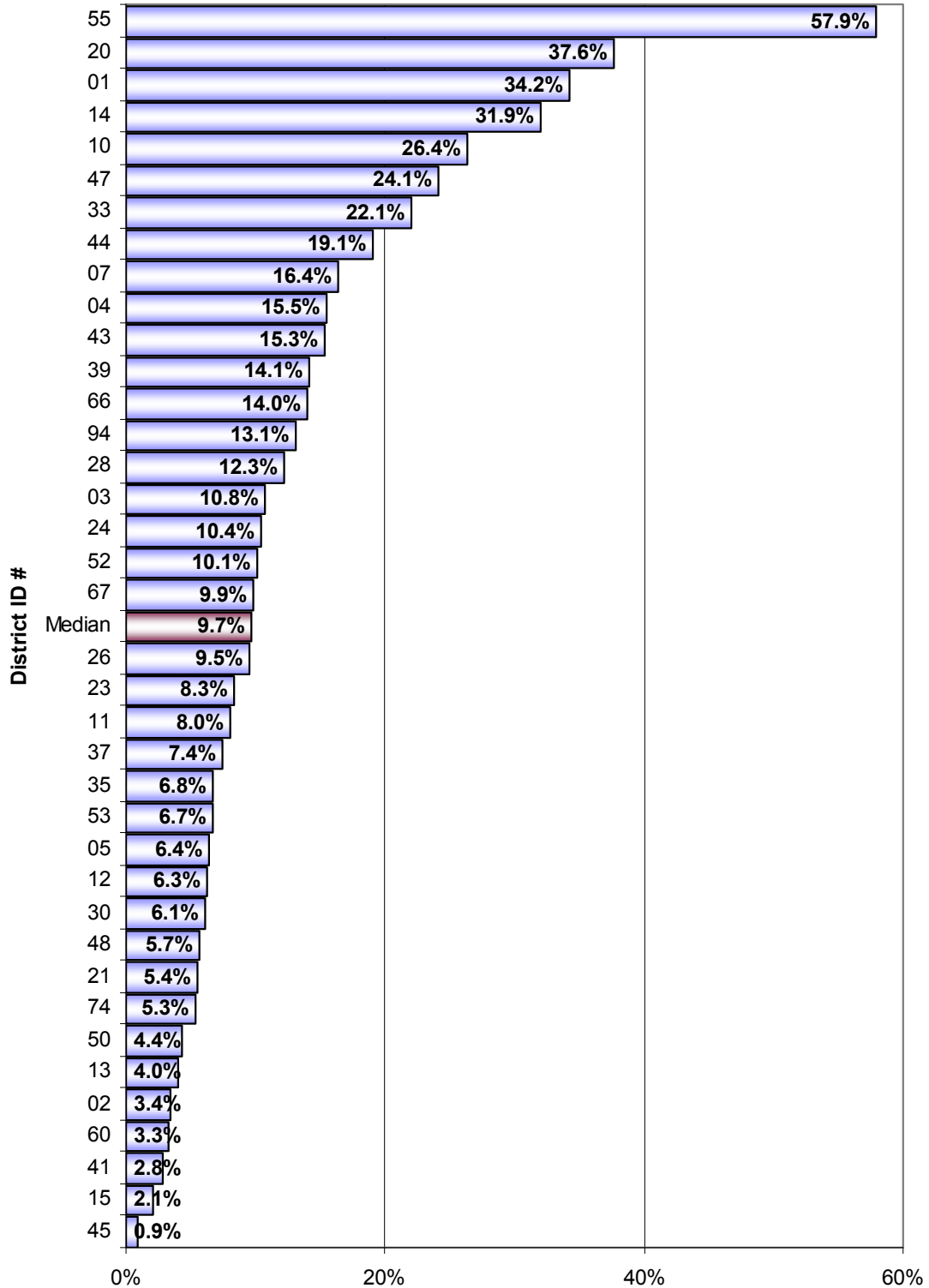
Analysis of the Data

- FY 08 > 38 districts responded
- FY 08 > High =57.9%; Low = 0.9%; Median = 9.7%
- Most respondents report that 5% to 15% of the general fund is expended for maintenance and operations, but the range of responses did not result in a cluster that would point to an industry standard.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

M&O Expenditures as Percent of General Fund Expenditures



Maintenance Cost per Square Foot (ACCRA adjusted⁴)

Total maintenance expenditures – major and routine – including labor, benefits, supply and other expenditures *divided by* total district square footage

Why This Measure Is Important

This measure is an indicator of the relative cost for a district to maintain its buildings. Regional labor and material cost differences will influence the measure. A high number may indicate a large amount of deferred maintenance while a lower number could reflect newer buildings in a district.

Factors That Influence This Measure

- Age of buildings
- Amount of deferred maintenance
- Labor costs
- Material Costs and purchasing practices
- Layout of buildings

Analysis of the Data

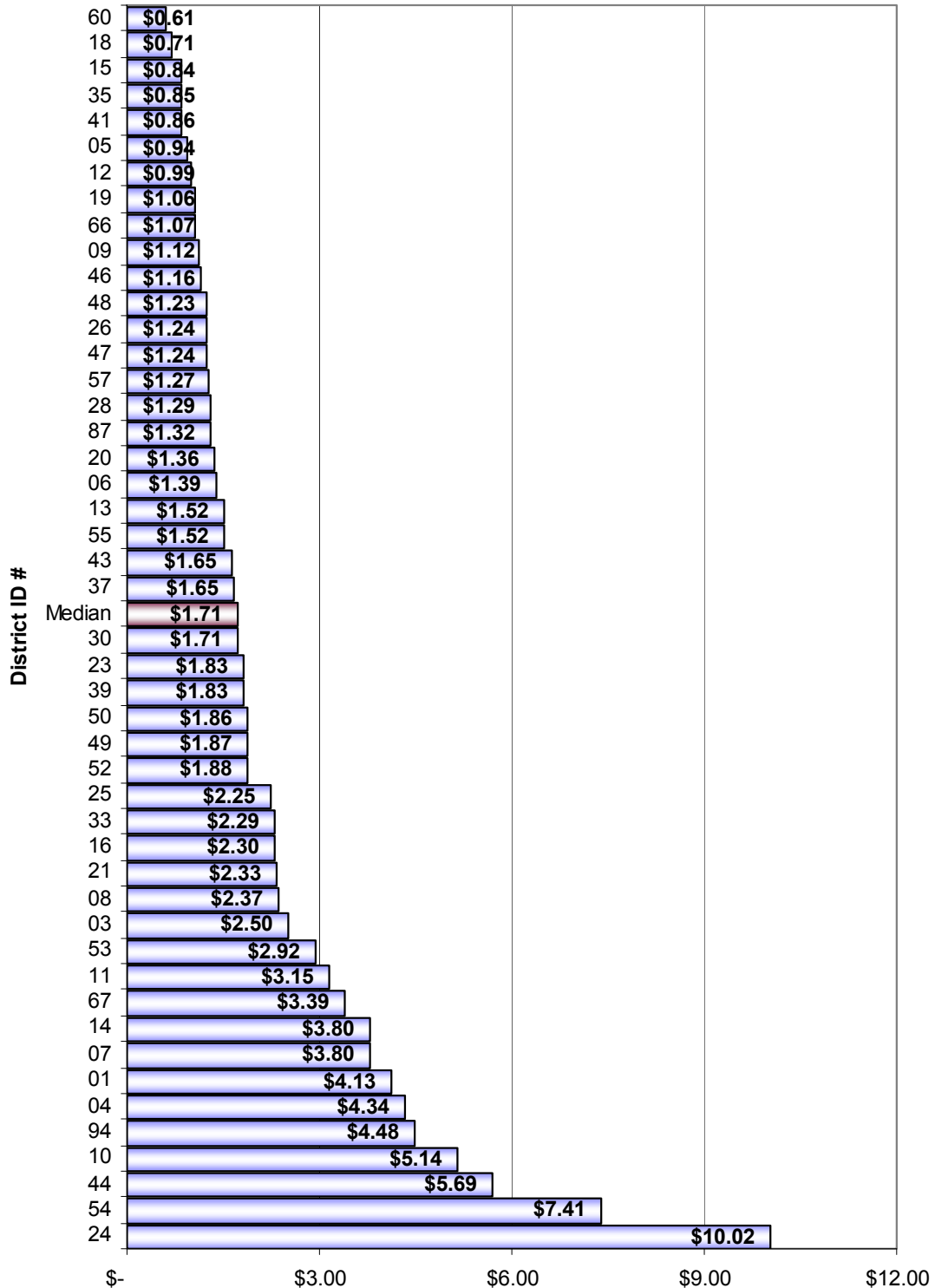
- FY 08 > 47 districts responded
- FY 08 > High = \$10.02; Low = \$0.61; Median = \$1.71
- 7 districts reported cost per square foot below \$1.00; 14 districts reported between \$1.00 and \$2.00; and 13 between \$2.00 and \$4.00.

⁴ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Maintenance Cost per Square Foot (ACCRA Adjusted)



Work Order Completion Time

Average number of days to complete a work order

Why This Measure Is Important

This measure is an indicator of a district's timeliness in completing work orders. It allows districts to compare their operations with others in order to evaluate the relative response times of their maintenance employees. Districts with lower completion times are more likely to have a management system in place with funding to address repairs. They are also more likely to have higher rates of customer satisfaction than those with longer wait times.

Factors That Influence This Measure

- Number of maintenance employees
- Management effectiveness
- Automated work order tracking
- Labor agreements
- Funding to address needed repairs
- Existence of work flow management process

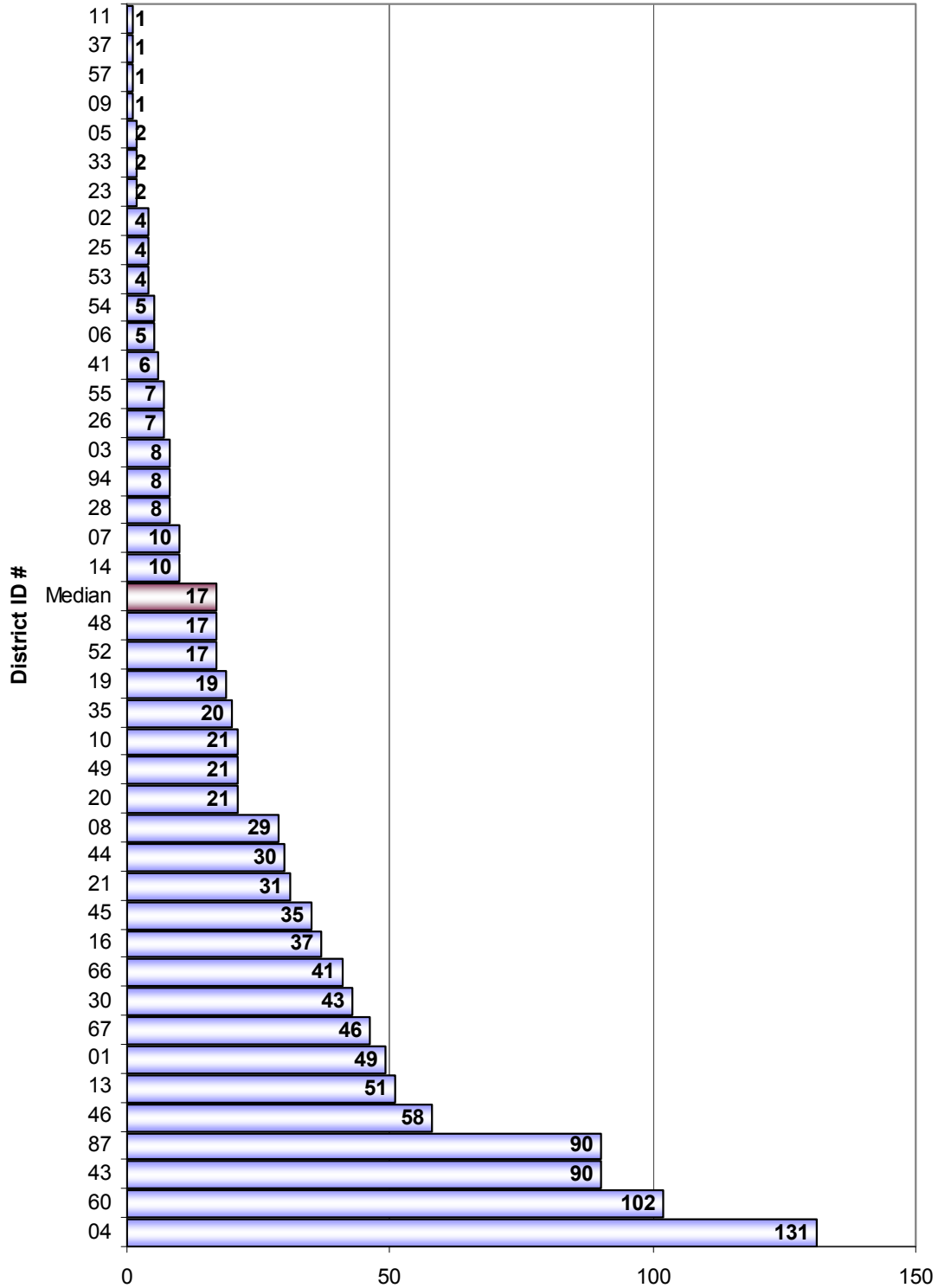
Analysis of the Data

- FY 08 > 42 districts responded
- FY 08 > High = 131.0; Low =1.0; Median =17.0
- 20 of the responding districts completed work orders within two weeks; and 18 of the remaining districts took one month or more to complete their work orders, with the longest taking more than three months to do so.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Work Order Completion Time in Days



Custodial Supply Cost per Square Foot (ACCRA adjusted⁵)

Total custodial supply and equipment expenditures only *divided by* total district square footage.

Why This Measure Is Important

This measure is an indicator of the relative effectiveness of a district's use of custodial supplies and materials. A higher number may indicate cost-savings opportunities that can be gained by changes in policies or procedures.

Factors That Influence This Measure

- Regional price differences for supplies and materials
- Student density in a building (more students per square foot)
- Number of after-hours and community events in the building
- Purchasing practices

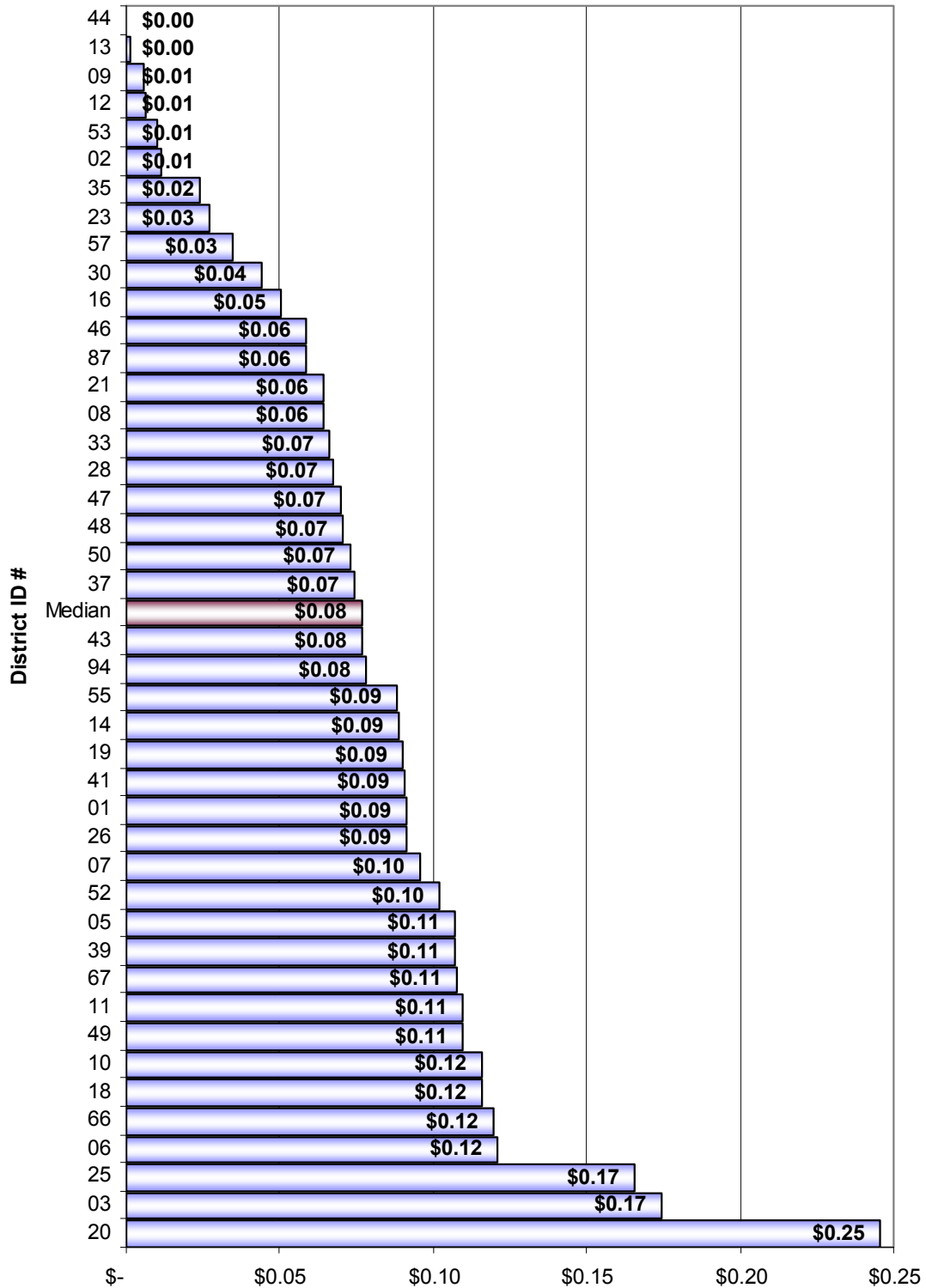
Analysis of the Data

- FY 08 > 43 districts responded
- FY 08 > Low = \$0.00; High = \$0.25; Median = \$0.08
- The tightest cluster reports supply and equipment costs of \$.05 to \$.07 per square foot.

⁵ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Custodial Supply Cost per Square Foot (ACCRA Adjusted)



Key Performance Indicator

Maintenance Workers per 100,000 Square Feet

Total number of maintenance workers *divided by* 100,000 district square footage.

Why This Measure Is Important

This measure is an indicator of the level of all staffing for maintenance operations, including custodial, grounds and routine maintenance. It allows districts to compare their total maintenance staffing patterns to other similar operations.

Factors That Influence This Measure

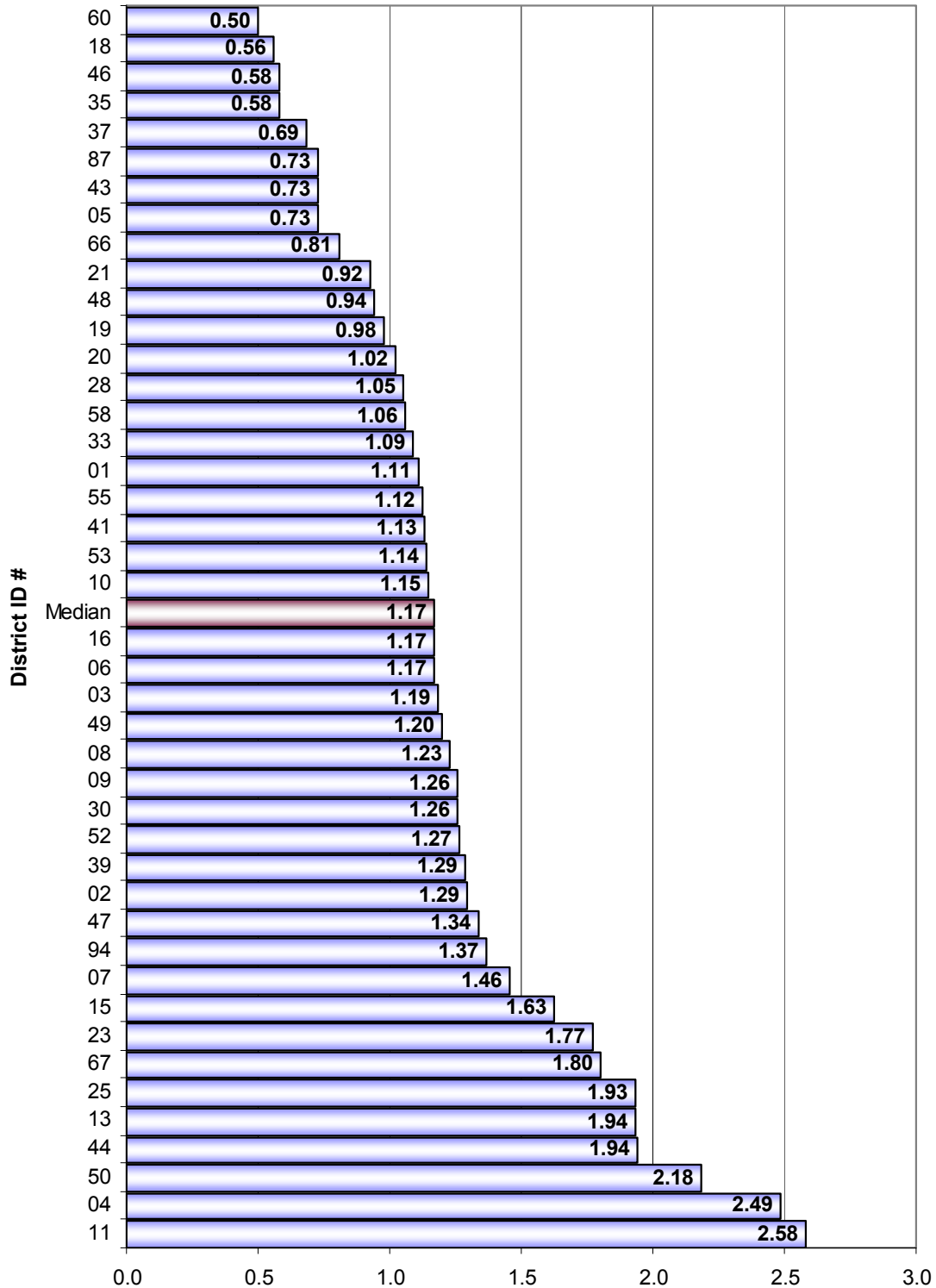
- Funds available for staff maintenance operations
- Level of in-house vs. contract maintenance
- Classification of individuals who perform various maintenance functions

Analysis of the Data

- FY 08 > 43 districts responded
- FY 08 > Low = 0.50; High = 2.58; Median =1.17
- About half of the districts (22) fell into a cluster between 0.9 and 1.3 workers per square foot.
- The highs and lows in the data are significantly different, suggesting these districts have policies or local conditions that require a different ratio.
- Staffing levels appear to be decreasing over time. Future data will determine if this is an efficiency trend.

Performance Measurement & Benchmarking for K12 Operations

Maintenance Workers per 100,000 Square Feet



Key Performance Indicator

Percent Portable Square Footage

Total square footage of portable space *divided by* total district square footage.

Why This Measure Is Important

This measure is an indicator of a district's ability to provide permanent classroom space for its students. A high percentage might indicate difficulty in obtaining capital funds for construction of permanent classrooms. It could also indicate a rapidly increasing student population that outpaces capital funding available to support growth.

Factors That Influence This Measure

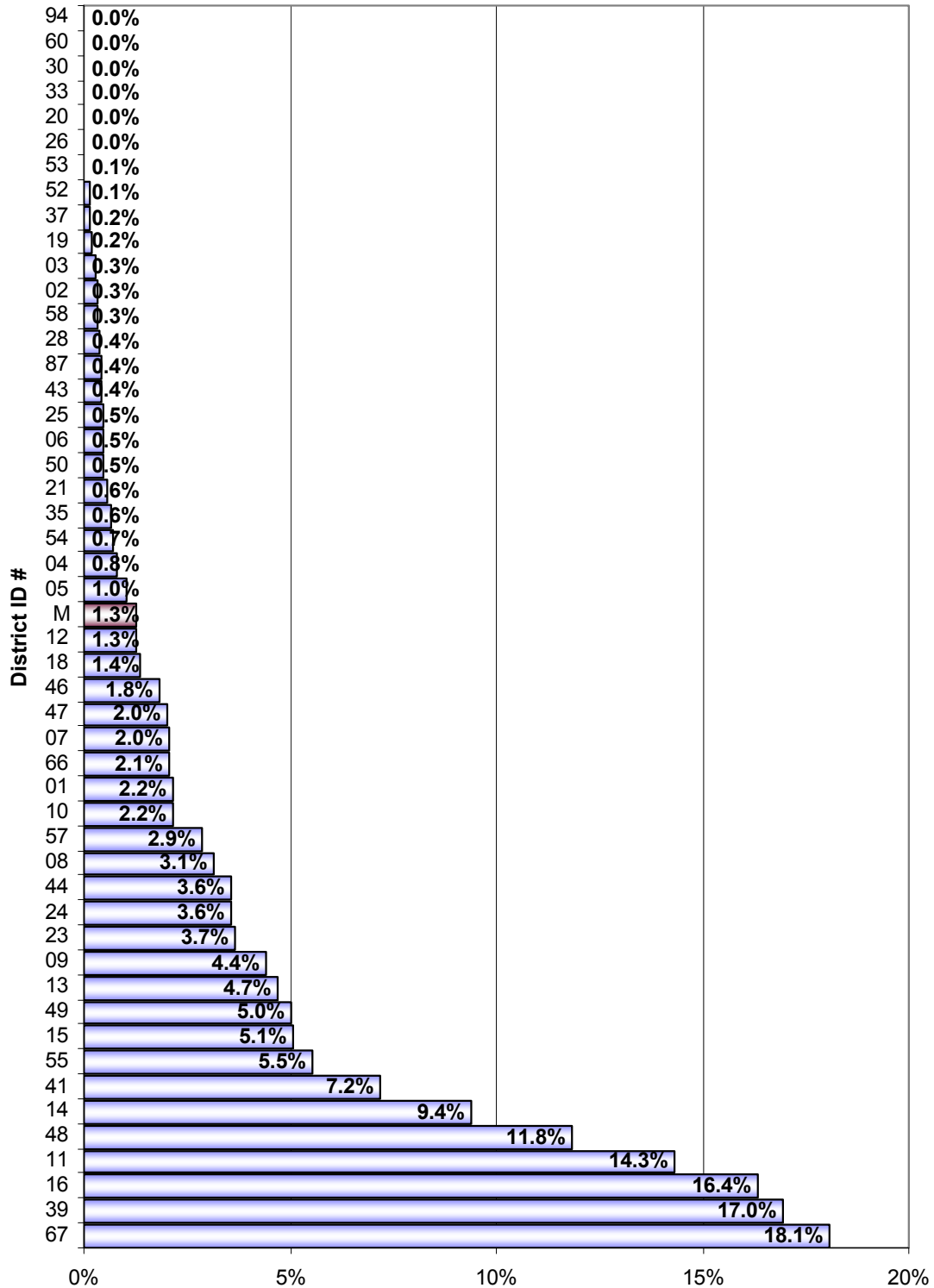
- Rate of increase or decrease in student population
- Funds available for classroom construction
- Demographic shifts in the districts student population
- Timing of construction related to growth

Analysis of the Data

- FY 08 > 49 districts responded
- FY 08 > Low = 0.0%; High = 18.1%; Median =1.3%

Performance Measurement & Benchmarking for K12 Operations

Percent of Portables



Key Performance Indicator

Utility Usage per Square Foot

Annual electricity kWh usage times 3.412, plus annual heating fuel kBTU usage *divided by* total district square footage.

Why This Measure Is Important

This measures the efficiency of the districts' heating and cooling operations. It may also reflect a district's effort to reduce energy consumption through conservation measures being implemented by building occupants as well as maintenance and operations personnel. Higher numbers signal an opportunity to evaluate fixed and variable cost factors and identify those factors that can be modified for greater efficiency.

Factors That Influence This Measure

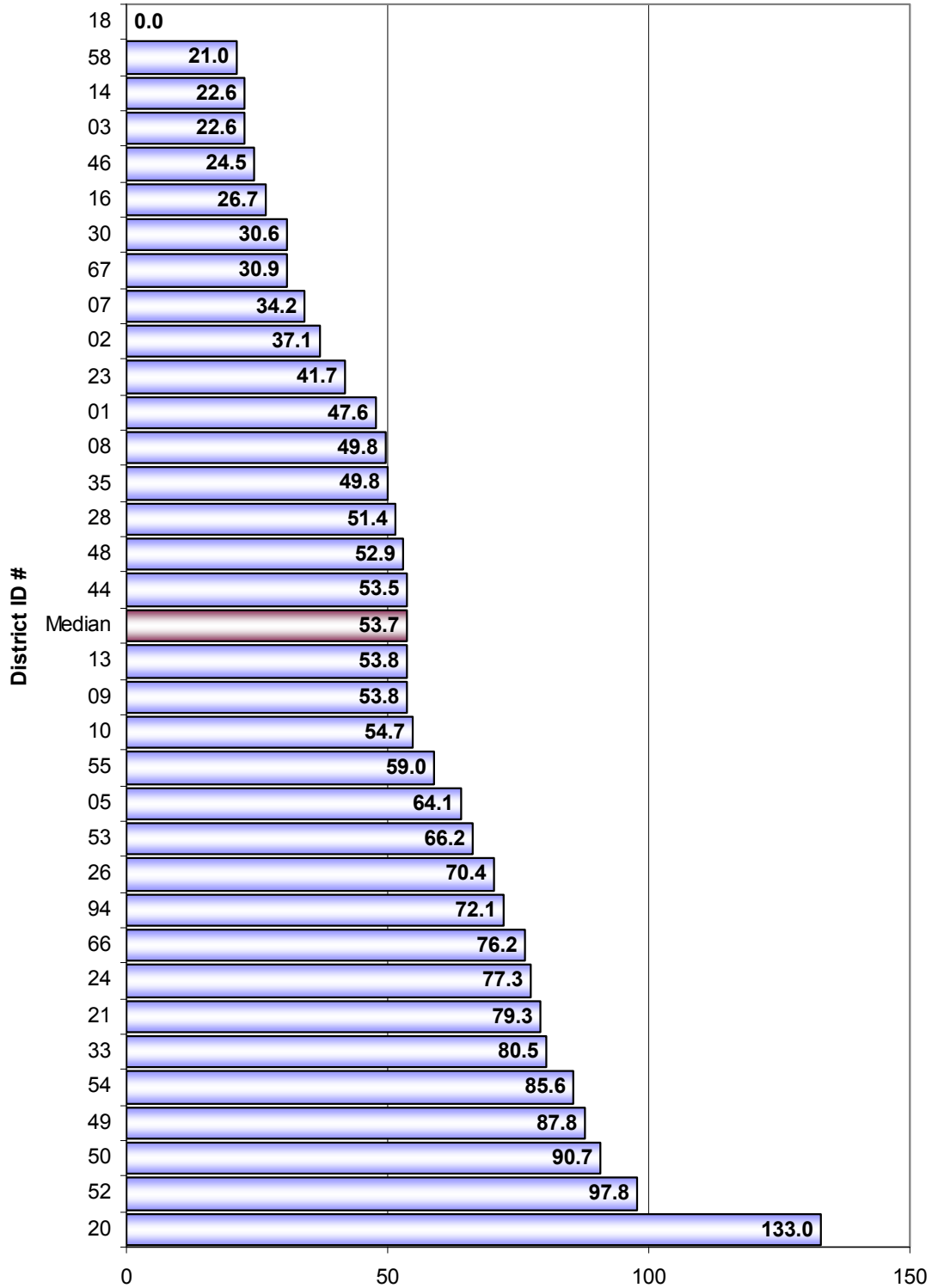
- Age of buildings and physical plants
- Amount of air-conditioned space
- Regional climate differences
- Customer support of conservation efforts to upgrade lighting and HVAC systems
- Energy conservation policies and management practices

Analysis of the Data

- FY 08 > 34 districts responded
- FY 08 > Low = 0.0 kBTU; High = 133.0 kBTU; Median = 53.7 kBTU
- 20 of the districts fall within 21 and 59 kBTU/square foot.

Performance Measurement & Benchmarking for K12 Operations

Utility Usage per Square Foot



Key Performance Indicator

Water Usage per Square Foot

Total annual water usage (in gallons) *divided by* total district square footage.

Why This Measure Is Important

This measure is an indicator of the total water use to support the district's facilities. A higher number might indicate a significant amount of exterior irrigation for grounds and sports facilities. A higher number might also be an indication of a hot, arid environment requiring more water for irrigation or support of air conditioning systems. A lower number could indicate the district has a very effective water conservation program.

Factors That Influence This Measure

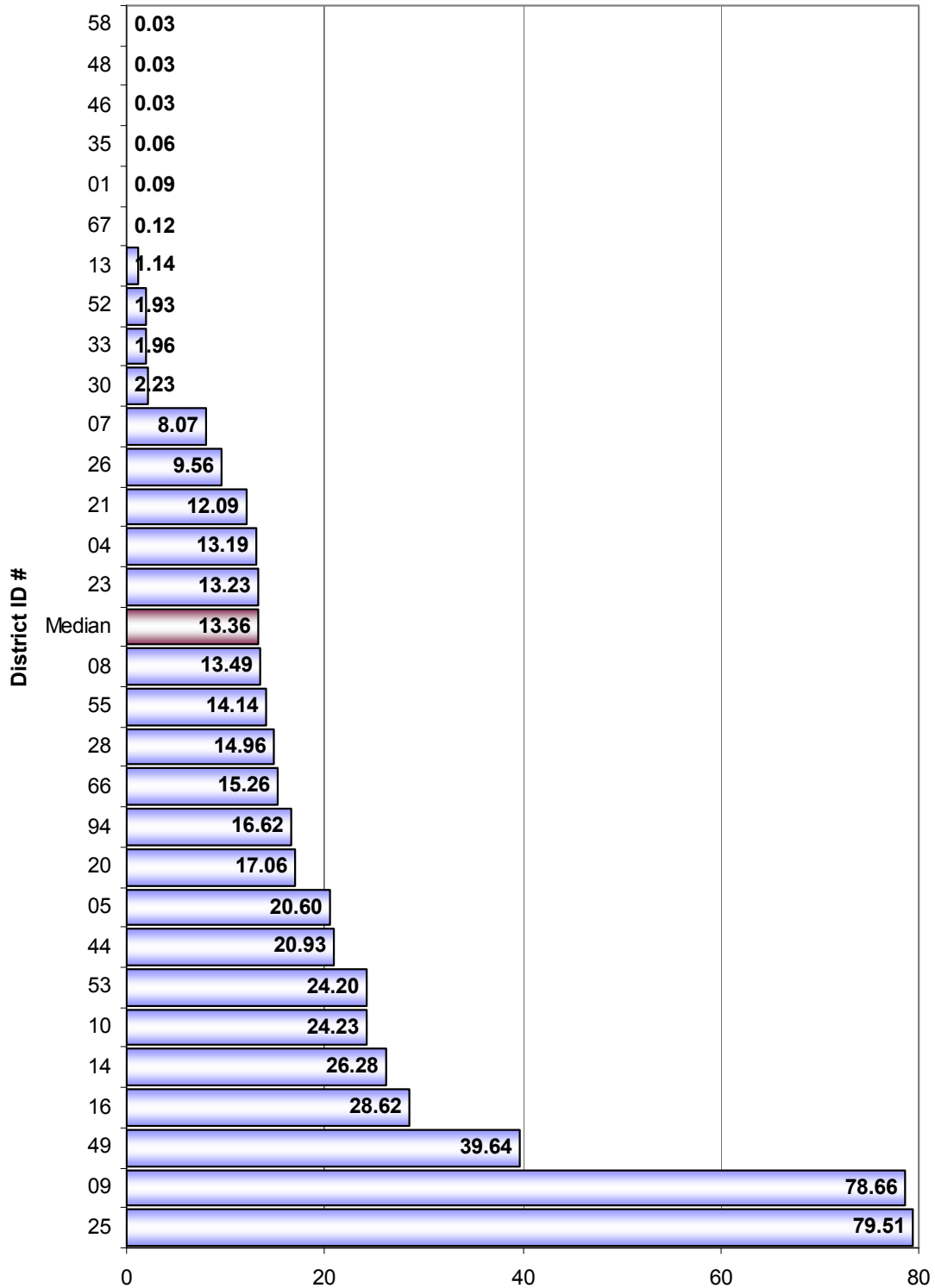
- Water conservation measures being implemented
- Geographic location
- District policy on watering grounds
- State and local laws

Analysis of the Data

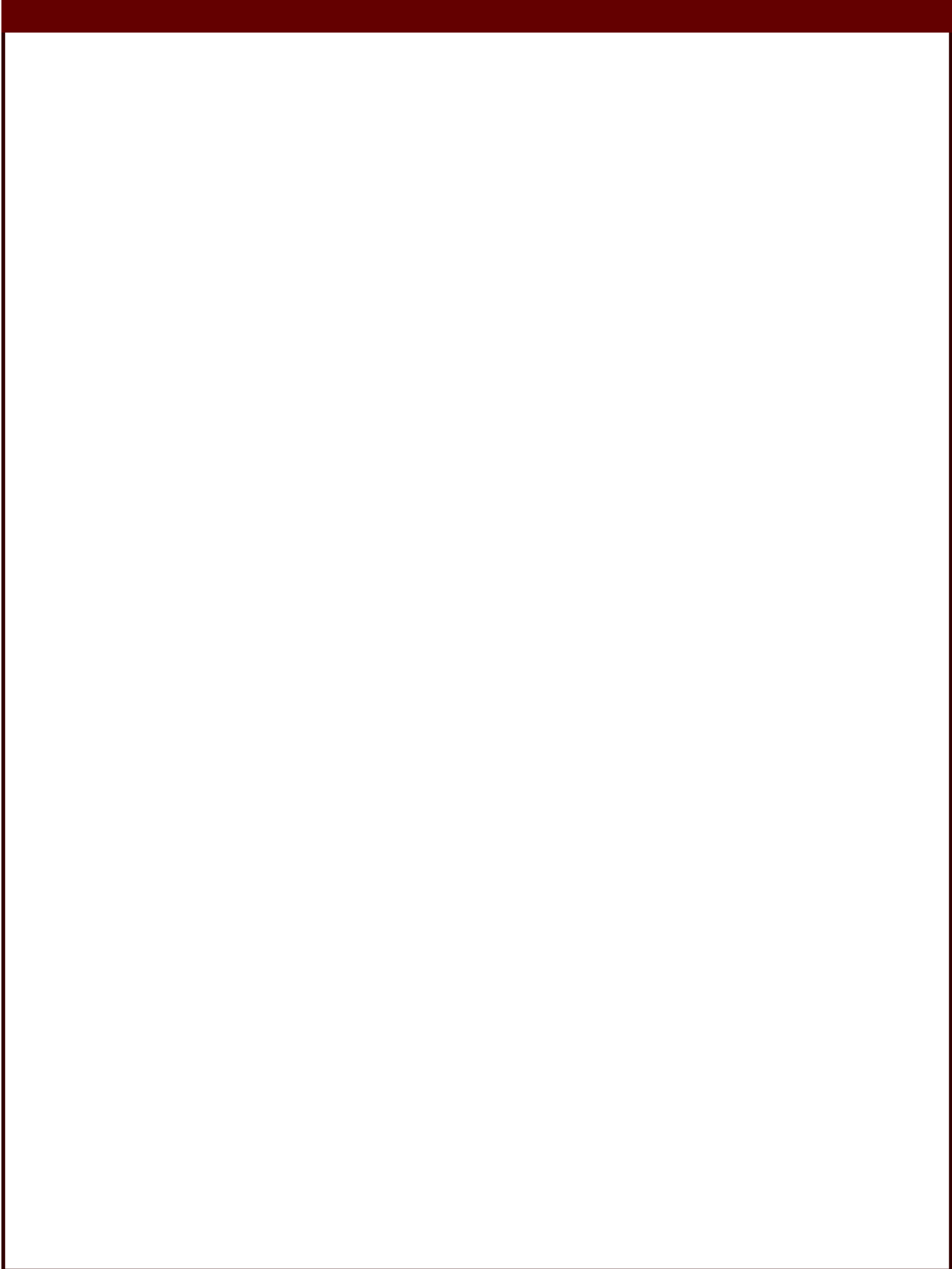
- FY 08 > 30 districts responded
- FY 08 > Low = 0.03 gallons; High = 79.51 gallons; Median = 13.36 gallons
- Half (15) of the districts fall within 8 and 24 gallons.

Performance Measurement & Benchmarking for K12 Operations

Water Usage per Square Foot (in Gallons)



Key Performance Indicator



Procurement

Certified Procurement Staff

Number of professional procurement staff and supervisors with certification *divided by* the number of professional procurement staff and supervisors.

Why This Measure Is Important

This measure assesses the technical knowledge of the districts' procurement staff, which directly affects processing time, negotiation, procedural controls, and strategies applied to maximizing cost savings. The procurement function has evolved to require procurement professional staff members to focus on--

- strategic issues vs. transactional processing
- advanced business skills that look at agency supply chain, logistics-optimization, total cost of ownership evaluations, make vs. buy analysis, leveraging cooperative procurements, and agency-spend analyses, and
- balance of service with internal controls and compliance.

Factors That Influence This Measure

- Budget/FTE allocations to central procurement functions
- Procurement policies such as delegated purchasing authority, formal procurement dollar threshold, small purchase procedures, P-card utilization, etc.
- Utilization of technology and knowledge required for e-procurement and e-commerce
- Value that an organization places on its procurement functions and procedures
- Policies favoring internal promotion over technical recruitments
- Incentive pay

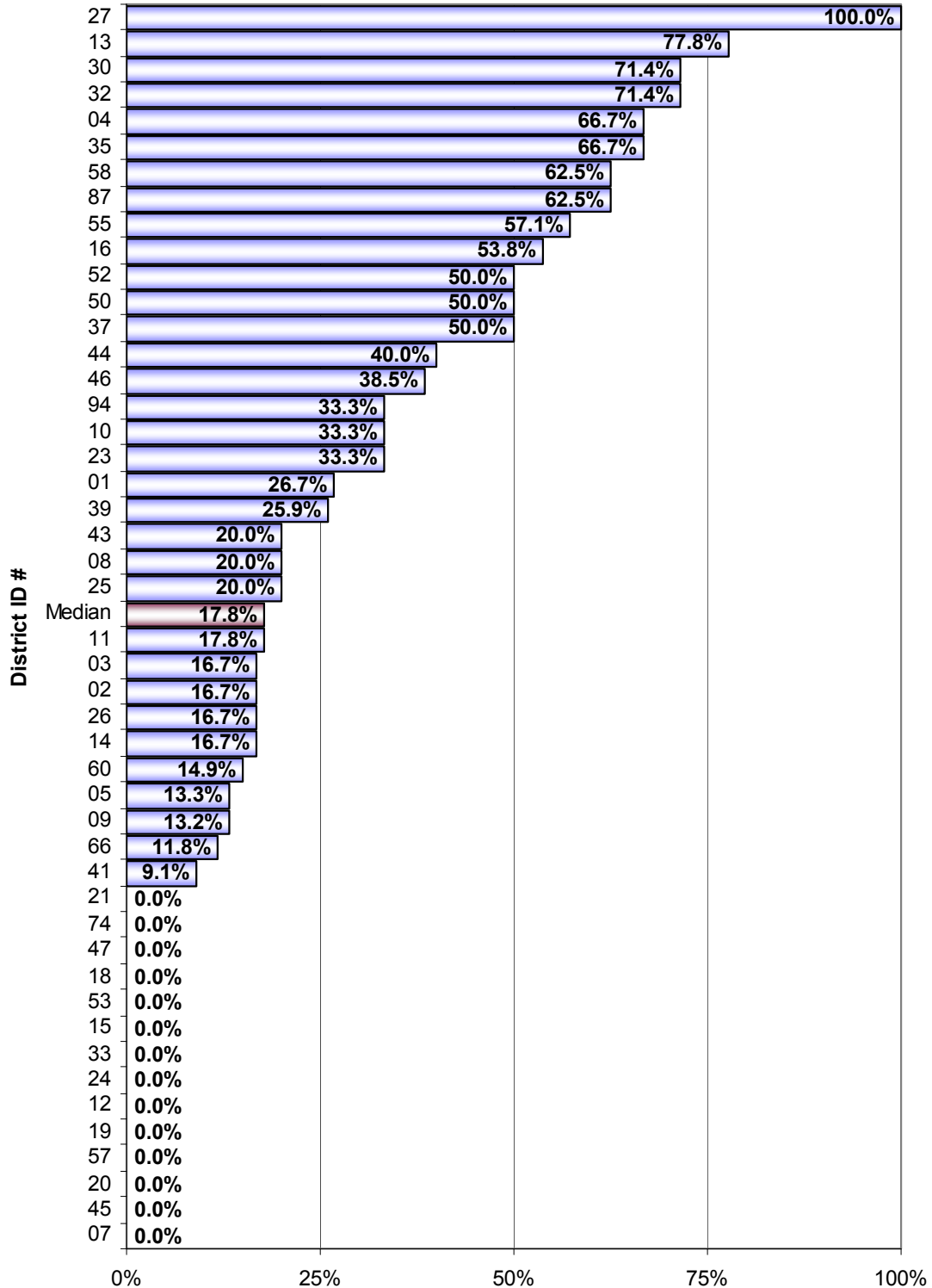
Analysis of the Data

- FY 08 > 47 districts responded
- FY 08 > FY 08 > High =100.0%; Low =0.0%; Median = 17.8%
- The median has varied between 17 and 23.5% in the last 3 years.
- Results are very spread out, illustrating different perspectives among districts.
- 6 districts report that 66% or more of their procurement staff members are certified, which approximates the industry 65% benchmark certification for professional procurement staff set by the National Purchasing Institute (NPI).
- 24 districts reported that 17% or less of their staff members were certified, with 14 districts reporting no certified staff at all.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Certified Procurement Staff



Competitive Procurements

Total purchase dollars above the single quote limit that were competitive (quotations, IFBs and RFPs) *divided by* total purchase dollars above the single quote limit.

Why This Measure Is Important

This measure is important because competition maximizes procurement savings to the district, provides opportunities for vendors, assures integrity, and builds school board and taxpayer confidence in the process that remains the cornerstone of public procurement.

Factors That Influence This Measure

- Procurement policies governing procurements that are exempted from competition, emergency or urgent requirement procurements, direct payments (purchases without contracts or POs), minimum quote levels and requirements, and sole sourcing
- Degree of shared services that may be included in purchase dollars with other public agencies
- Vendor registration/solicitation procedures that may determine magnitude of competition
- Professional-services competition that may be exempted from competition
- In some instances, districts may have selection criteria for certain programs, such as local preference, environmental procurement, M/WBE, etc., that result in less competition
- Utilization of technology and e-procurement tools

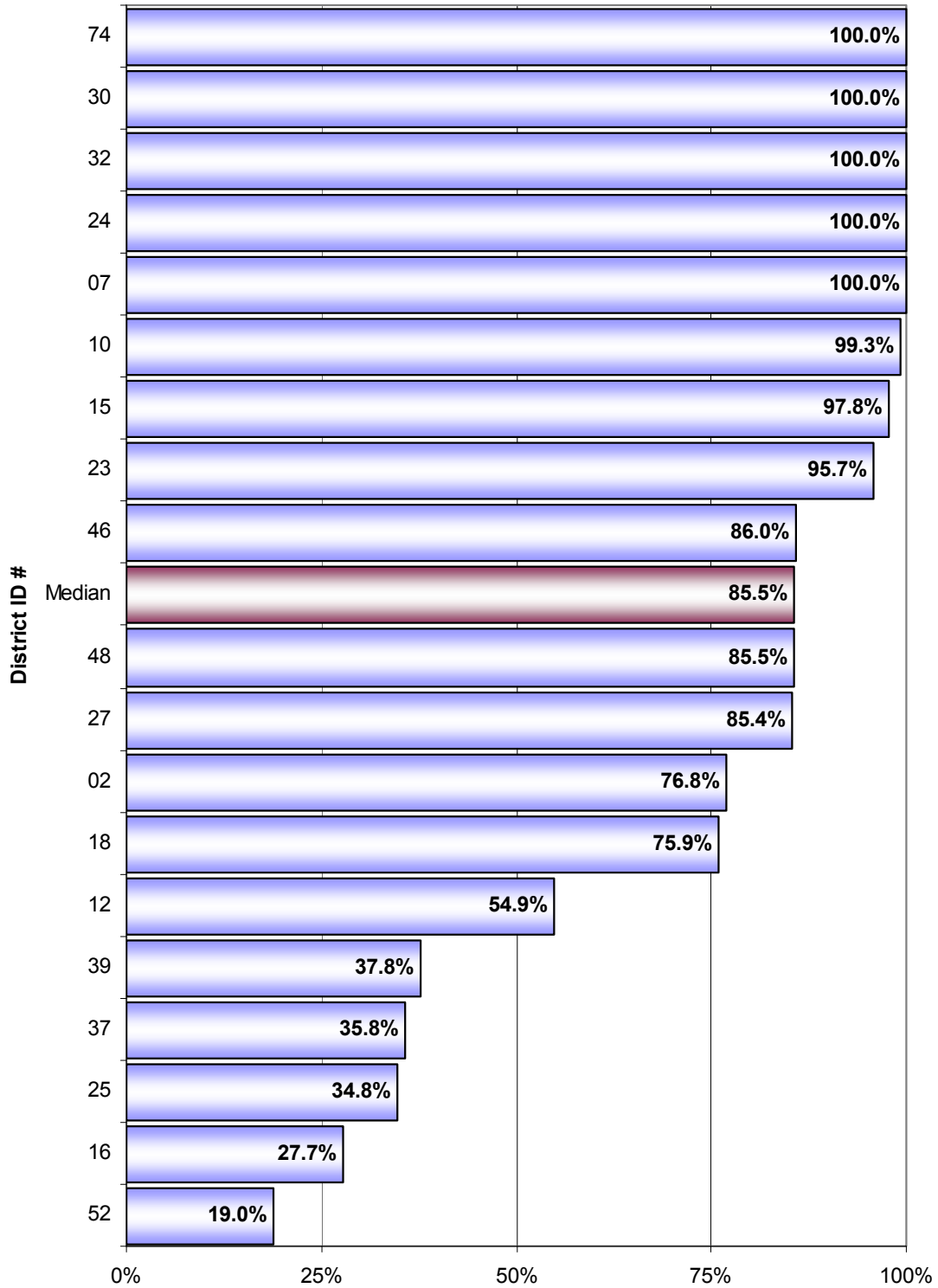
Analysis of the Data

- FY 08 > 19 districts responded
- FY 08 > High =100.0%; Low = 19.0%; Median = 85.5%
- 12 of the districts cluster around the 85% to 100% competition range, which equals or exceeds the industry benchmark of 85-90%. There is, however, a rapid drop-off of competition among the remaining 7 districts.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Competitive Procurement



Cost per Purchase Order (ACCRA adjusted⁶)

Total procurement department expenditures *divided by* total district procurement transactions, including construction contracts.

Why This Measure Is Important

This measure, along with other indicators, provides an opportunity for districts to assess the cost/benefits that might result from other means of procurement (e.g., P-Card program, ordering agreements, and leveraging the consolidating requirement).

Factors That Influence This Measure

- Number of professional staff
- Degree of P-Card utilization
- Degree of requirement consolidation and standardization
- Workload efficiency per staff member
- Reporting

Analysis of the Data

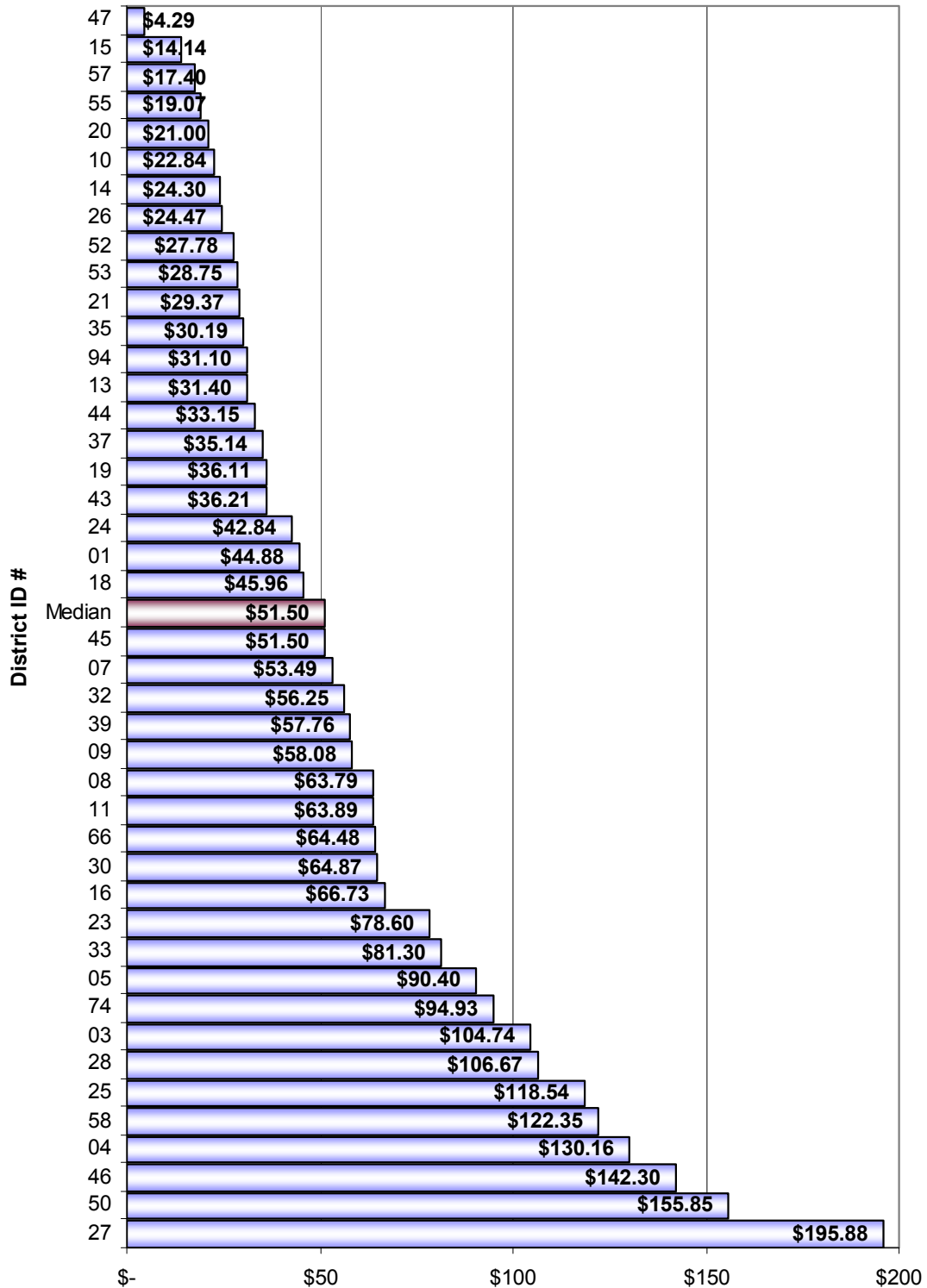
- FY 08 > 43 districts responded
- FY 08 > Low = \$4.29; High = \$195.88; Median = \$51.50
- There are significant differences in the data reported by the districts.
- 33 districts report their costs for requisition to check fall below the \$88.55 which is the average PO transaction costs cited by the RPMG Research Corp. This data could be skewed towards the lower dollar amounts, however, because Accounts Payable costs are *not* included.

⁶ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Cost per Purchase Order



PALT – Formal – Bid Requirements

Average procurement administrative lead-time in days for bid requirements.

Why This Measure Is Important

This measure establishes a quality benchmark for commencing and completing the acquisition process for formal competitive bidding. It is an important measure that examines the balance between competition/objectivity and the need to get products/services in place quickly.

Formal bids must be formally advertised meeting a dollar threshold that requires school board approval. Formal bids are usually advertised in newspapers, the website, or through a third party for a minimum of two weeks, although some commodities require a longer time pursuant to federal guidelines. The “cycle time” for this measure is calculated in calendar days from receipt of requisition through final issuance of contract or purchase order. Other factors are potential savings, building partnerships and repeat competitors thus affecting quality of product/service.

Factors That Influence This Measure

- Federal, state and local procurement policies and laws, including formal solicitation requirements, minimum advertising times and procurement dollar limits
- School board policy and frequency of board meetings
- Budget/FTE allocation for professional procurement staff
- Training on scope of work and specification development for contract sponsors
- The award process including IFB evaluation and vendor reference checks
- Use of standard boilerplate bid and contract documents
- Use of current ERP and e-procurement technology to streamline internal procurement processes and external solicitation process with vendors
- Frequency of bid protests

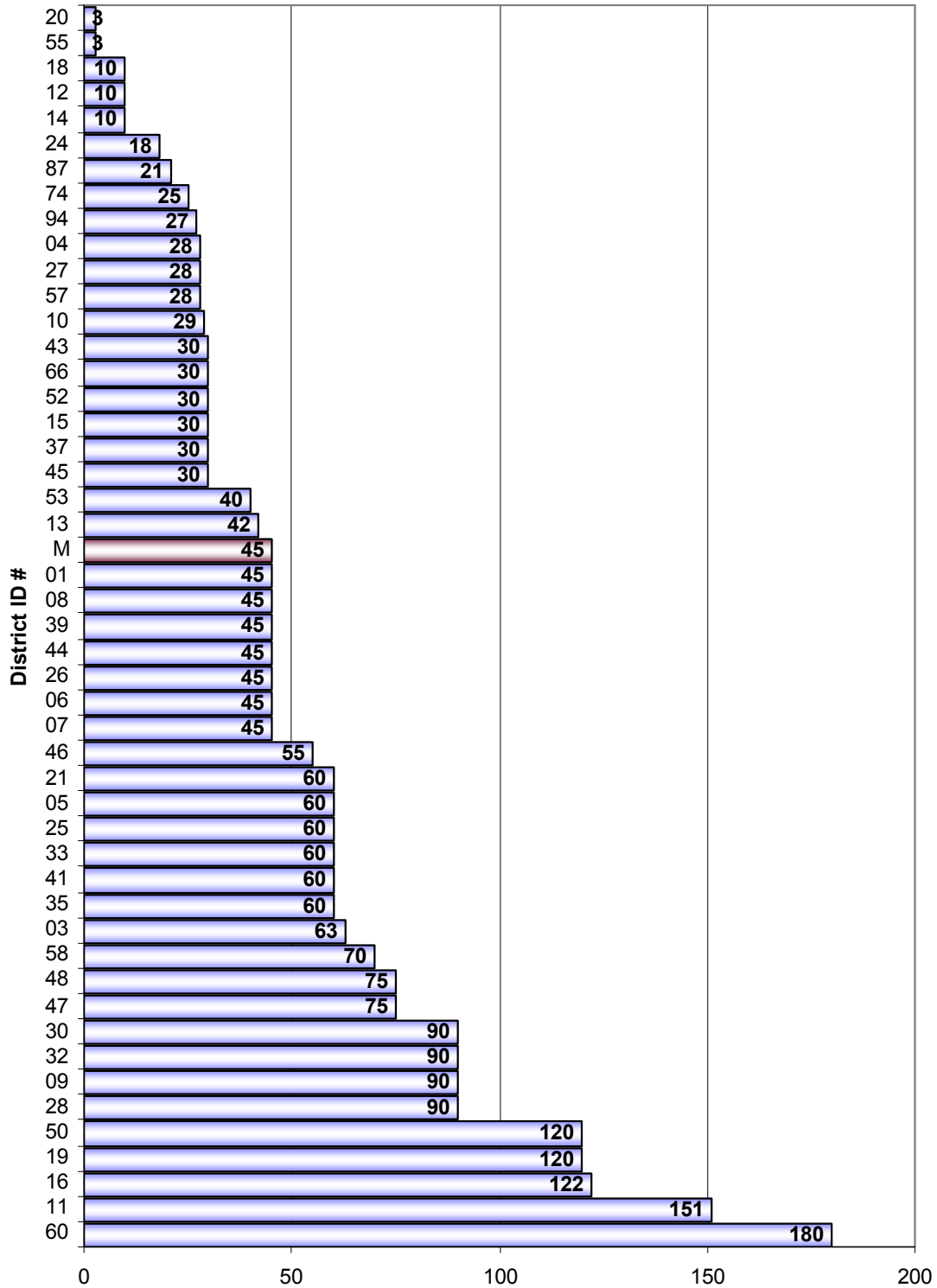
Analysis of the Data

- FY 08 > 54 districts responded
- FY 08 > Low =3; High = 180; Median = 45
- The data are fairly spread out and segmented, suggesting that varying laws and policies impact the cycle time.
- The most consistent cluster shows 8 of the reporting districts with cycle times of 30 to 60 days, which approximates the 2007 NIGP benchmark of 31-45 days for formal bids.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

PALT - Formal Bid Requirements (in Days)



PALT – Formal – Proposal Requirements

Average procurement administrative lead-time in days for request for proposal (RFP) requirements.

Why This Measure Is Important

This measure establishes a quality benchmark for commencing and completing the acquisition process through the “Request for Proposal” (RFP) process. It is an important measure that examines the balance between “best value” criteria, price and other factors in the selection process.

Factors That Influence This Measure

- Federal, state and local procurement policies and laws, including formal solicitation requirements, minimum advertising times, and procurement dollar limits
- School board policies and frequency of board meetings
- Budget/FTE allocation for professional procurement staff
- Training on scope of work and specification development for contract sponsors
- The award process including RFP proposal evaluation and negotiations
- Use of standard boilerplate bid and contract documents
- Use of current ERP and e-procurement technology to streamline internal procurement processes and external solicitation process with vendors
- Complexity and size of procurements
- Bid Protest
- Availability of evaluation/selection committee

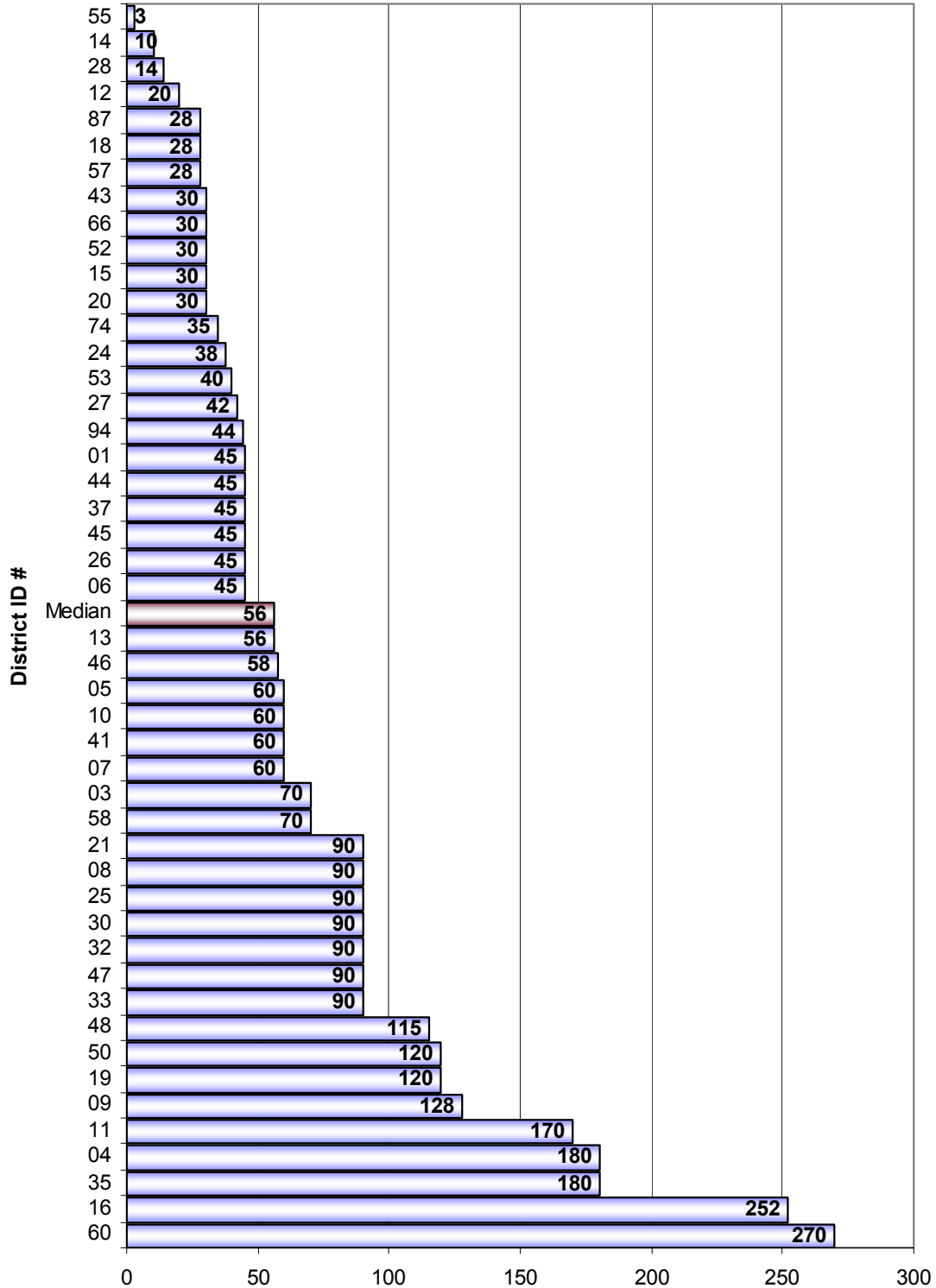
Analysis of the Data

- FY 08 > 47 districts responded
- FY 08 > Low = 3; High = 270; Median = 56
- 15 of the 47 districts approximate the NIGP benchmark of 31-45 days for formal proposals.
- The cycle time for RFPs is fairly spread out and segmented, suggesting that, similar to the cycle time for Formal Bid Requirements, varying policies and laws have an impact.
- The data similarity between IFB and RFP measures suggests that districts treat these two procurement types in similar ways.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

PALT - Formal Proposal Requirements (in Days)



PALT – Informal Requirements

Average procurement administrative lead-time in days for informal requirements.

Why This Measure Is Important

This measure establishes a quality benchmark for commencing and completing the acquisition process for informal bidding or quoting. Informal bids/quotes are usually for small purchases less than the formal bid or formal proposal threshold where quotes can be obtained in writing, including electronically, using e-commerce tools, via telephone, etc., and can be processed without school board approval.

Factors That Influence This Measure

- Utilization of P-Card
- Extent of delegated purchase authority for smaller dollar value procurements
- State and local laws
- Policies governing procurement and small purchase procedures

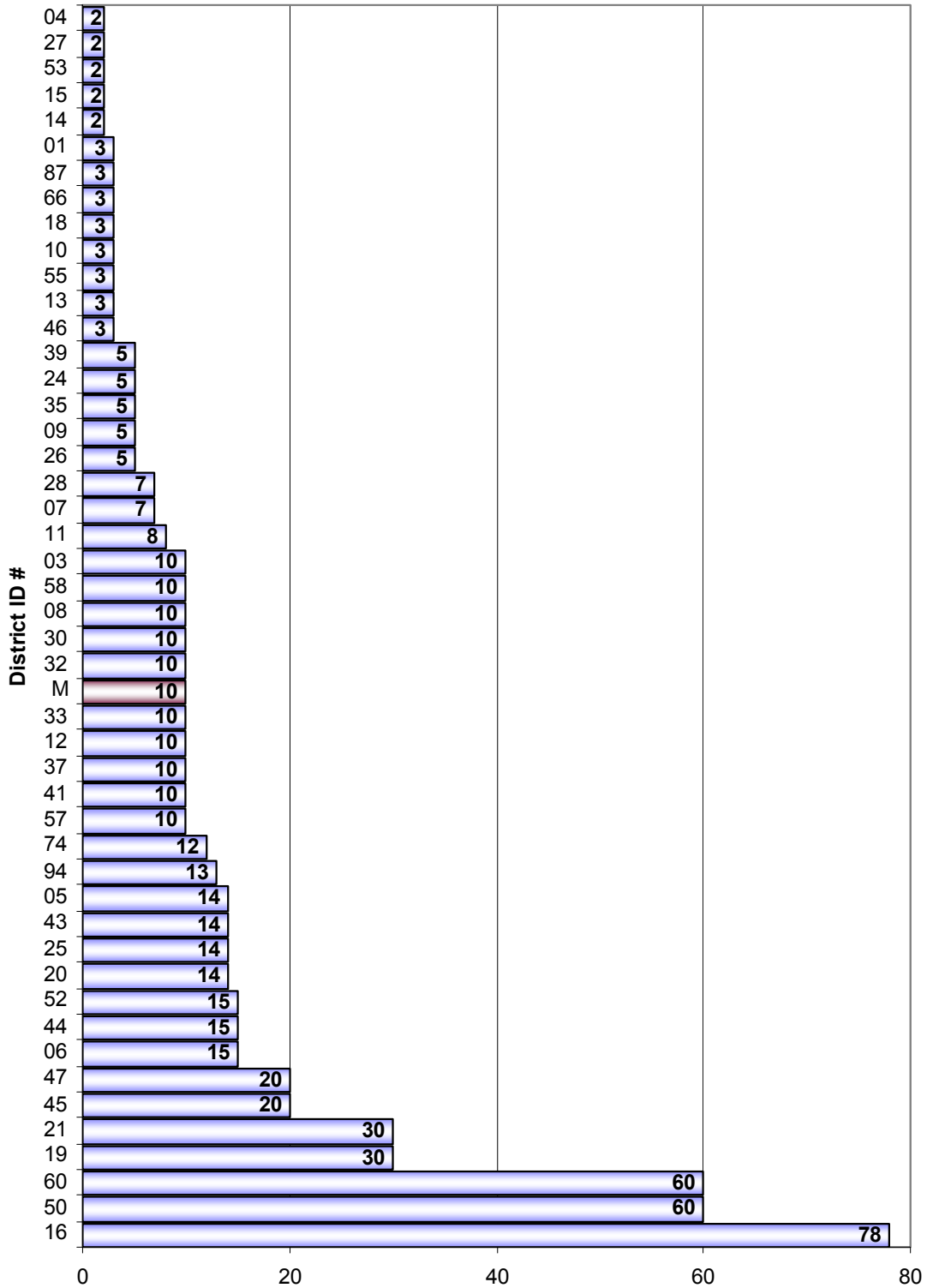
Analysis of the Data

- FY 08 > 47 districts responded
- FY 08 > Low = 2; High =78; Median = 10
- Data shows how informal approaches reduce the amount of time it takes to facilitate the need for goods/services.
- The cycle times of 31 districts would fall within the NIGP benchmark of 2-5 days for purchase orders and verbal quotes and/or within the 6-10 days for written/electronic orders. Administrative policies and procedures may be inhibiting the ability of the remaining districts from meeting this threshold.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

PALT - Informal Requirements (in Days)



P-Card Transactions

Total number of P-Card transactions *divided by* total number of procurement transactions.

Why This Measure Is Important

This indicator is only a measure of transactions and does not reflect the percent of total spending that is done through P-cards, which, for internal control purposes, have low-dollar limits per transaction.

P-Card utilization significantly improves cycle times for schools, decreases procurement transaction costs as compared to a Purchase Order (*2007 RPMG Research Corp cited average PO transaction cost = \$88.55 from requisition to check versus P-Card transaction cost = \$19.49*) and provides for more localized flexibility. It allows procurement professionals to concentrate efforts on more complex purchases, significantly reduces Accounts Payable workload, and gives schools a shorter cycle time for these items. Increased P-Card spending can provide higher rebate revenues, which in turn can pay for the management of the program. There are trade-offs however. The decentralized nature of these purchases could have an impact on lost opportunity for savings, and requires diligent oversight to prevent inappropriate use and spend analysis to identify contract opportunities.

Factors That Influence This Measure

- Procurement policies, particularly those delegating purchase authority and P-Card usage
- Utilization of technology to manage a high volume of low dollar transactions
- e-Procurement and e-Catalog processes utilized by district
- P-Card software application for spend analysis, internal controls and P-Card database interface with a district's ERP system
- Budget, purchasing, and audit controls
- Accounts Payable policies for P-Card as an alternative payment method

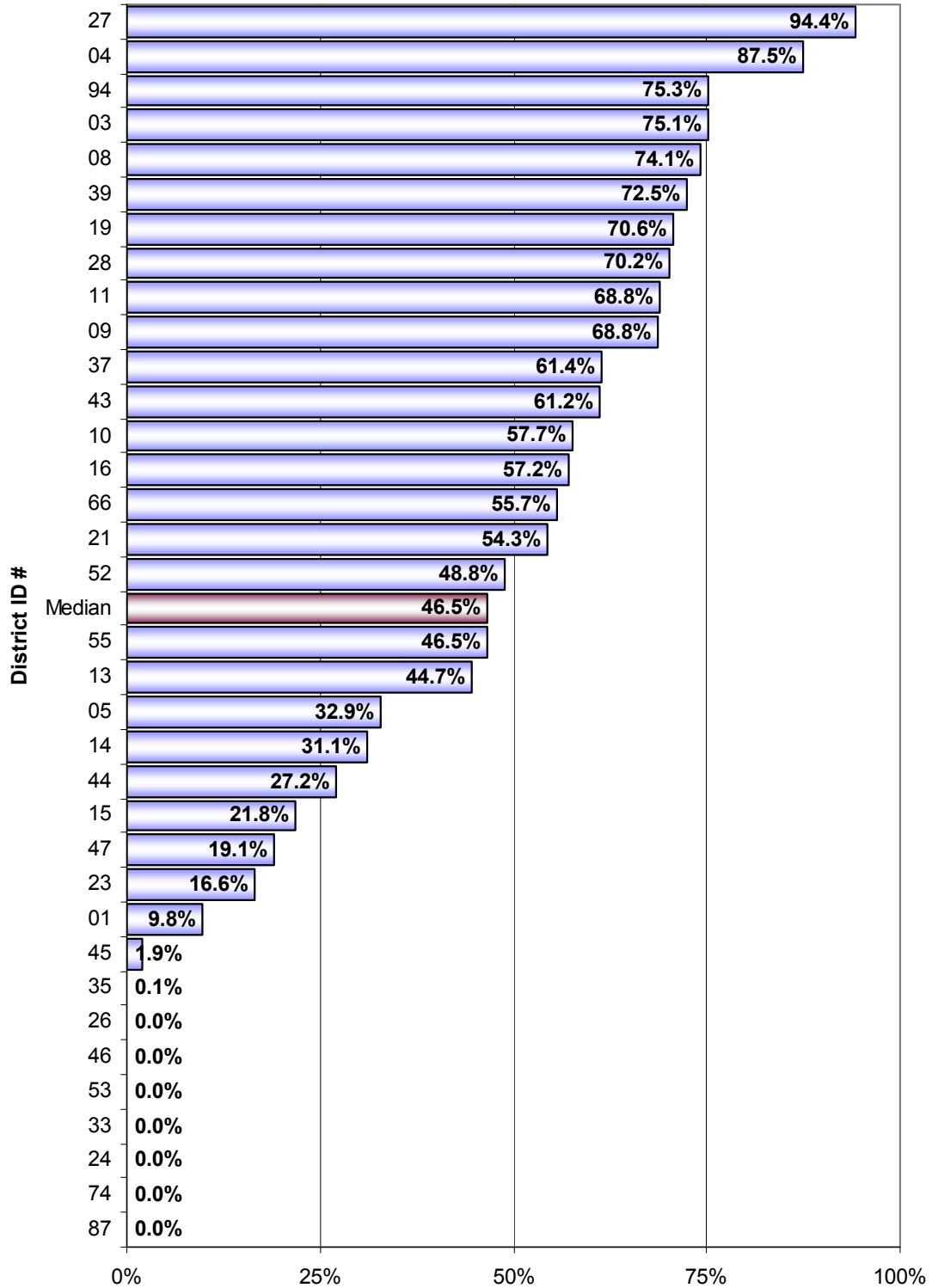
Analysis of the Data

- FY 08 > 35 districts responded
- FY 08 > High =94.4%; Low = 0.0%; Median = 46.5%
- The low level of responses suggests that the use of P-cards is not yet a common practice across the largest urban districts.
- The data is very spread out among districts utilizing P-cards, suggesting that there are differing policies and approaches to the program.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

P-Card Transactions



Procurement Savings/Cost Avoidance

Total procurement savings (savings/cost avoidance calculated as the difference between the average of all bids and the low bid plus the difference between the initial proposal and the final proposal prices) *divided by* total procurement dollars spent by the district.

Why This Measure Is Important

This measure compares a district's savings or "cost avoidance" that result from centralized purchasing to the total formal procurement spend (less P-Card spending). This measure only captures savings/cost avoidance in a limited form since districts may realize other procurement savings that are not captured by this measure (e.g., make-buy, certain life cycle savings, service, quality, reliability, and other best value "savings" to the district). This return-on-investment measure is important as a district considers the degree of delegated purchasing authority as compared to other factors, like cycle time.

Factors That Influence This Measure

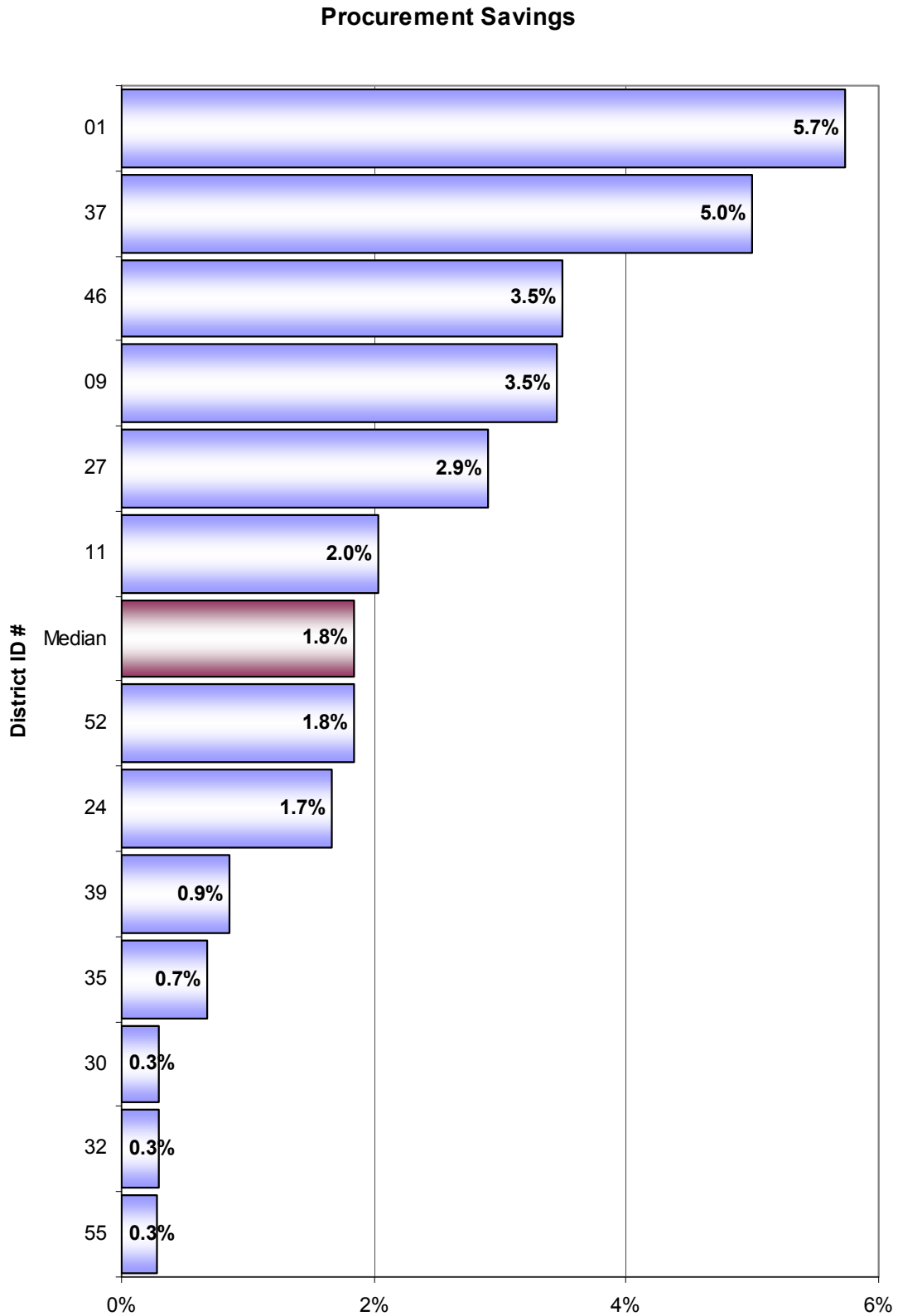
- Procurement policies, e.g., delegated purchase authority level, procurements exempted from competition, minimum quote requirements, sole source policies, vendor registration/solicitation procedures (may determine magnitude of competition)
- Utilization of technology and e-procurement tools
- Use of national or regional vendor databases (vs. district only) to maximize competition, use of on-line comparative price analysis tools (comparing e-catalog prices), etc.
- Identification of alternative products/methodology of providing services.

Analysis of the Data

- FY 08 > 13 districts responded
- FY 08 > High = 5.7%; Low = 0.3%; Median = 1.8%
- 6 of the 13 districts that responded show a savings/cost avoidance of 1.7% to 3.5%, with top performers achieving a range of 5% or better.
- The low response level suggests that few districts measure the savings or "cost avoidance" produced by centralized purchasing; even though this is a core measure of the value the procurement function brings to a district, and because it has a direct financial impact to the bottom line, it is the number one measure used in private industry.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator



Stock Turn Ratio

Total warehouse annual sales *divided by* total average inventory value.

Why This Measure Is Important

Warehouse inventory-turnover ratios can be used to examine opportunities for improved warehouse operations and reduced costs. Generally, total costs decline and savings rise when inventory stock turn increases. After a certain point - typically 8-10 turns - the reverse occurs, according to the National Institute of Governmental Purchasing (NIGP). Generally, an inventory turn rate of 4-6 times per year in the manufacturing, servicing and public sector is considered acceptable. However, the overall stock-turn ratio should be broken down into types of commodities, as some commodities are optimally less than 4-6 (NIGP). Viewed another way, inventory-turnover ratios indicate how much use districts are getting from the dollars invested in inventory. Stock-turn measures inventory health and may provide an indication of—

- inventory usage and amount of inventory that is not turned over (“dead stock”),
- optimum inventory investment and warehousing size
- warehouse activity/movement.

Factors That Influence This Measure

- Inventory policy (e.g., safety or emergency inventory level requirements)
- Procurement policy (e.g., minimum order quantity and cycle)
- Budget allocation
- Market (e.g., shipping time, seasonal items)
- Warehouse types (e.g., office supplies, textbooks, maintenance items, food) may have different best-practice stock turns due to variations in safety levels, economic order quantities, carrying costs, cyclical nature of demand
- Pilferage, damage, and shelf life

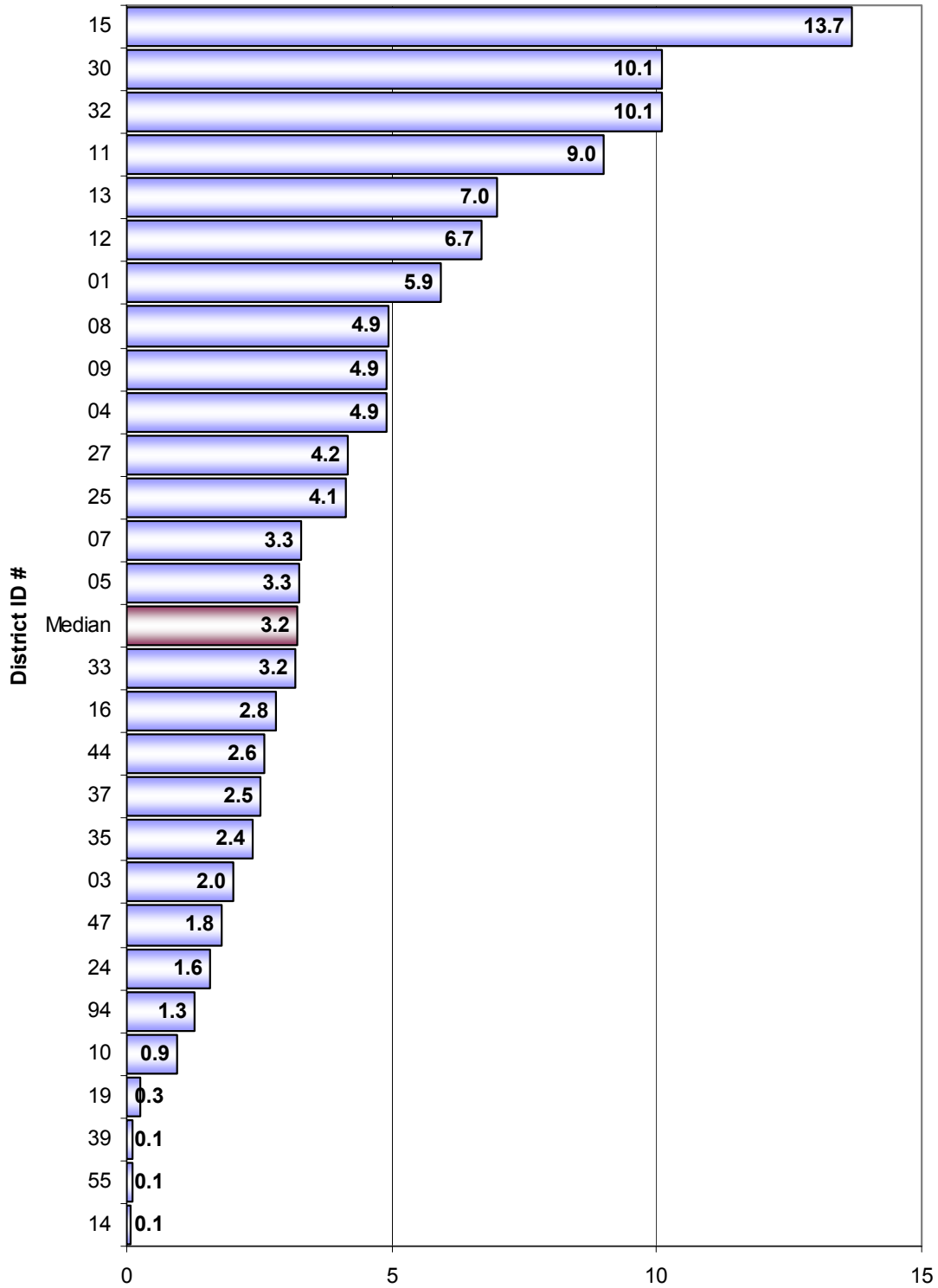
Analysis of the Data

- FY 08 > 28 districts responded
- FY 08 > High =13.7; Low = 0.1; Median = 3.2
- The most common cluster of responses are among the 28 districts whose stock turns ratios are between 2.2 and 2.8 annually, with top performers reporting 14.1 to 18.7 ratios. Districts with warehouse stock turns less than 4 may have an opportunity to improve their warehouse operations and costs (should be evaluated by warehouse type)
- The low response rate suggests that not all districts utilize warehousing. The fact that the data are fairly spread out among those that do use warehousing suggests that districts have different policies and approaches to manage it.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Stock Turn Ratio - All Warehouses



Strategic Sourcing

Total procurement dollars spent on strategically sourced goods and services *divided by* total procurement dollars spent by the district.

Why This Measure Is Important

This measure is a strong indicator of potential cost savings that can result from leveraging consolidated requirements with competitive procurements, and minimizing spot buying and maverick spending. The National Purchasing Institute (NPI) Achievement of Excellence in Procurement Award cites an agency's use of term (annual or requirements) contracts for at least 25% of total dollar commodity and services purchases as a reasonable benchmark.

Strategic sourcing is a systemic process to identify, qualify, specify, negotiate, and select suppliers for categories of similar spending that includes identifying competitive suppliers for longer-term agreements to buy materials and services. Simply put, strategic sourcing is organized agency buying that directly affects the available contracts for goods and services, i.e., items under contract are readily accessible while others are not. Quality and product guarantees are better accounted for in the bidding process than is true in no-bid situations.

Factors That Influence This Measure

- Technical training of procurement leadership
- Effectiveness of spend analysis regarding frequently purchased items
- Policies on centralization of procurement
- Balance between choice and cost savings
- Dollar approval limits without competitive bids

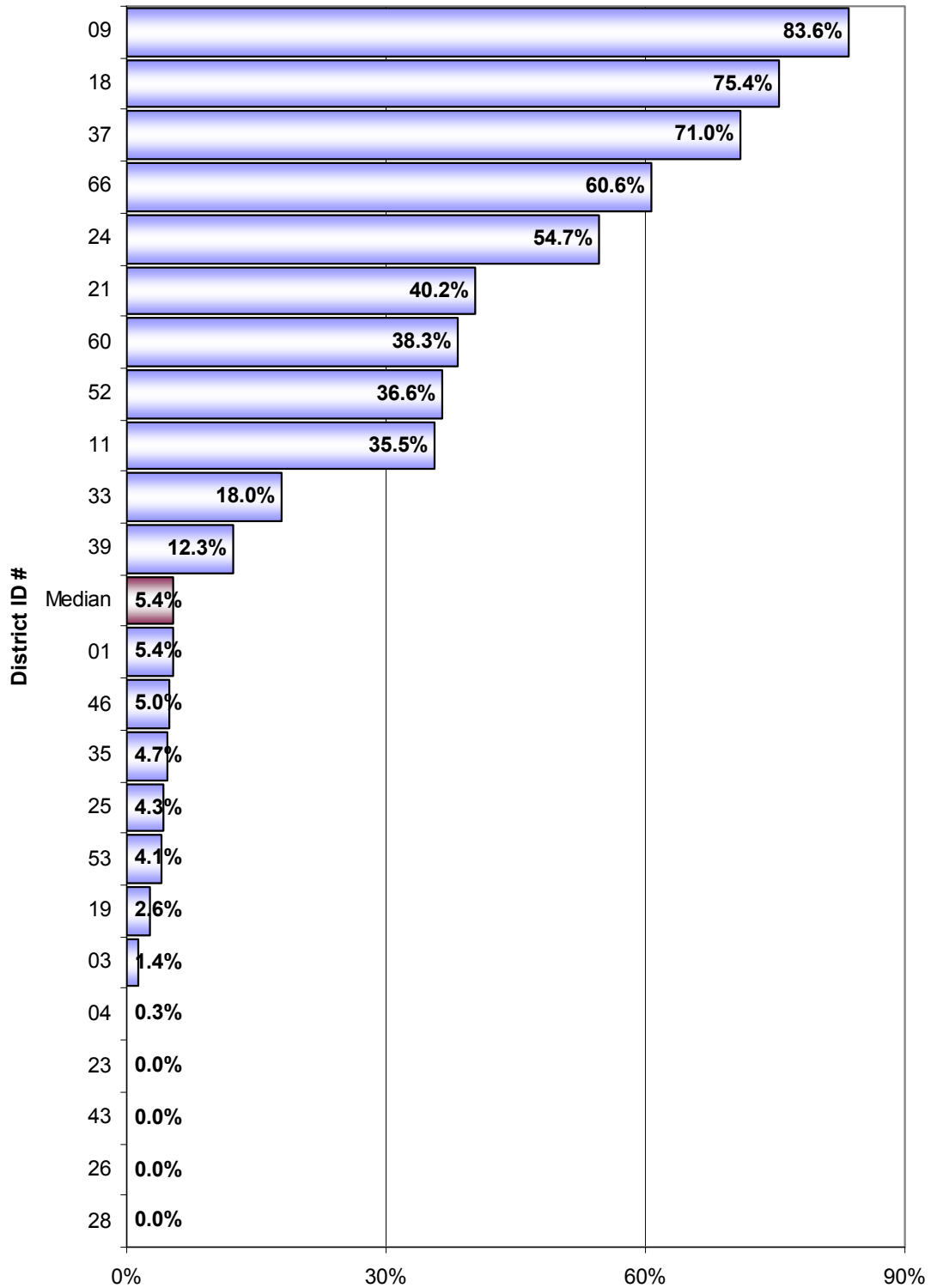
Analysis of the Data

- FY 08 > 24 districts responded
- FY 08 > High = 83.6%; Low = 0.0%; Median = 5.4%
- There is a significant spread among districts reporting strategic sourcing approaches with 9 districts strategically sourcing 35.5% to 83.6% of their goods and services.
- The data suggests that some districts may not be measuring the degree of strategic procurement and that districts have the opportunity to realize additional savings/cost avoidance by pursuing these opportunities.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Strategic Sourcing Transactions



Construction Contract Dollars and Awards

Total dollar value and number of construction contracts.

Why These Measures Are Important

These are indicators of school construction activities that require careful planning, managing and adjusting of district resources.

Factors That Influence This Measure

- Size of district
- Rate of district growth or decline
- Capital budgets
- Board contract approval processes
- Capital construction program
- Definition of construction

Analysis of the Data- Construction dollars

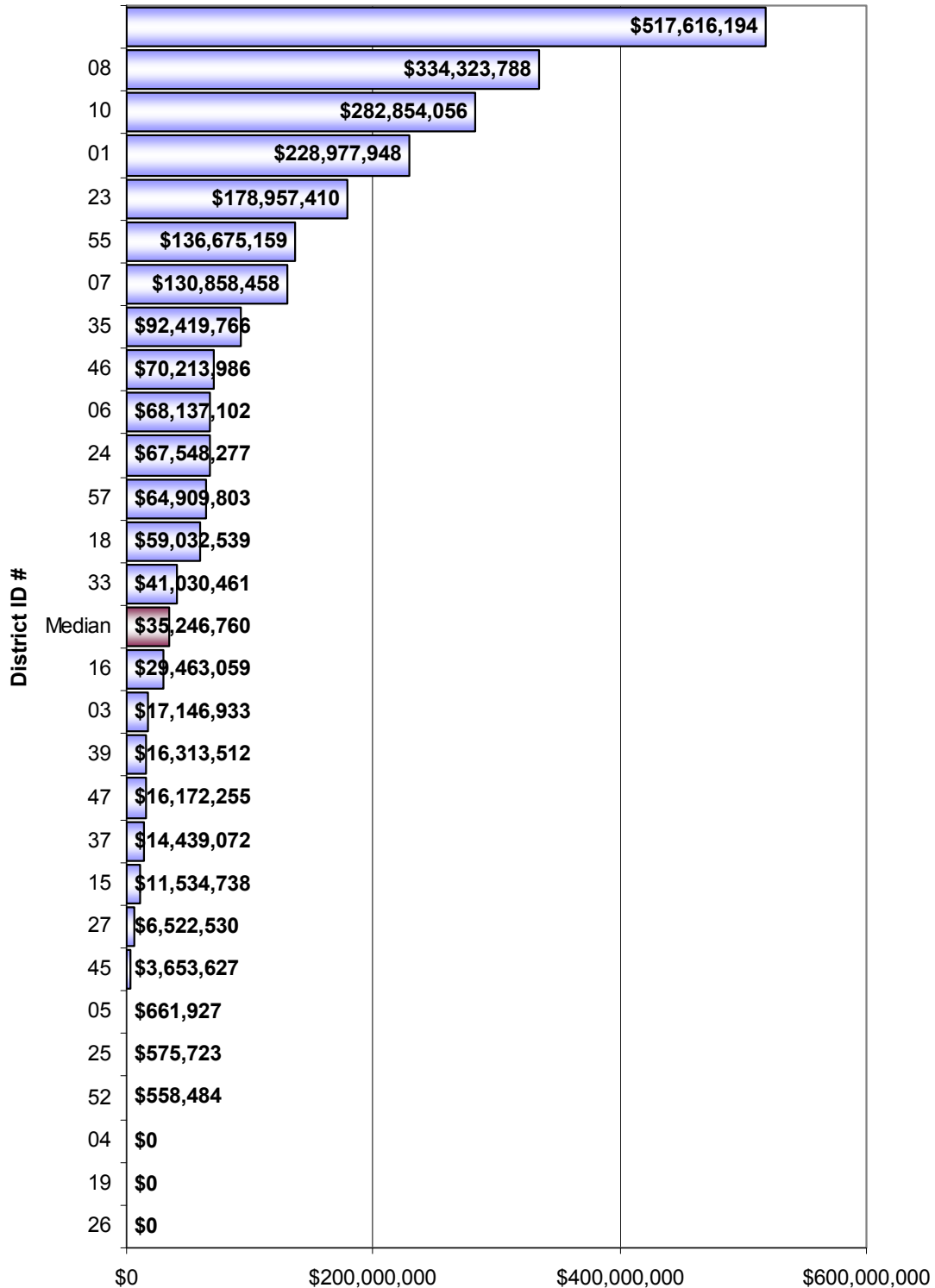
- FY 08 > 28 districts responded
- FY 08 > High = \$517,616,194; Low = \$0; Median = \$35,246,760

Analysis of the Data – # Construction contracts

- FY 08 > 26 districts responded
- FY 08 > High = 1,405; Low = 0; Median = 30
- The large disparity among the districts in both construction dollars and contracts reflects differences based on the influencing factors identified above.

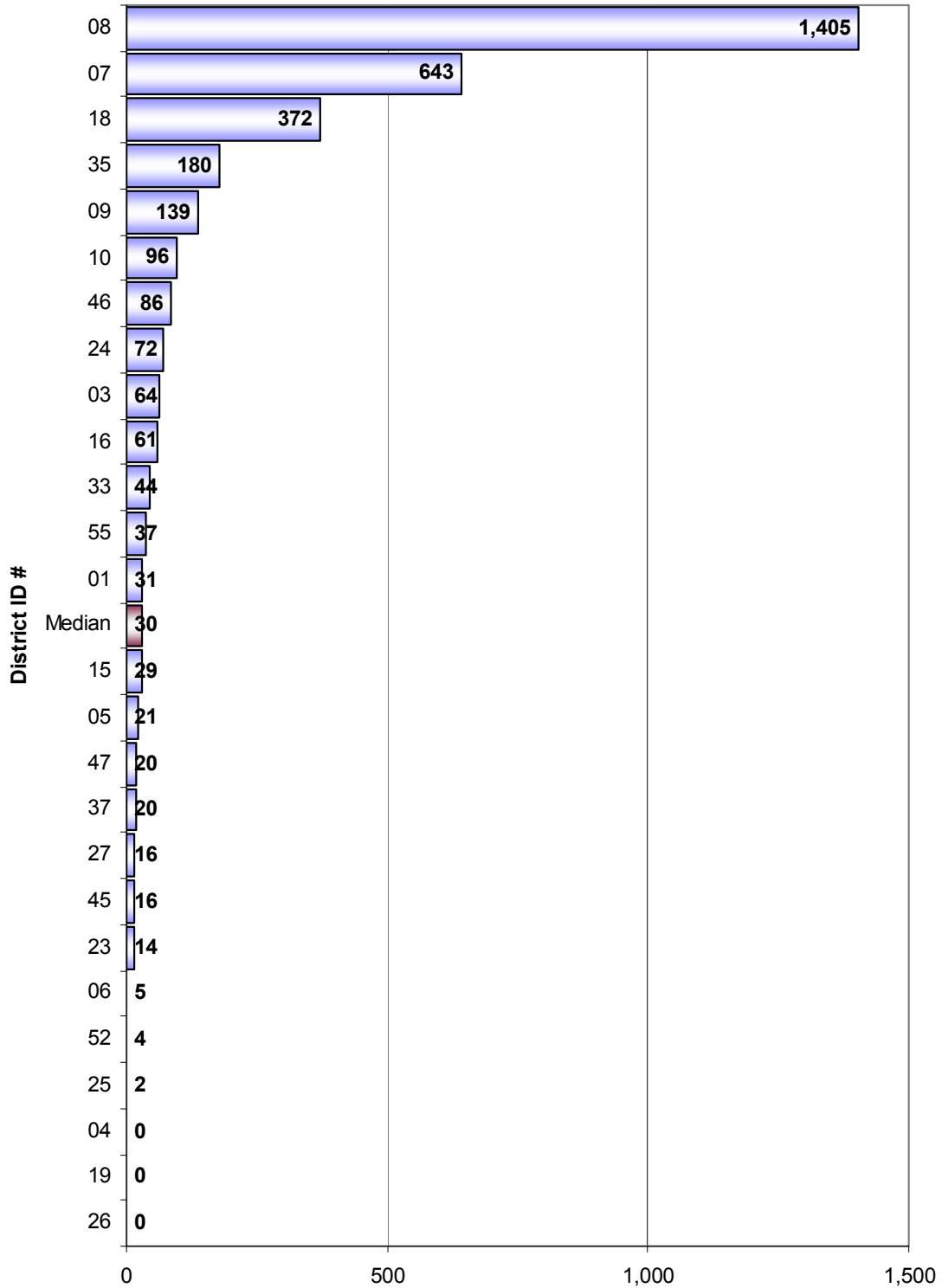
Performance Measurement & Benchmarking for K12 Operations

Construction Contract Dollars



Key Performance Indicator

Construction Contract Awards



Cooperative Purchasing Agreements

Total district dollars spent under cooperative agreements *divided by* total procurement dollars spent by the district.

Why This Measure Is Important

This measure assesses the use of cooperative purchasing agreements that districts can use to leverage their collective buying power to maximize savings through economies of scale. Additionally, cooperative agreements provide purchasing efficiencies by having one buyer from one district buy for many districts, and decreasing the cycle time for new requirements.

Factors That Influence This Measure

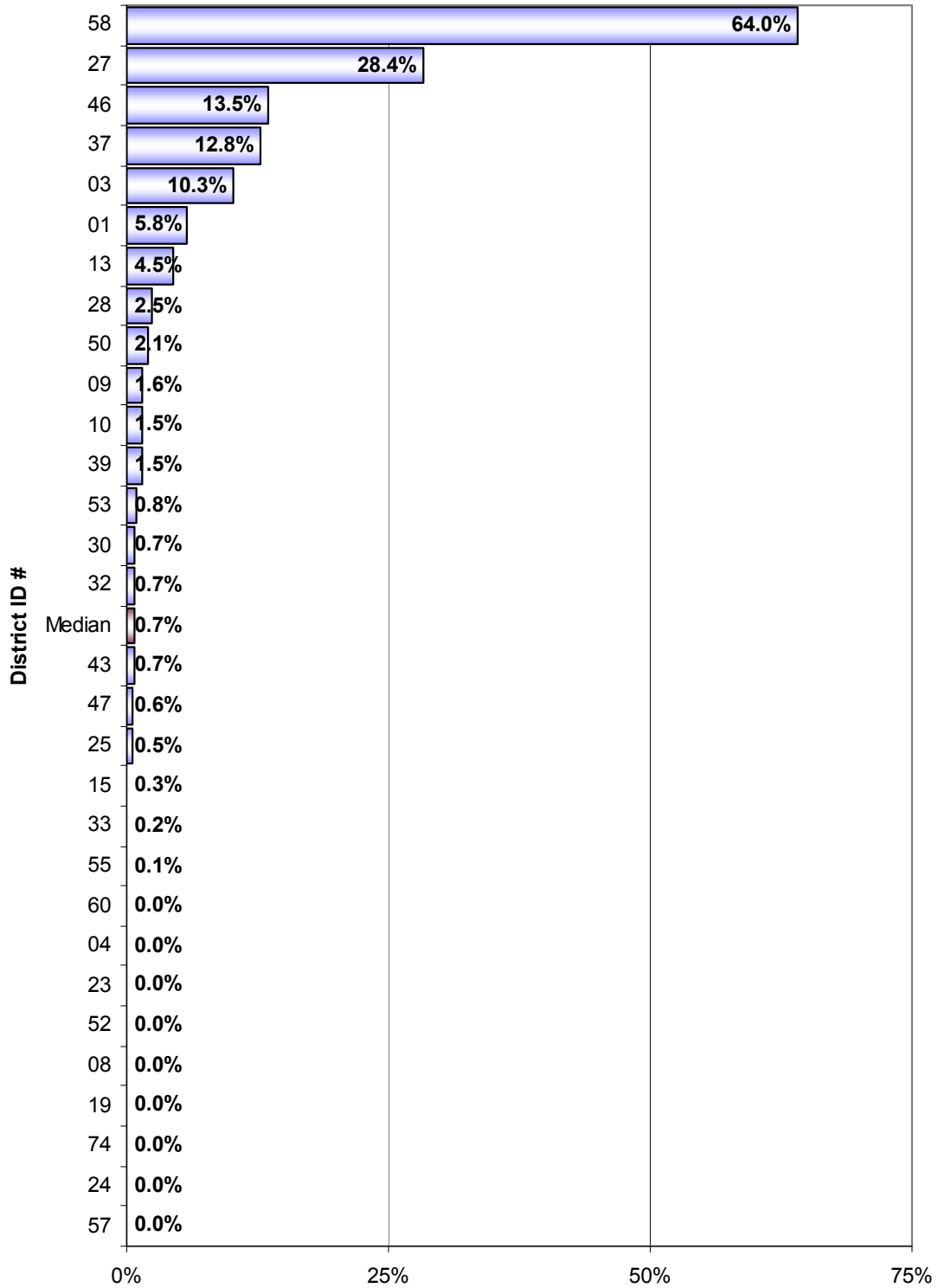
- Procurement laws and policies
- Commodity (some goods and services lend themselves to leveraging volume more than others)
- Degree of item standardization with other entities
- Number of available and eligible cooperative agreements
- Market environment (cooperative contracts may not remain competitive with market)

Analysis of the Data

- FY 08 > 30 districts responded
- FY 08 > High = 64.0%; Low = 0.0%; Median = 0.7%

Performance Measurement & Benchmarking for K12 Operations

Cooperative Procurement Dollars



Key Performance Indicator

Distribution Lead Time in Days – By Warehouse Type

Inventory distribution lead time is the average number of days to deliver items from a specific warehouse from the time of request to receipt by the customer.

Why These Measures Are Important

These are efficiency measures because distribution time is a factor in the timely receipt of items to end-users. Reducing cycle time is a constant objective in supply chain management.

Factors That Influence This Measure

- Warehouse logistic support assets and procedures
- Automated inventory management system
- Warehouse policy

Analysis of the Data- Facility Maintenance

- FY 08 > 27 districts responded
- FY 08 > Low = 0; High = 25; Median = 2

Analysis of the Data-Food Service

- FY 08 > 19 districts responded
- FY 08 > Low = 0; High = 15; Median = 3

Analysis of the Data-Office/School Supplies

- FY 08 > 29 districts responded
- FY 08 > Low = 0; High = 15; Median = 4

Analysis of the Data- Transportation

- FY 08 > 12 districts responded
- FY 08 > Low = 0; High = 3; Median = 1

Analysis of the Data – Textbooks

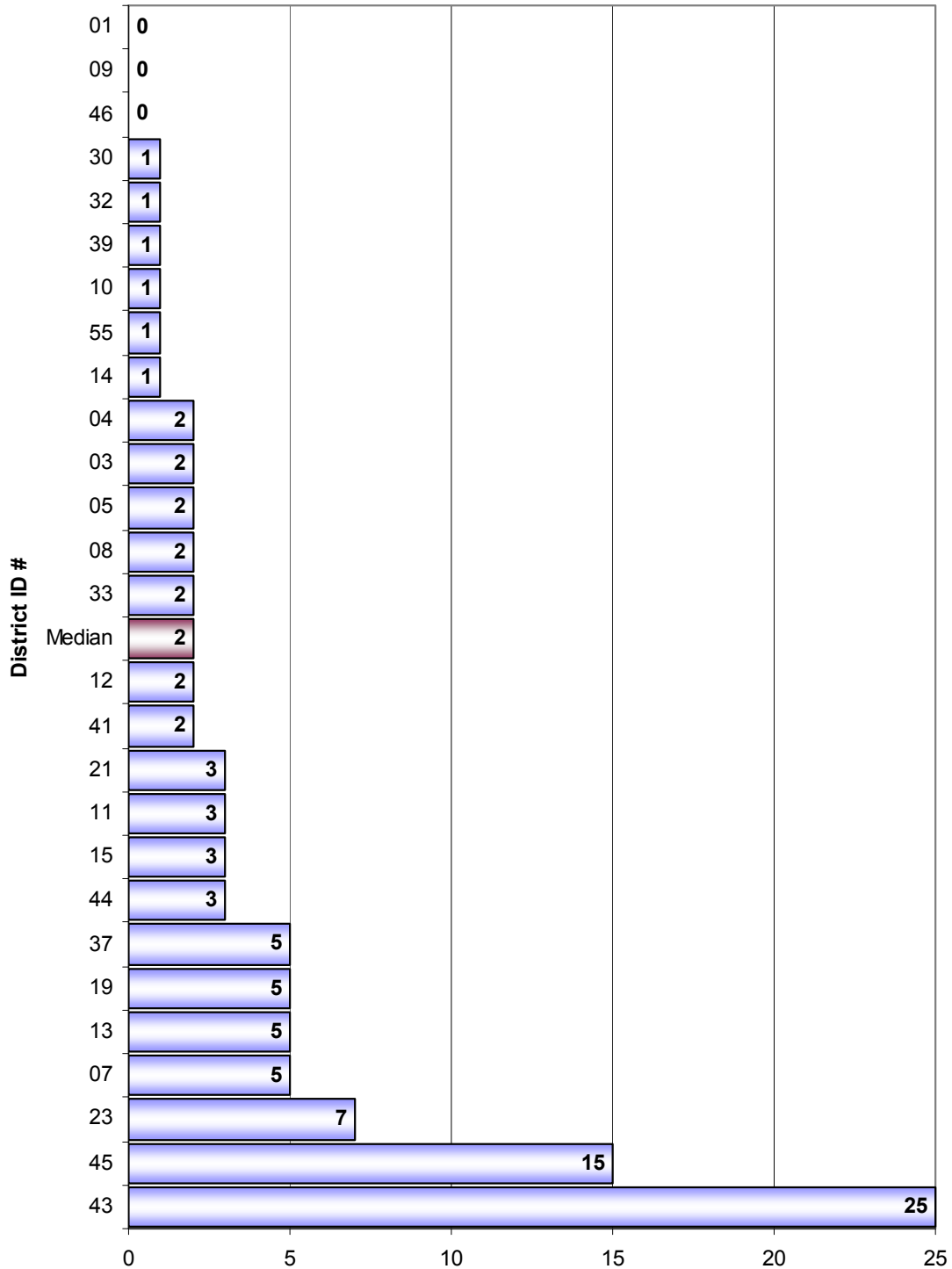
- FY 08 > 17 districts responded
- FY 08 > Low = 0; High = 21; Median = 5

Analysis of the Data – Other

- FY 08 > 12 districts responded
- FY 08 > Low = 0; High = 45; Median = 2.5

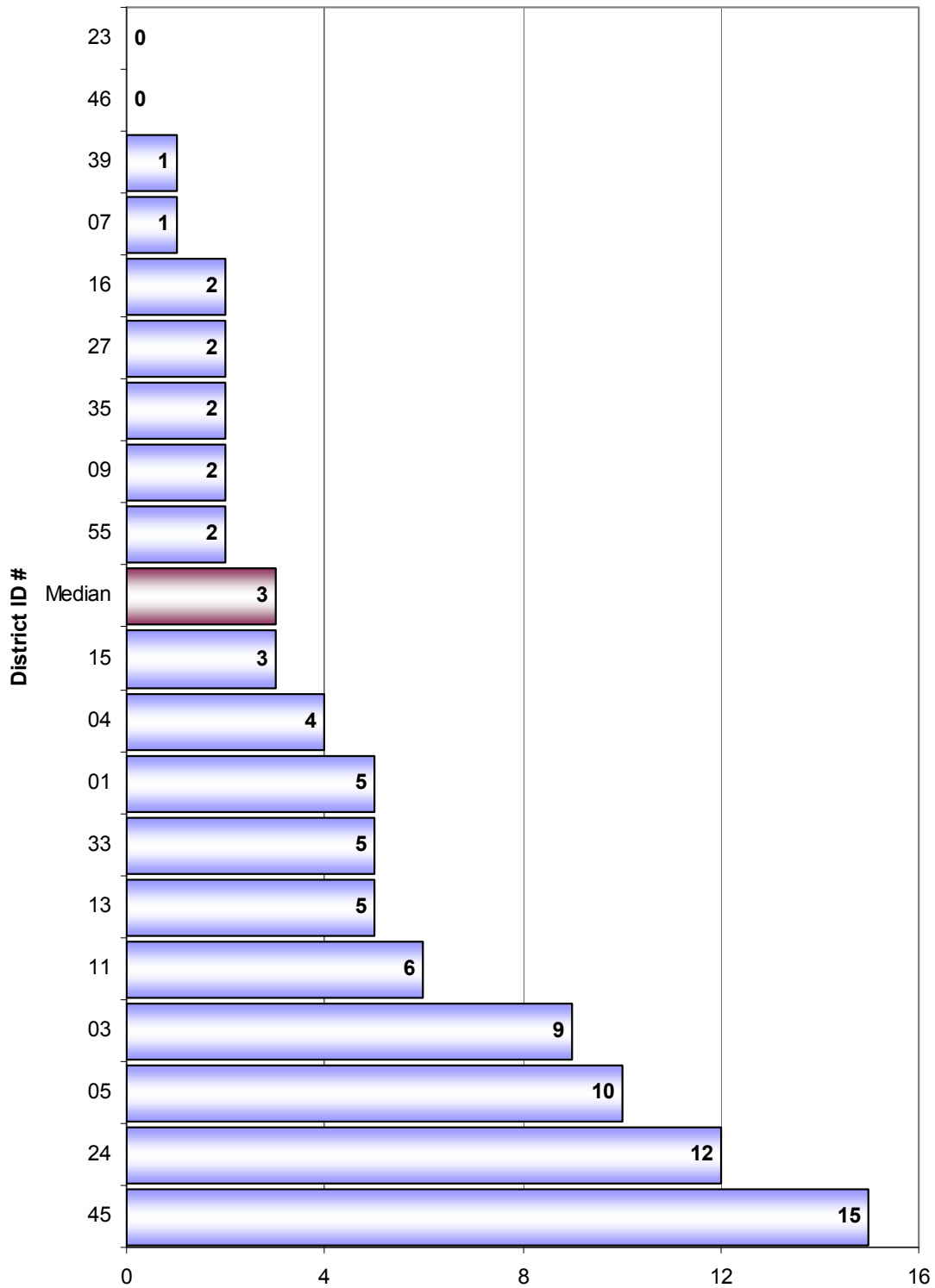
Performance Measurement & Benchmarking for K12 Operations

Distribution Lead Time in Days - Facility Maintenance Warehouse



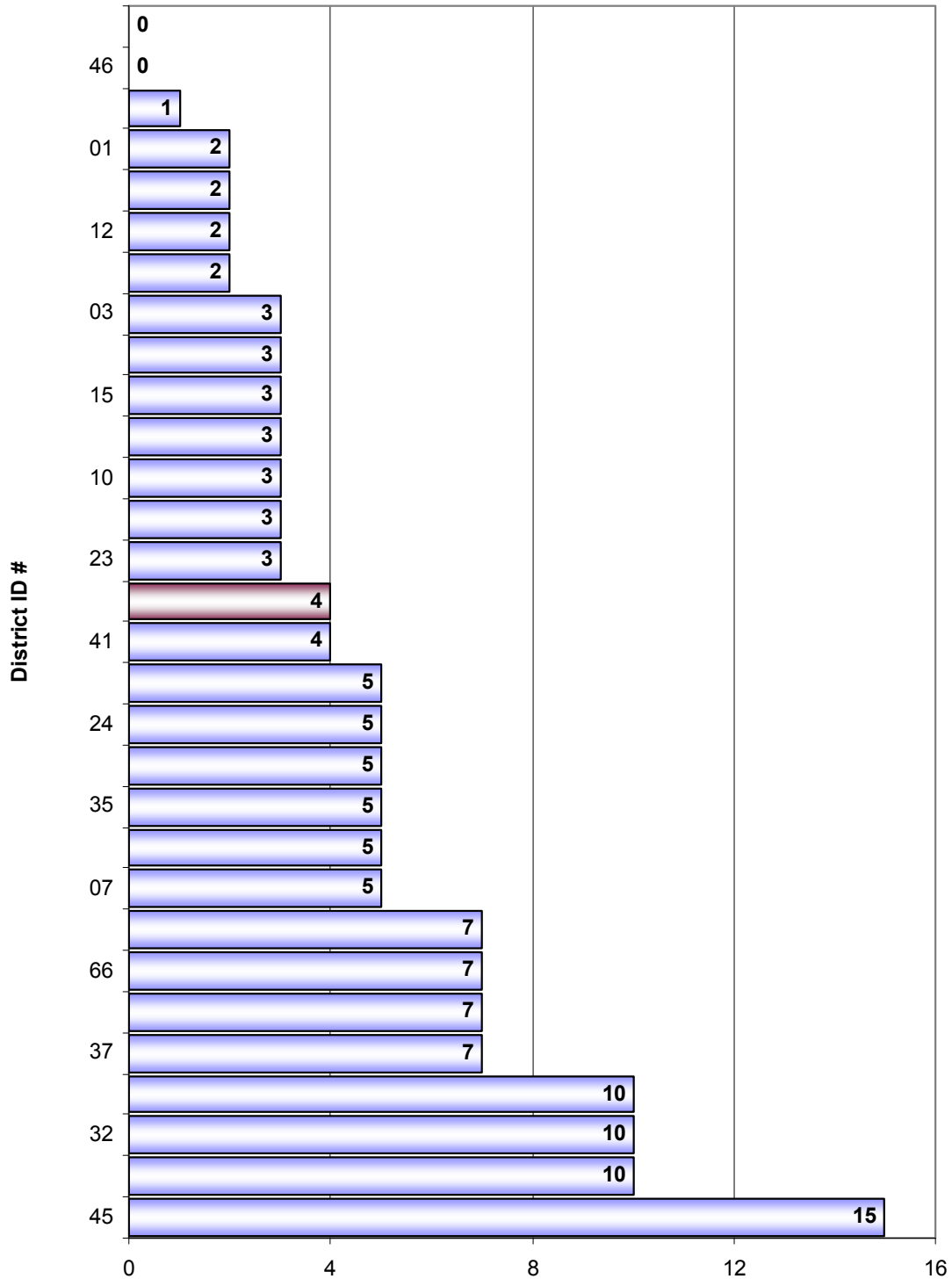
Key Performance Indicator

Distribution Lead Time in Days - Food Services Warehouse



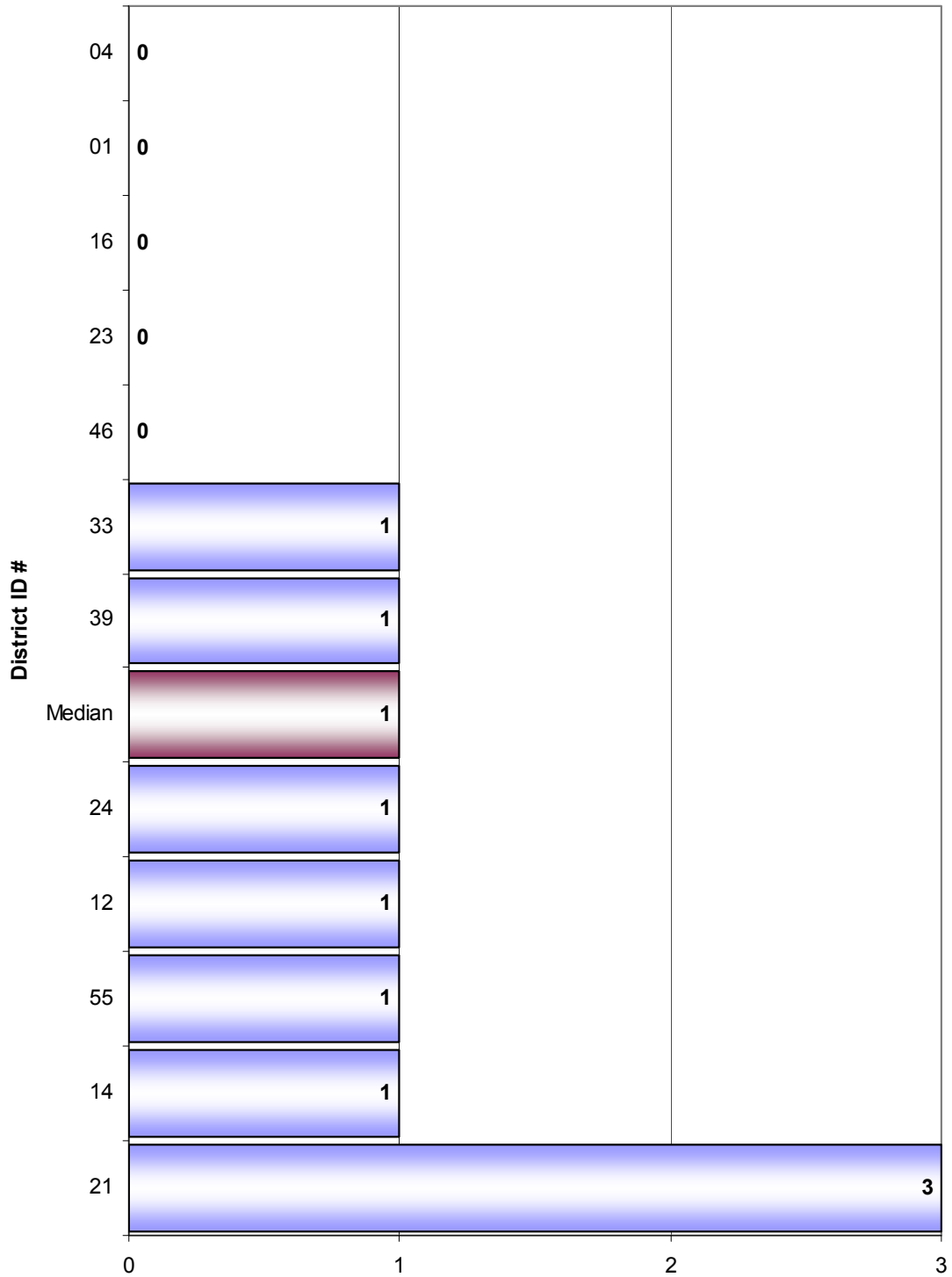
Performance Measurement & Benchmarking for K12 Operations

Distribution Lead Time in Days - Office/School Supplies Warehouse



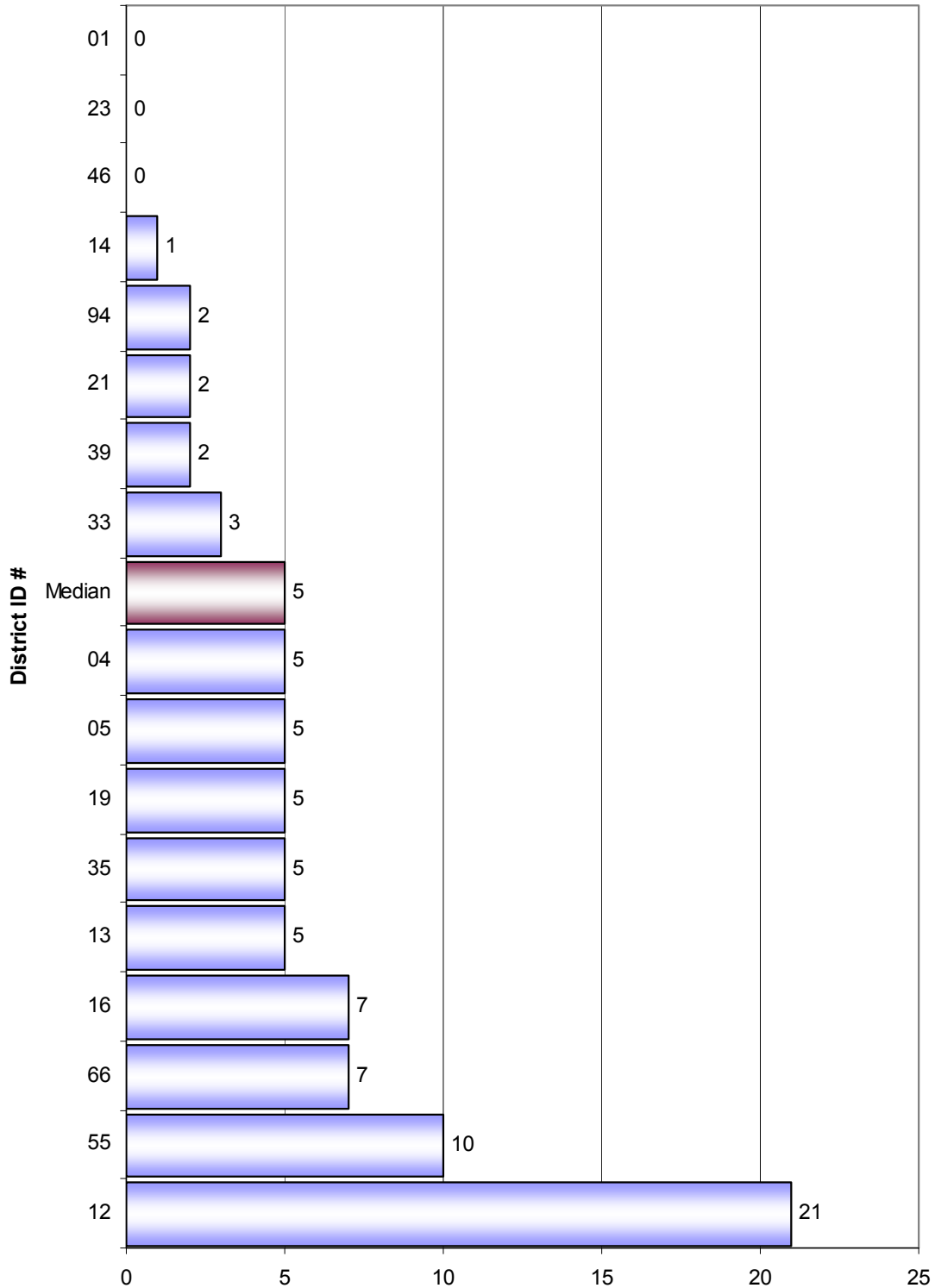
Key Performance Indicator

Distribution Lead Time in Days - Transportation Maintenance
Warehouse



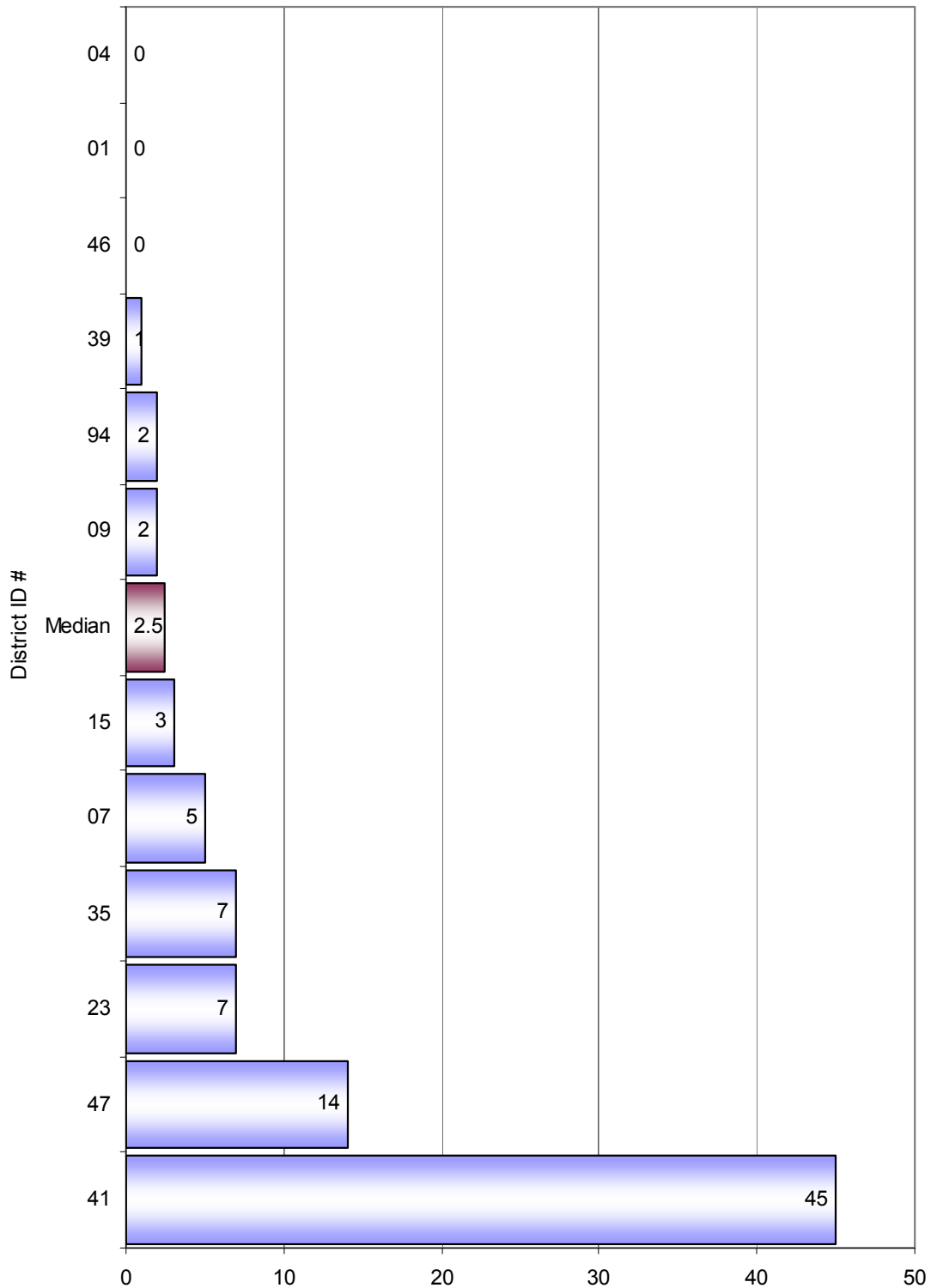
Performance Measurement & Benchmarking for K12 Operations

Distribution Lead Time in Days - Textbook Warehouse



Key Performance Indicator

Distribution Lead Time in Days - Other



Electronic Procurement

Total number of electronic procurement transactions *divided by* total number of procurement transactions including P-Card.

Total dollars spent via electronic procurement *divided by* total procurement dollars spent by the district including P-Card

Why These Measures Are Important

These measures assess the use of sophisticated e-procurement tools that can increase purchasing efficiency and decrease maverick spending or more inefficient spot buys. In other words, electronic procurement allows for business-to-business (B2B) procurement activity, thus reducing operational costs and expedited delivery of goods and services. Electronic procurement is defined as a procurement requirement that is filled using an electronic shopping cart. Typical shopping carts allow end-users to select items and fill a shopping cart from either a punch-out catalog at a vendor's web catalog or an electronic agency catalog. These catalogs have set contract pricing and billing is done usually via PO or P-Card.

Factors That Influence This Measure

- Use of e-procurement applications and P-cards
- Spend analysis to determine catalog selection
- District procurement policy
- Implementation of ERP or other best practice e-procurement applications

Analysis of the Data- % Transactions that are Electronic

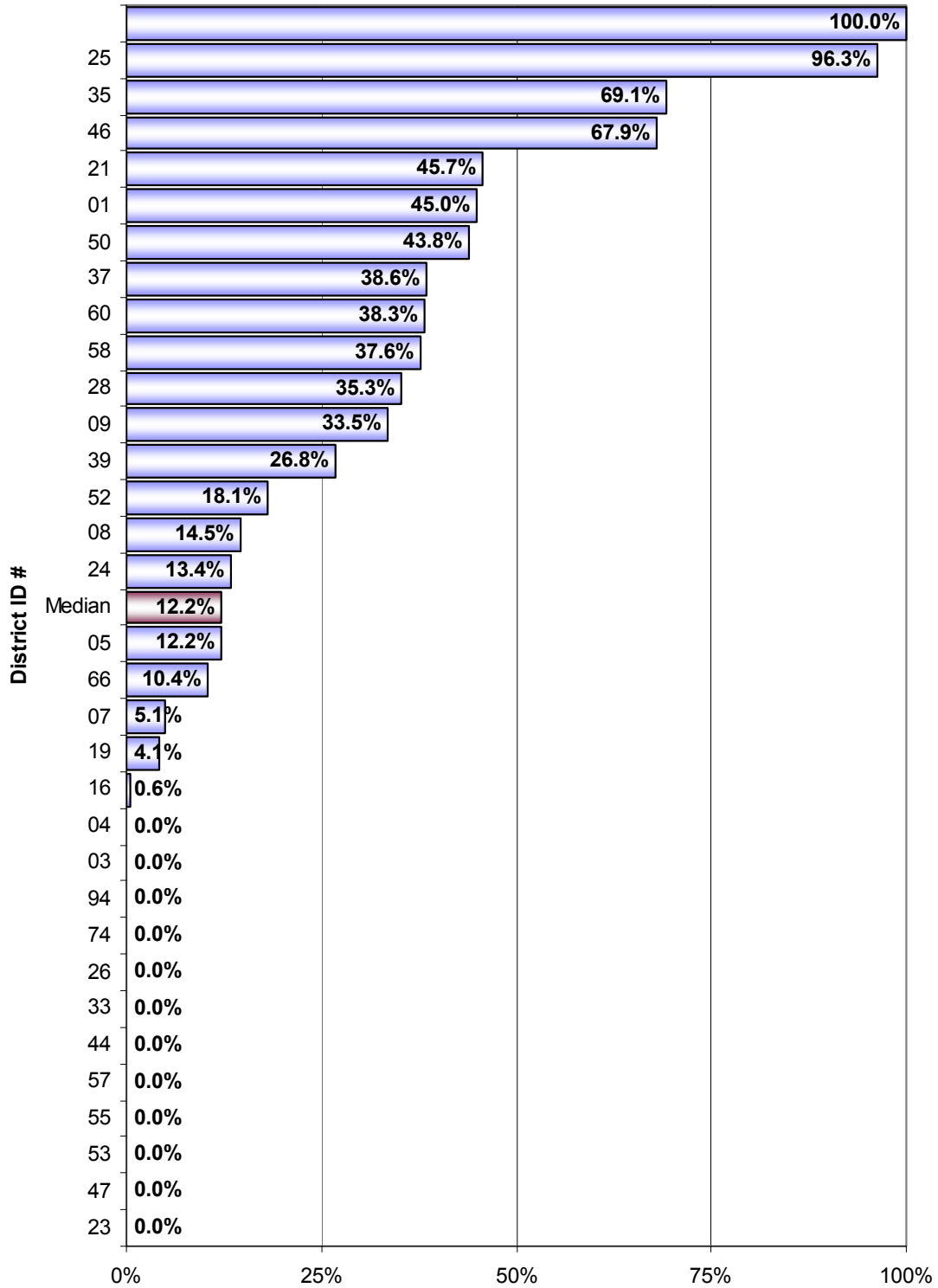
- FY 08 > 33 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 12.2%
- 12 of the districts employ electronic means for at least one third of their total procurement transactions.

Analysis of the Data - % Dollars that are Electronic

- FY 08 > 35 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 0.3%
- Only 6 of the districts employed electronic means for 75% or more of the procurement dollars spent for good and services. The remaining 27 districts either do not use any form of electronic purchasing or use the method for less than 3% of their total spend for goods and services.

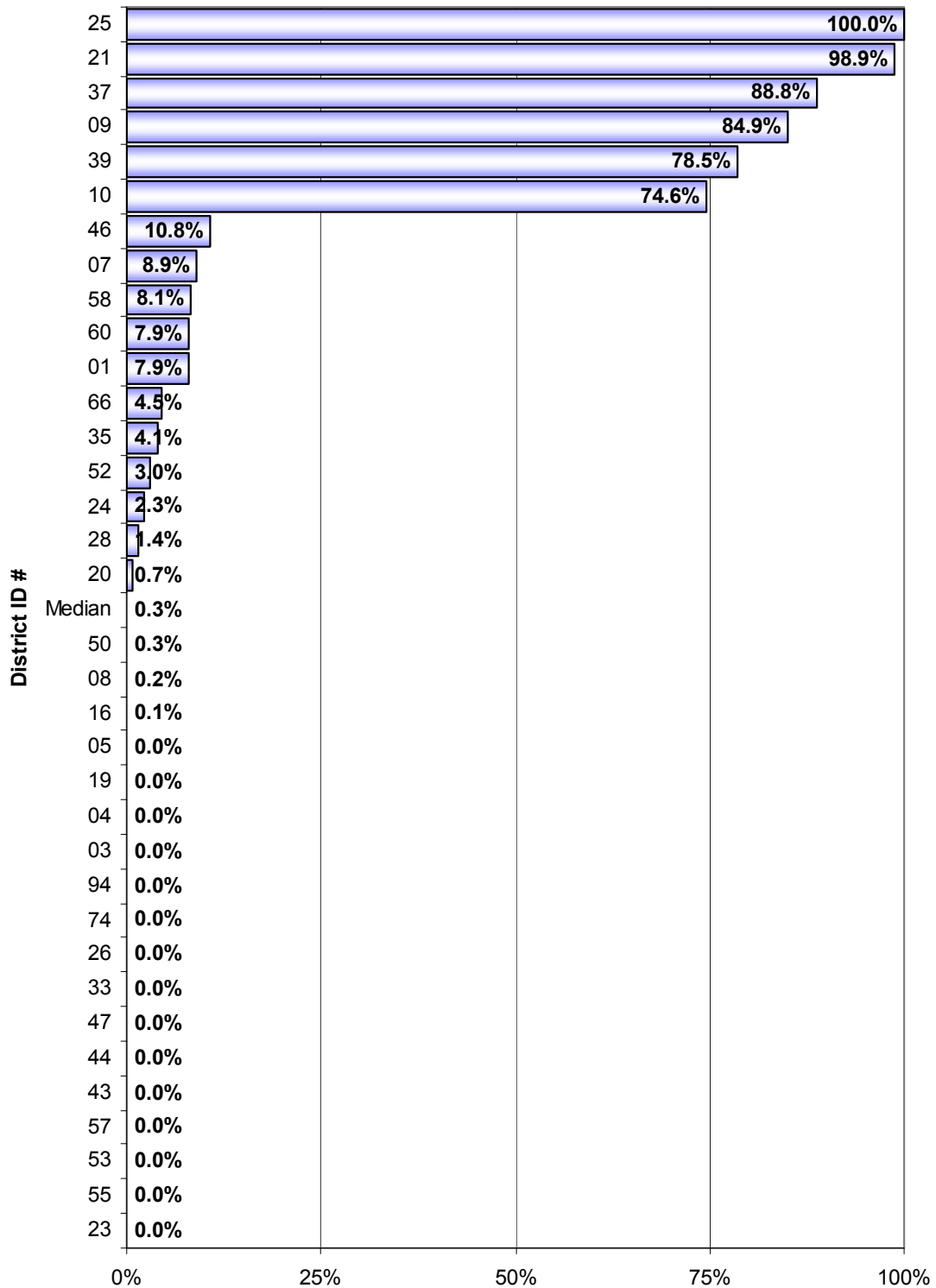
Performance Measurement & Benchmarking for K12 Operations

Electronic Procurement Transactions



Key Performance Indicator

Electronic Procurement Dollars



Formal Bidding Threshold

Formal bidding threshold.

Why This Measure Is Important

This measure identifies the dollar levels that require formal procurement procedures. Formal procurement procedures typically allow for more advertising and increased competition, however, these procedures are also more involved with additional compliance requirements and generally require more purchasing time. Formal bid thresholds are generally set at a level where the benefits of the additional competition and compliance exceed the benefit of decreased cycle time and cost efficiencies.

Factors That Influence This Measure

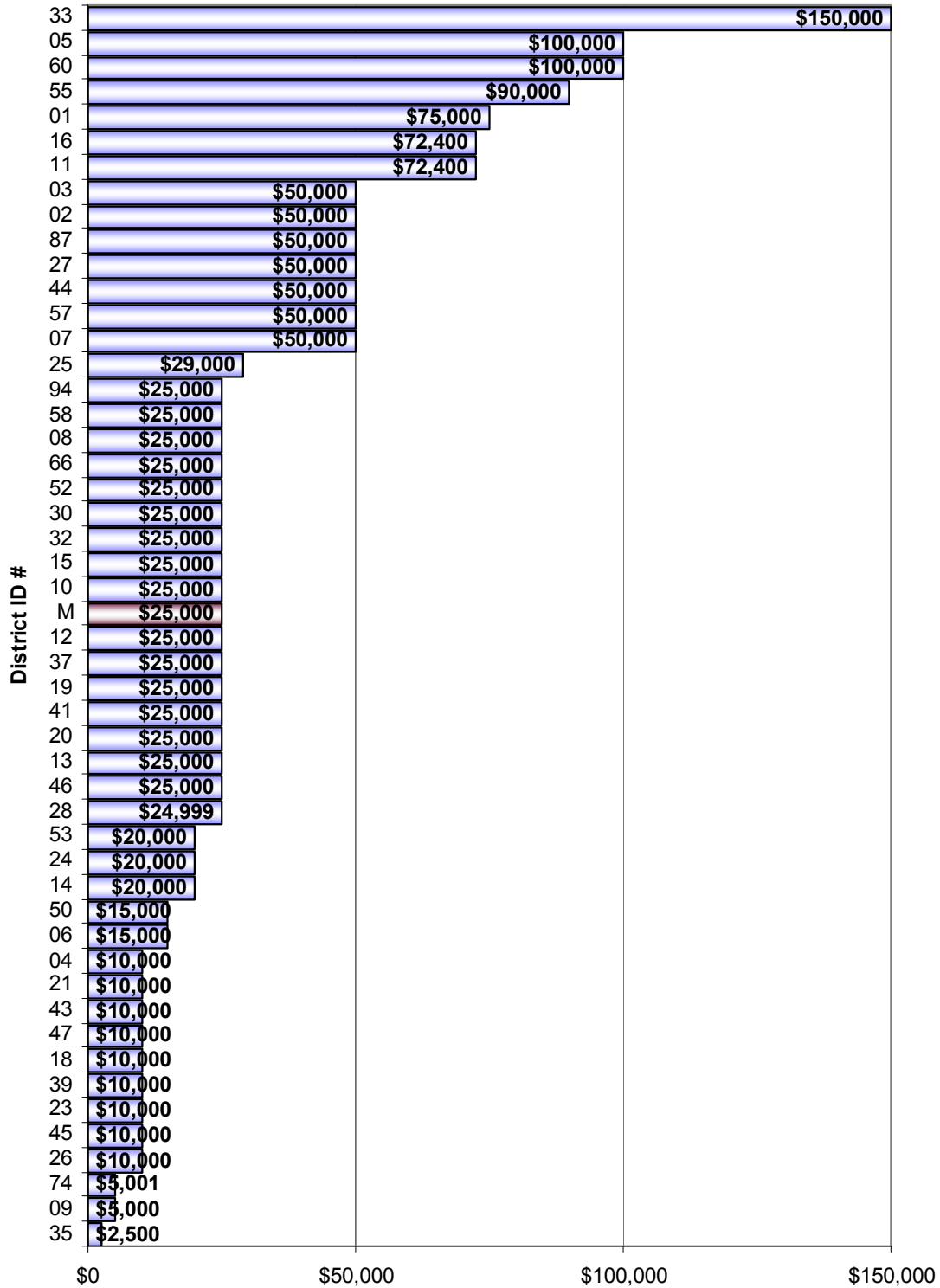
- District procurement policy
- State procurement rules for public agencies
- Type of items or services being procured

Analysis of the Data

- FY 08 > 49 districts responded
- FY 08 > High = \$150,000; Low = \$2,500; Median = \$25,000
- Over two-thirds of the districts have formal bid thresholds in the \$25-50,000 range and the median has remained the same in the last 3 years.

Performance Measurement & Benchmarking for K12 Operations

Formal Bidding Threshold



Key Performance Indicator

P-Card Purchasing Spend (Dollars)

Total dollars spent by the district using P-Card divided by total procurement dollars spent by the district including P-Card.

Why This Measure Is Important

This measure shows the degree to which districts are utilizing this procurement method for savings, cost avoidance, decreasing cycle time, and improving overall procurement effectiveness and efficiency. It complements the P-Card KPI showing the percentage of a district's procurement transactions that are from P-Cards. In this measure, the dollar value (vs. the # of transactions) percentage is shown.

Factors That Influence This Measure

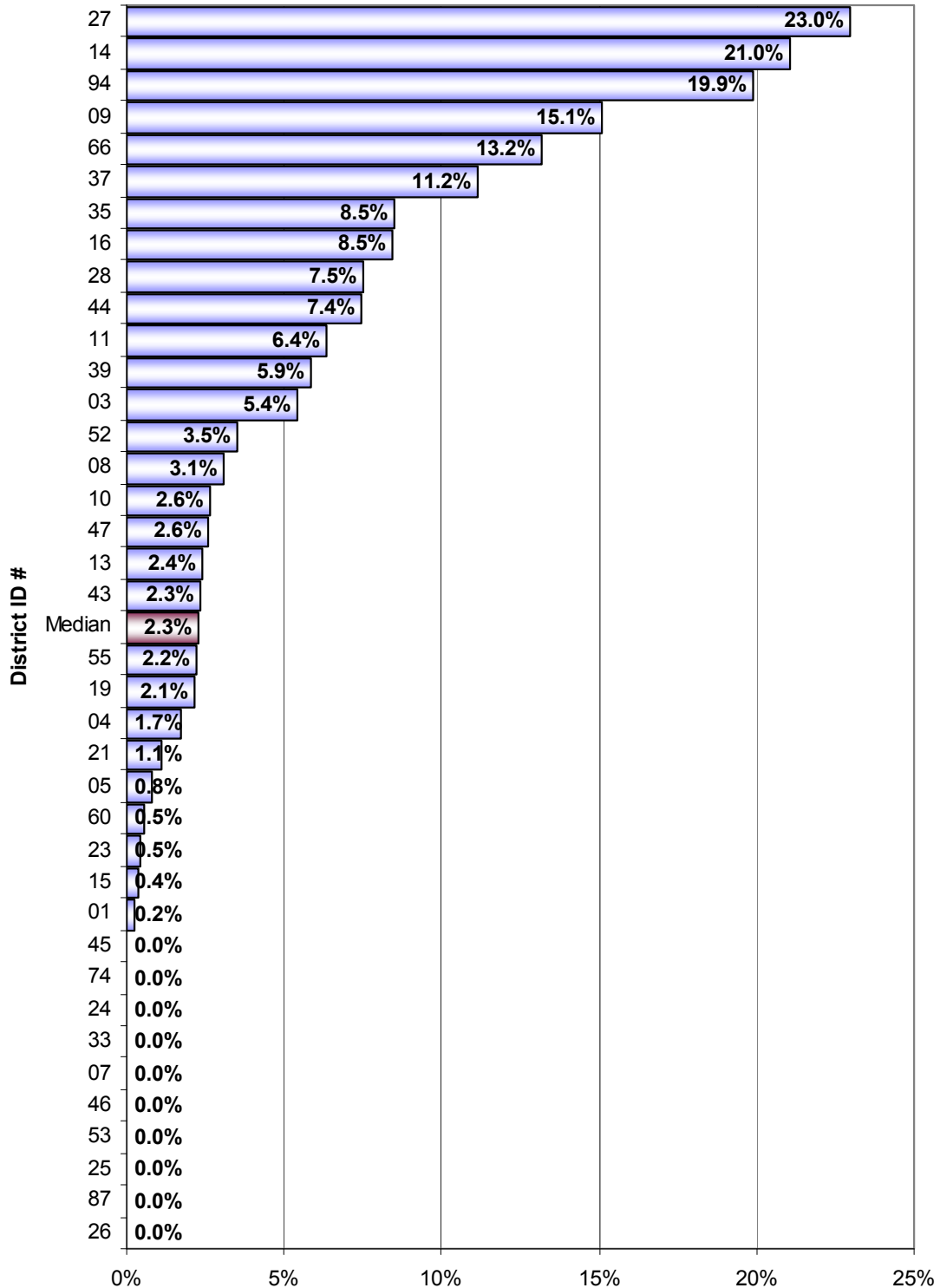
- District procurement policy
- Technology district procurement policy
- Delegated purchasing authority
- Procurement controls

Analysis of the Data

- FY 08 > 38 districts responded
- FY 08 > High = 23.0%; Low = 0.0%; Median = 2.3%
- P-Card transactions make up a relatively small percent of the total dollars spent in districts that use them (which makes sense since P-Card programs are usually limited to small dollar transactions).

Performance Measurement & Benchmarking for K12 Operations

P-Card Dollars



Key Performance Indicator

P-Card Single Transaction Limit (STL)

P-Card single transaction limit.

Why This Measure Is Important

This measure assesses the credit card controls that limit the dollar level of single P-Card purchases. Higher STLs limits usually translate to increased P-Card purchase dollars and provide savings to districts through rebates, transactional processing efficiencies (compared to POs and checks), and other benefits such as decreased cycle time.

Factors That Influence This Measure

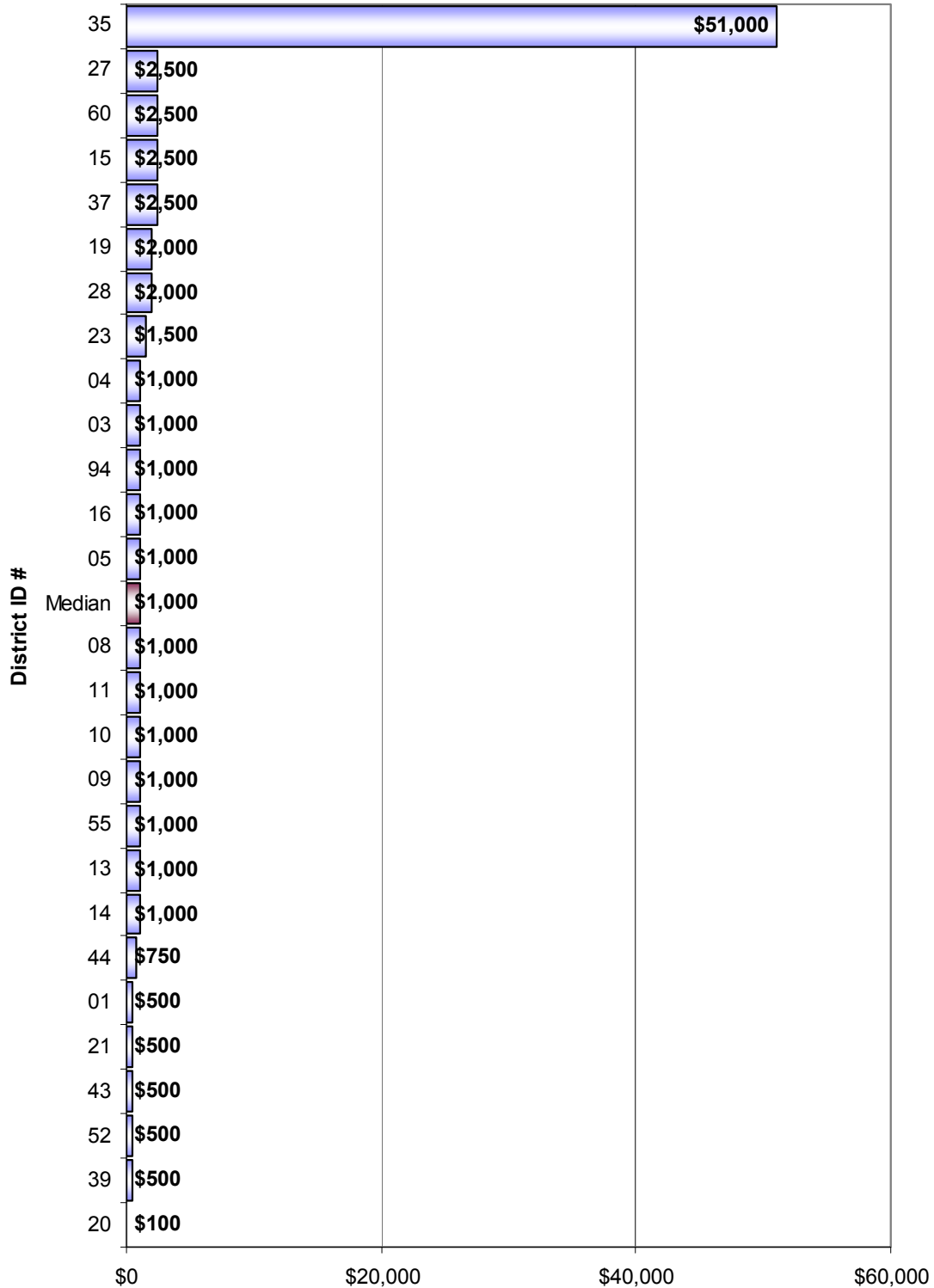
- District procurement policy
- Delegated purchasing authority
- Procurement controls

Analysis of the Data

- FY 08 > 27 districts responded
- FY 08 > High = \$51,000; Low = \$100; Median = \$1,000
- The vast majority of districts range between \$1,000 and \$2,500.

Performance Measurement & Benchmarking for K12 Operations

P-Card Single Transaction Limit



Key Performance Indicator

Piggyback Contracts

Total number of piggyback transactions *divided by* total number of procurement transactions including P-Card.

Total dollars spent on piggyback contract transactions *divided by* total procurement dollars spent by the district including P-Card.

Why These Measures Are Important

Piggyback transactions and contracts are distinguished from traditional cooperative contracts in that they are established by other jurisdictions and do not specifically mention the district, nor are the quantities committed or considered in the original purchase. Like traditional cooperative contracts, piggyback contracts can provide savings, create efficiency and expedite the procurement process.

Factors That Influence This Measure

- District procurement law and policy
- Availability of piggyback contracts that are more competitive than other alternatives
- Experience and knowledge of staff
- Commodity (some goods and services lend themselves to leveraging volume more than others)
- Degree of item standardization with other entities

Analysis of the Data - % piggyback transactions

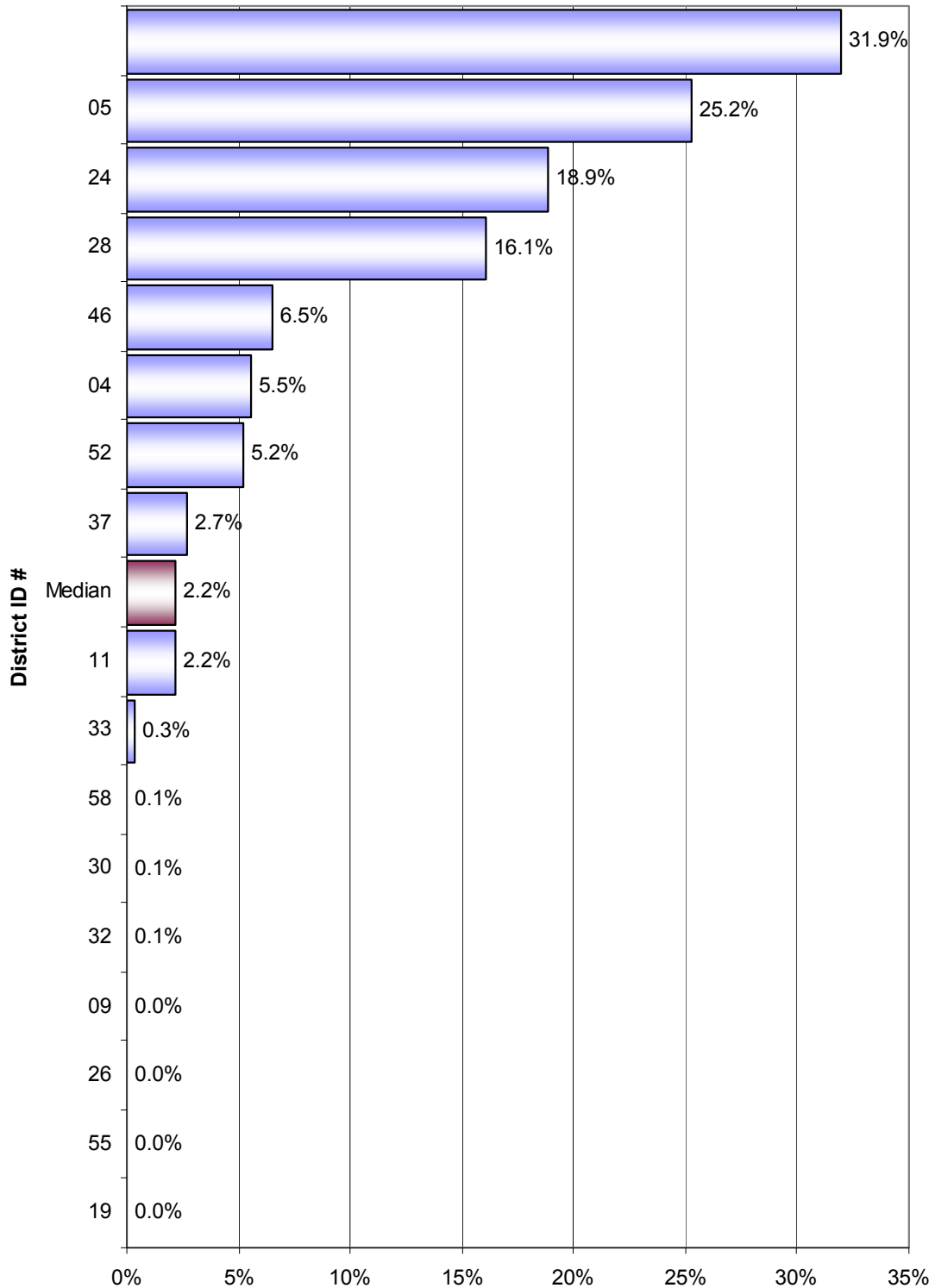
- FY 08 > 17 districts responded
- FY 08 > High = 31.9%; Low = 0.0%; Median = 2.2%

Analysis of the Data - % piggyback dollars

- FY 08 > 19 districts responded
- FY 08 > High = 27.1%; Low = 0.0%; Median = 1.7%

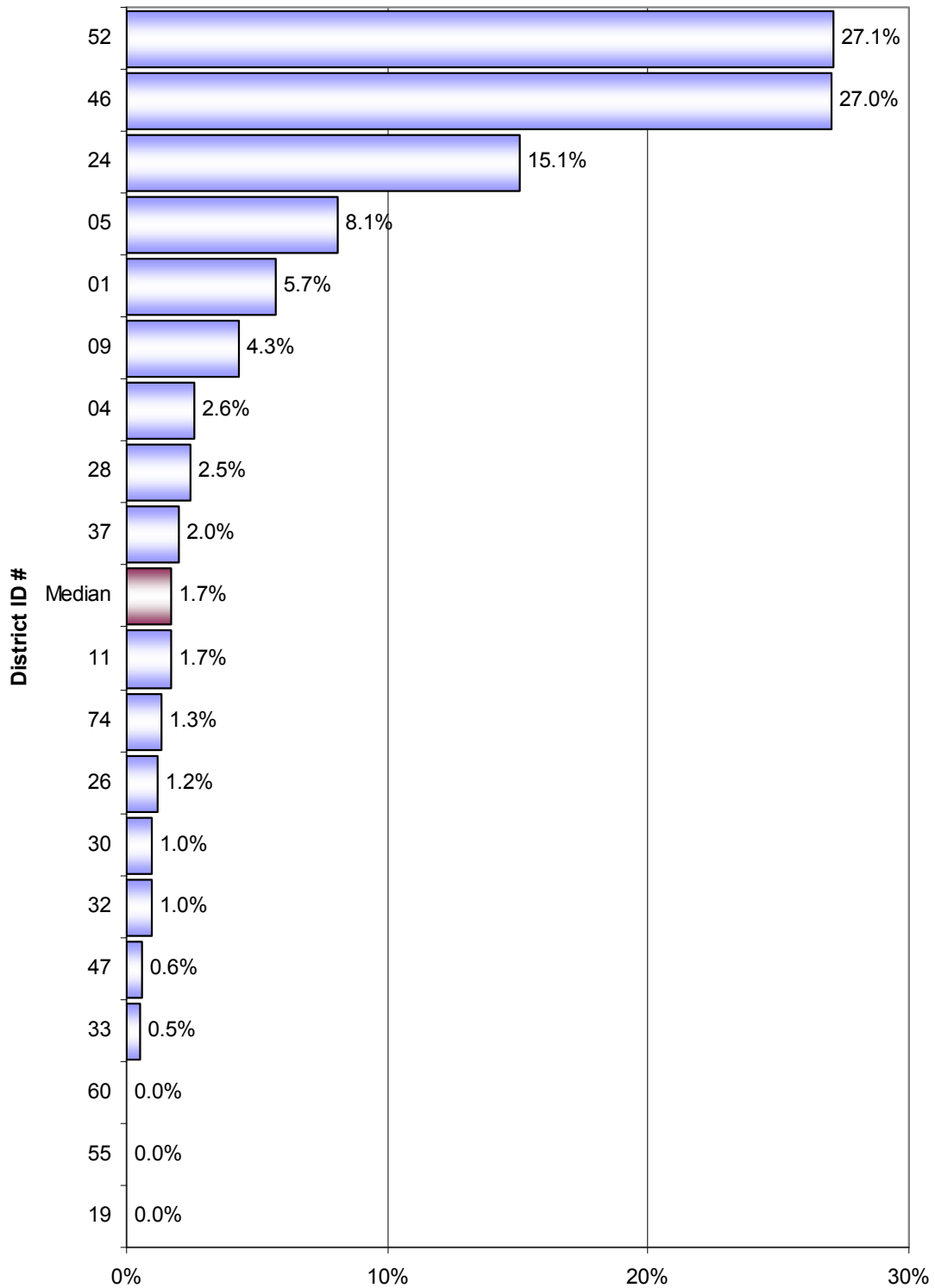
Performance Measurement & Benchmarking for K12 Operations

Piggyback Transactions



Key Performance Indicator

Piggyback Dollars



Key Performance Indicator

Procurement Authority

Has the district established a Centralized Procurement Authority designated Purchasing Agent (Yes/No)?

Why This Measure Is Important

This measure illustrates whether procurement is a centralized, decentralized, or a hybrid function. A totally centralized procurement authority means that only the district's dedicated Purchasing Agent has been granted purchasing authority by the superintendent or school board. A decentralized procurement authority means that various departments and school administrators have purchasing authority for their areas of responsibility. A hybrid provides some delegation of purchasing authority based on dollar limits or commodity or other parameters.

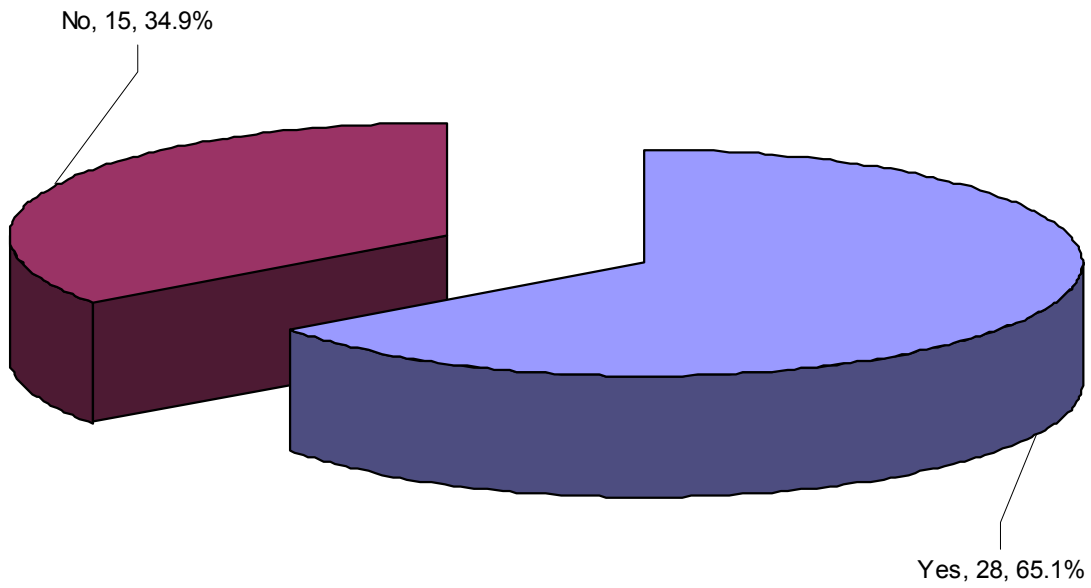
Factors That Influence This Measure

- District procurement policy
- Size and expertise of procurement staff
- Controls and procedures
- P-Card utilization
- Shared service arrangements

Analysis of the Data

- FY 08 > 43 districts responded
- FY 08 > Yes = 65.1%; No = 34.9%
- The purchasing authority in most districts tends to be in hybrid form.

District Procurement Authority



Procurement Dollars as Percent of Total General Fund Expenditures

Total procurement dollars spent by the district including P-Card *divided* by total general fund expenditures.

Why This Measure Is Important

This measure compares districts' total procurement dollars as a percentage of general funds expenditures. Since district expenditures are predominantly payroll, this percentage reflects non-payroll expenditures.

Factors That Influence This Measure

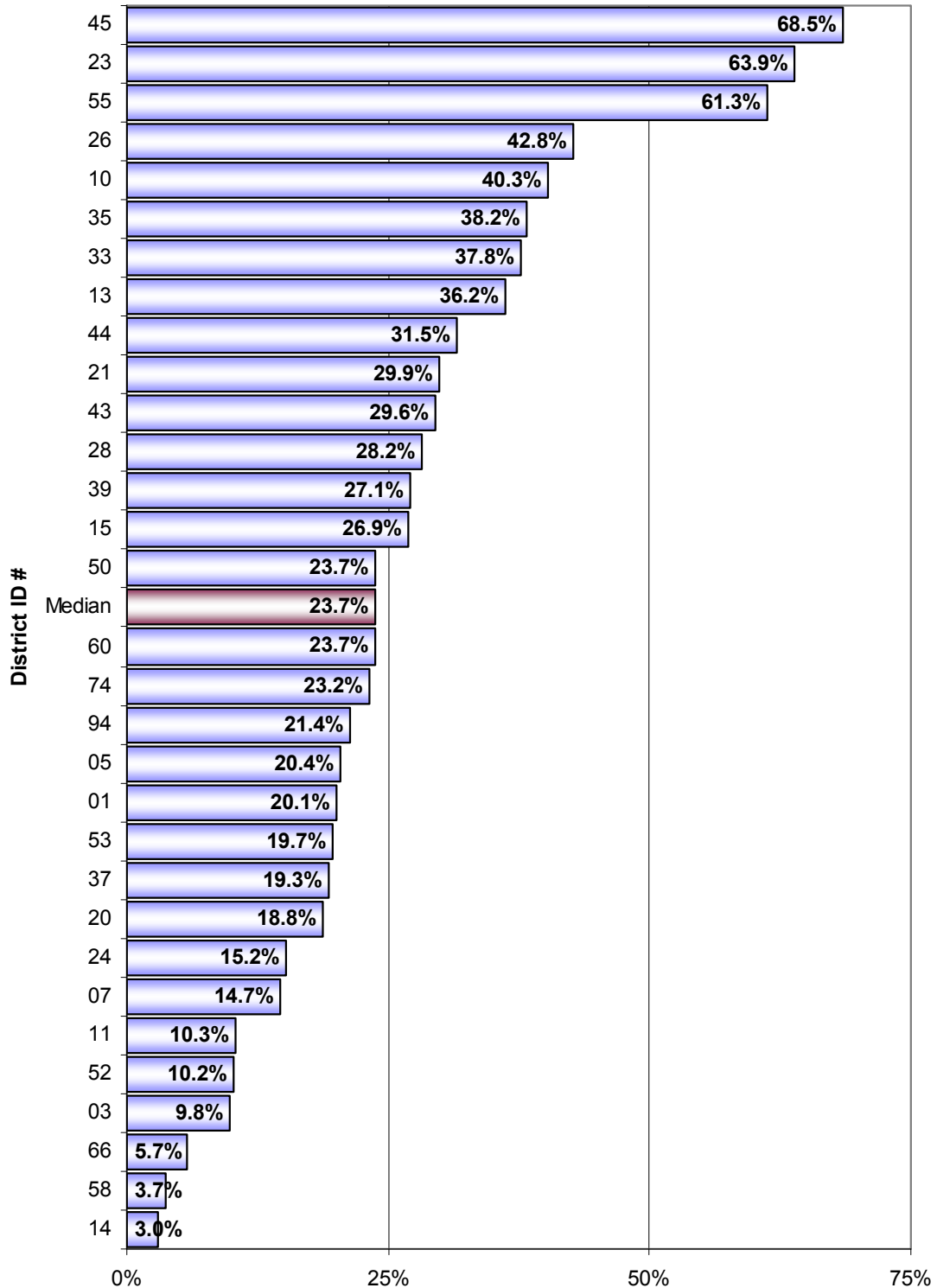
- Degree of outsourced functions and contract services
- Class size and difference between resources to instruction versus support functions
- Extent of shared services

Analysis of the Data

- FY 08 > 31 districts responded
- FY 08 > High = 68.5%; Low = 3.0%; Median = 23.7%

Performance Measurement & Benchmarking for K12 Operations

Purchasing Dollars as Percent of General Fund Dollars



Key Performance Indicator

Procurement Staff as Percent of District FTE

Total procurement staff *divided by* district FTE.

Why This Measure Is Important

This measure compares the number of a district's procurement staff that can be used to review the structure, size and operational costs of their respective departments.

Factors That Influence This Measure

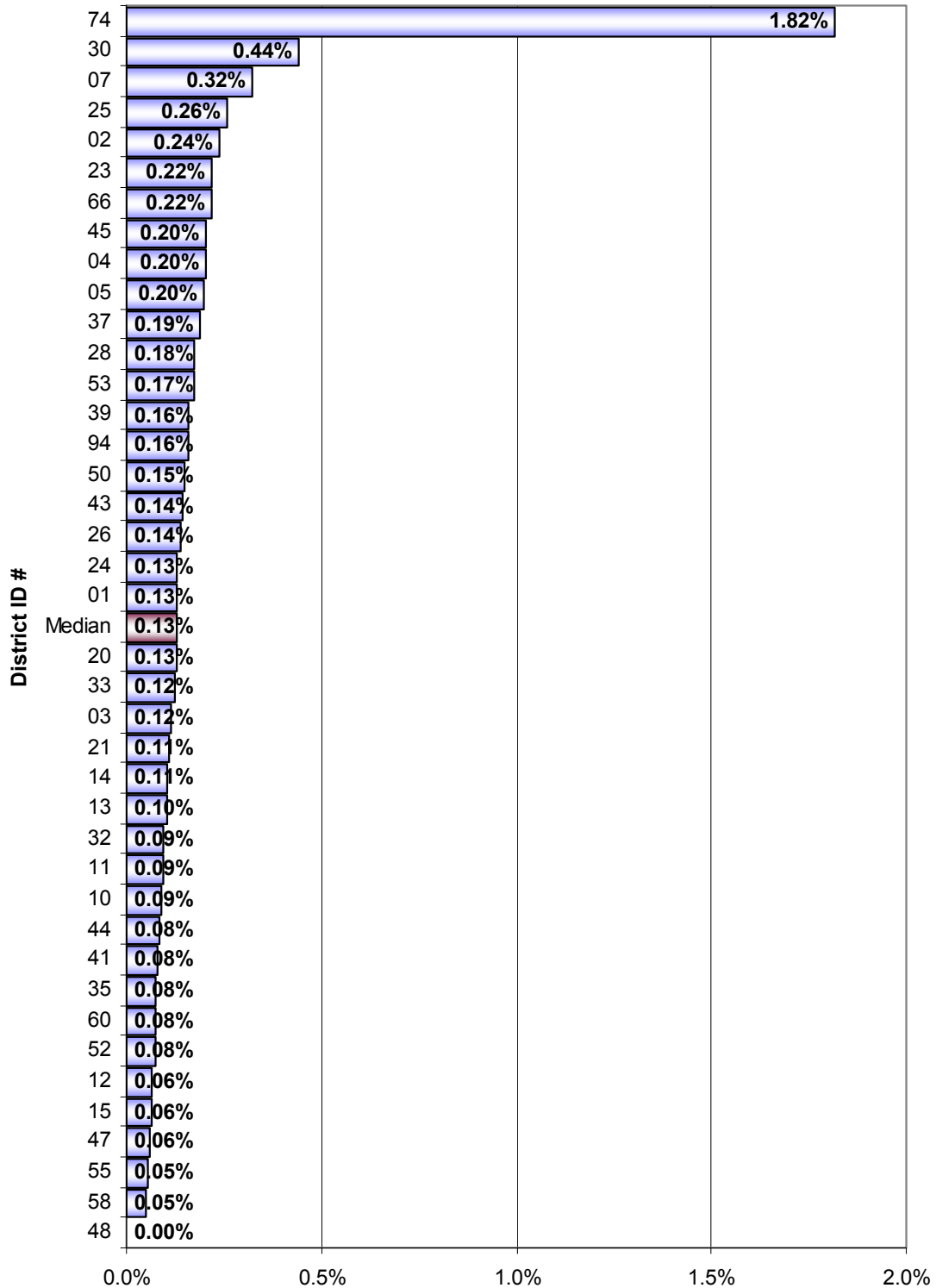
- Utilization of technology, e-procurement tools, integration with financial system
- Utilization of P-Card
- Policies on formal procurement thresholds, small purchasing procedures
- Strategic sourcing
- Cooperative contracting
- Shared services and outsourcing
- Degree of procurement centralization and delegated authority

Analysis of the Data

- FY 08 > 40 districts responded
- FY 08 > High = 1.82%; Low = 0.0%; Median = 0.13%
- The median for this measure has been within 0.01% over the last 4 years.

Performance Measurement & Benchmarking for K12 Operations

Procurement Staff as Percent of District FTE



Key Performance Indicator

Procurement System

Indicates type of purchasing system – ERP, in-house, legacy, or other

Why This Measure Is Important

This measure illustrates how districts use technology to process purchasing and inventory transactions, and integrates these functions into their core financial system since leading edge e-procurement/financial (ERP) systems allow for this integration.

Factors That Influence This Measure

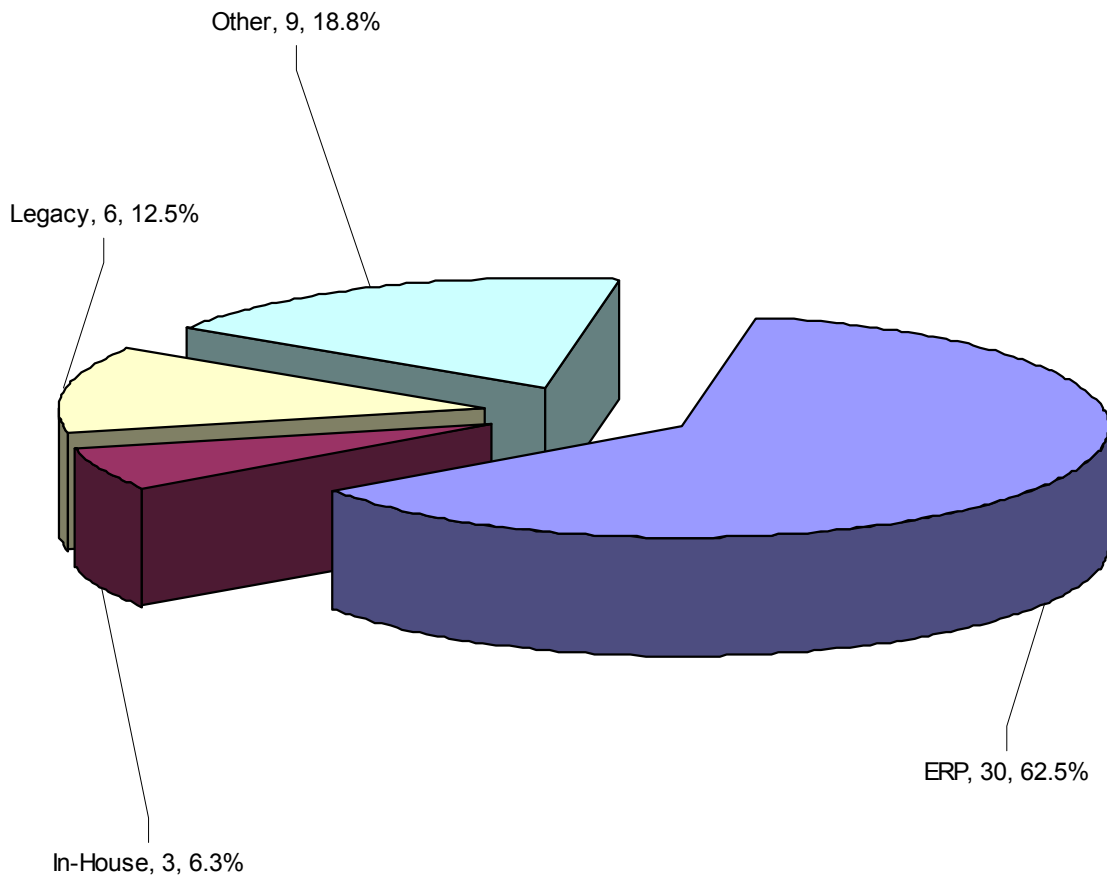
- Funding for procurement systems
- Interoperability with existing district systems
- District (finance, purchasing, and IT) staff knowledge, skills, and abilities with technology tools for e-procurement and inventory management.

Analysis of the Data

- FY 08 > 48 districts responded
- FY 08 > ERP = 62.5%; In-House = 6.3%; Legacy = 12.5%; Other = 18.8%

Performance Measurement & Benchmarking for K12 Operations

Procurement System



Key Performance Indicator

Procurement Transactions per Professional

Total number of procurement transactions *divided by* total professional procurement staff

Why This Measure Is Important

This indicator measures the number of transactions per professional and reflects a district's policies, resources, and approaches to procurement. In order for procurement staff to maximize savings, ensure competition, minimize processing times, and exercise adequate compliance and internal controls, staff members must be *strategic* instead of *transactional* in their workload.

Factors That Influence This Measure

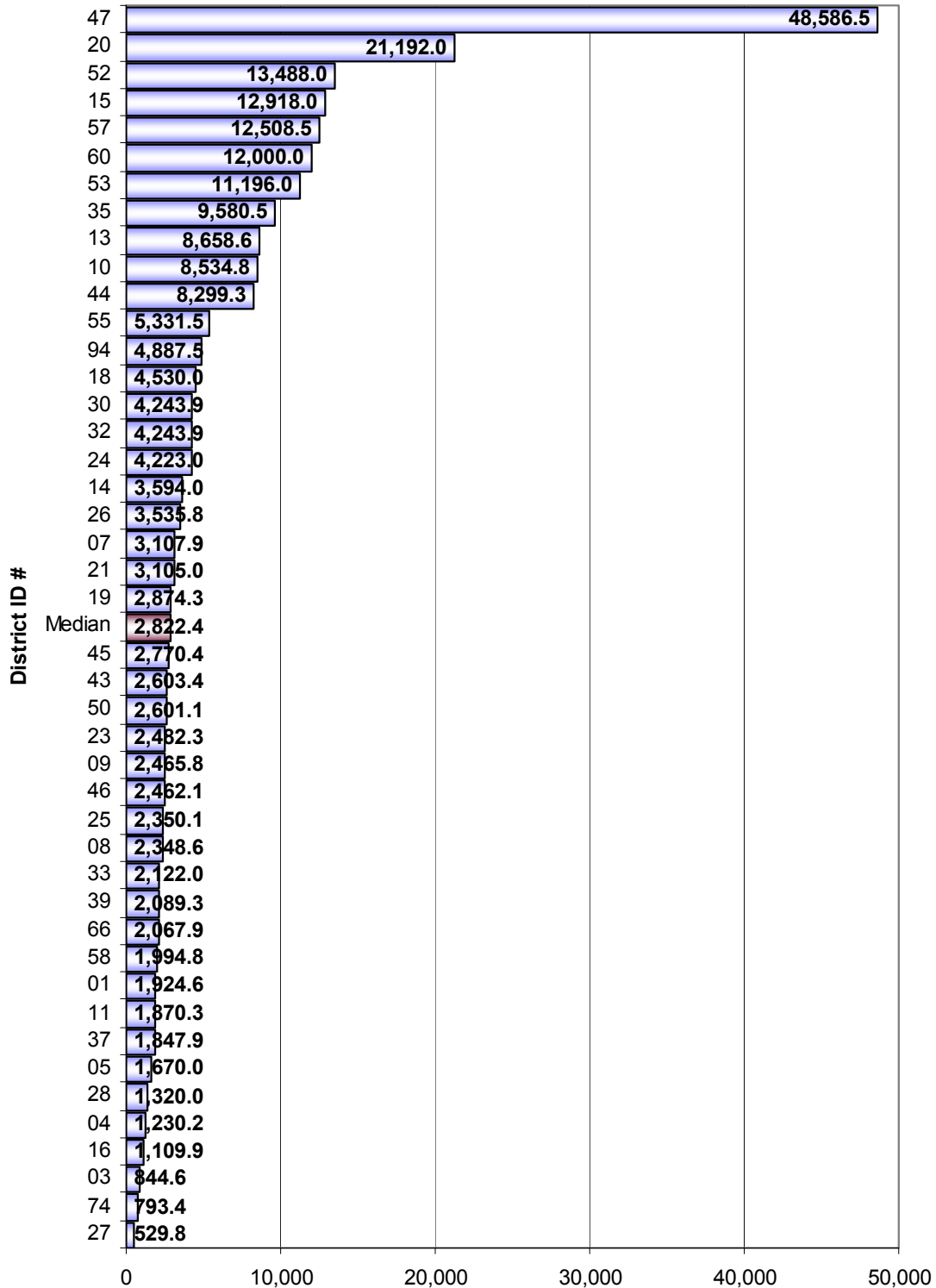
- Budget allocation
- Procurement policies for dollar thresholds for approval
- Extent of centralization/decentralization of purchasing authority
- Technical leadership in procurement management
- Utilization of technology and e-procurement tools
- Existence of a P-Card program
- Strategic sourcing including term contracts, blanket POs, cooperative contracts

Analysis of the Data

- FY 08 > 44 districts responded
- FY 08 > High =48,586.5; Low = 529.8; Median = 2,822.4
- Half of the responding districts report workloads between 2,000 and 5,000.
- Compared to previous years, the median continues to decrease, indicating a trend toward more strategic vs. transactional purchasing.

Performance Measurement & Benchmarking for K12 Operations

Transactions per Procurement Professional



Key Performance Indicator

Professional Services Contracts

Total number of professional services contracts awarded *divided by* total number of procurement transactions.

Total dollars spent on professional services contracts *divided by* total procurement dollars spent by the district.

Why These Measures Are Important

These measures indicate the level of professional services vs. in-house or other resources used by the districts. Professional services are those services that do not lend themselves to competitive bidding and require a specific license or certification and expertise.

Factors That Influence This Measure

- District procurement law, regulation, and policy
- Specification clarity
- Definition of professional service
- District organizational capability

Analysis of the Data - % of procurement awards (transactions)

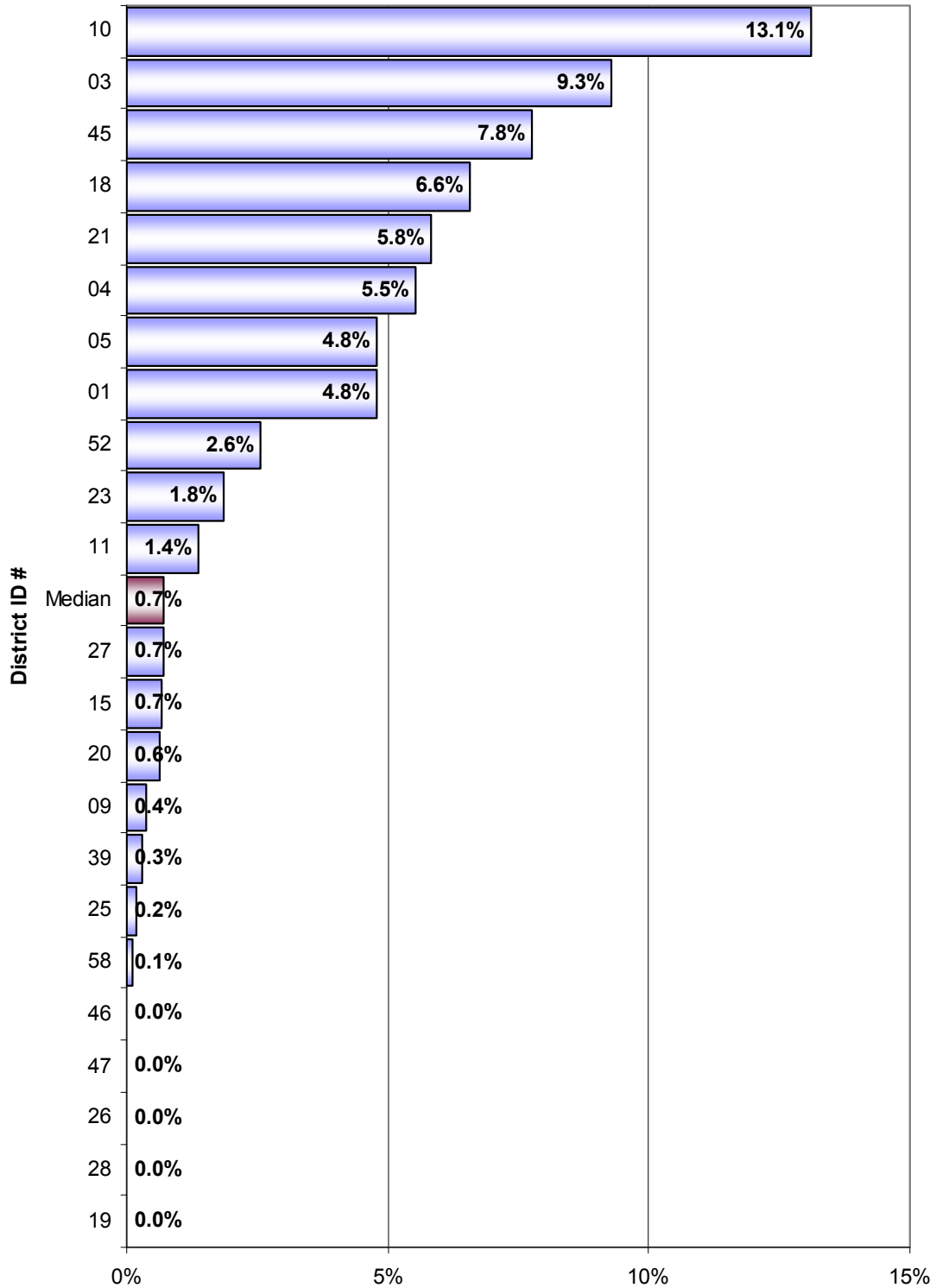
- FY 08 > 23 districts responded
- FY 08 > High = 13.1%; Low = 0.0%; Median = 0.7%

Analysis of the Data - % of procurement dollars

- FY 08 > 27 districts responded
- FY 08 > High = 51.9%; Low = 0.0%; Median = 9.4%
- Districts with a very high percentage of contracts spent on professional services might evaluate the cost/benefit of hiring a FTE with the required skill set.

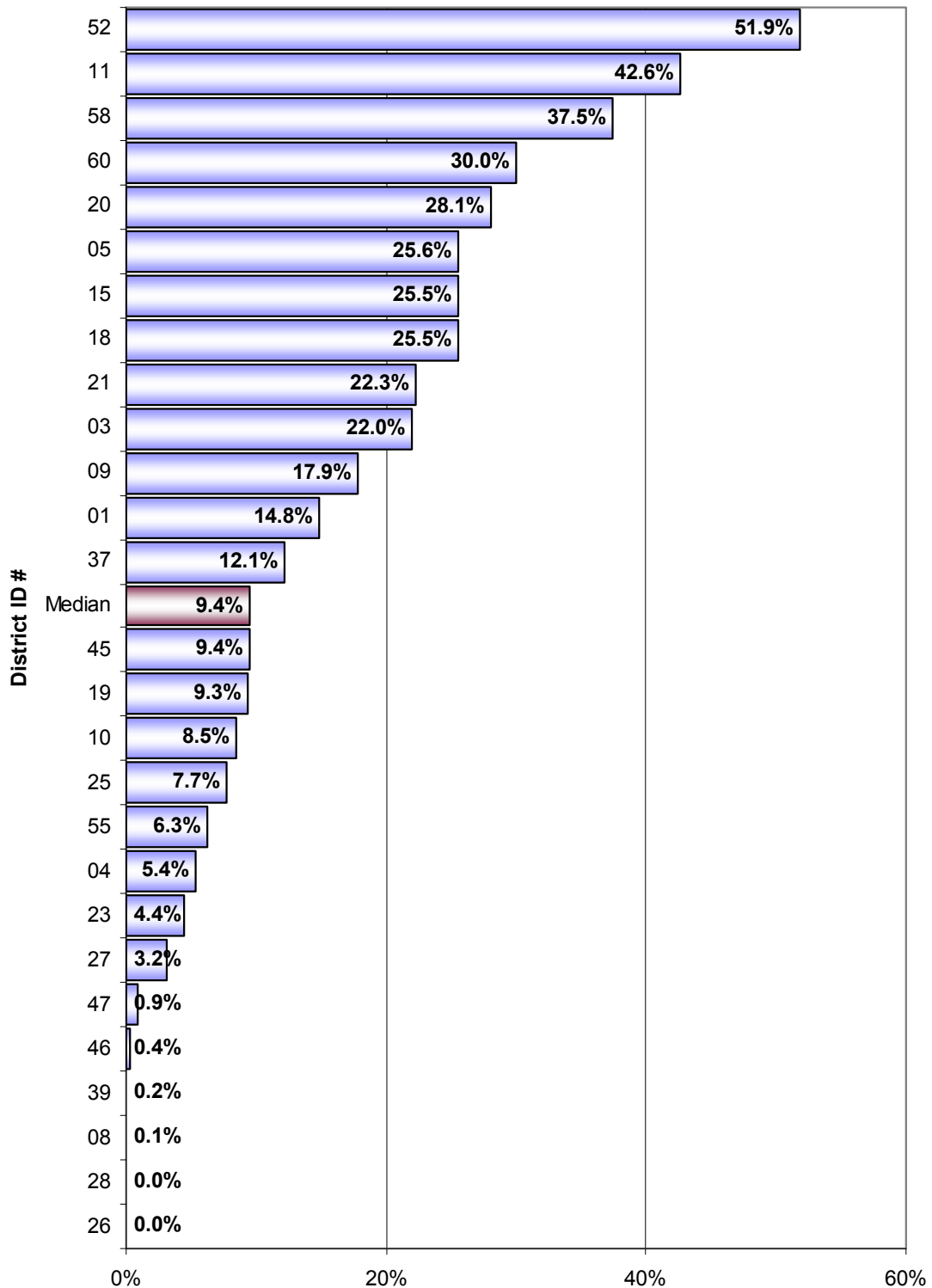
Performance Measurement & Benchmarking for K12 Operations

Professional Services Awards



Key Performance Indicator

Professional Services Dollars



Purchasing Office Operating Expense Ratio

Total purchasing function expenditures *divided by* total procurement dollars spent by the district.

Why This Measure Is Important

This measure identifies the relative or indirect cost of the procurement function as compared to the total procurement dollars purchased by the district. Assuming all things being equal, this is a measure of the administrative efficiency of a district's procurement operations.

Factors That Influence This Measure

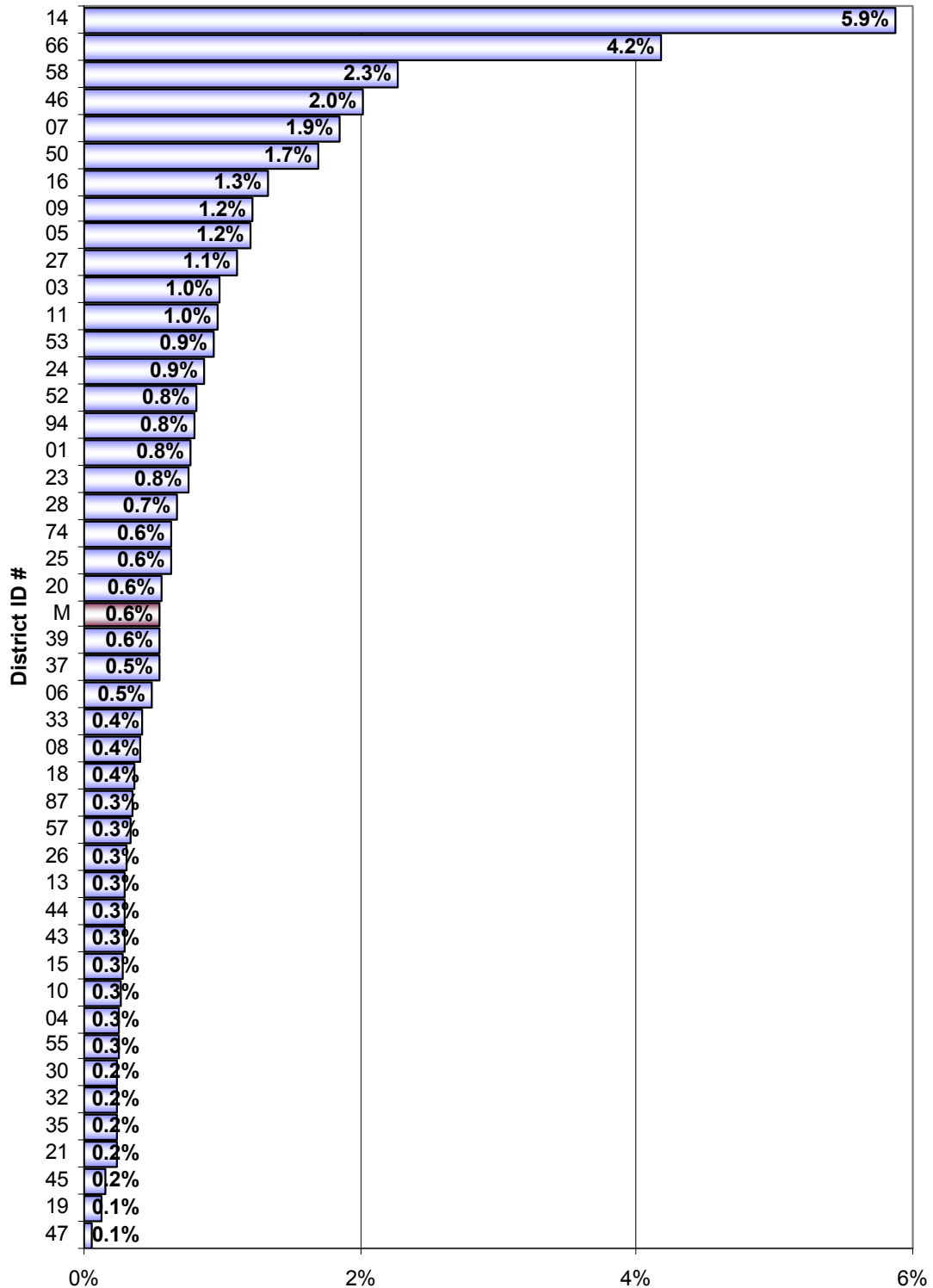
- District procurement policy including formal bid thresholds
- P-Card program utilization
- E-Procurement efficiency tools utilization
- Budget

Analysis of the Data

- FY 08 > 45 districts responded
- FY 08 > High = 5.9%; Low = 0.1%; Median = 0.6%
- The overwhelming majority of districts' operating expenses range from 0.1 to 1.3%.

Performance Measurement & Benchmarking for K12 Operations

Operating Expense Ratio



Key Performance Indicator

Requisition Minimum

Minimum requisition dollar value.

Why This Measure Is Important

This measure compares minimum requisition dollar values allowed by districts to establish requisitions and purchase orders vs. other methods for small purchases (e.g., direct payments, petty cash).

Factors That Influence This Measure

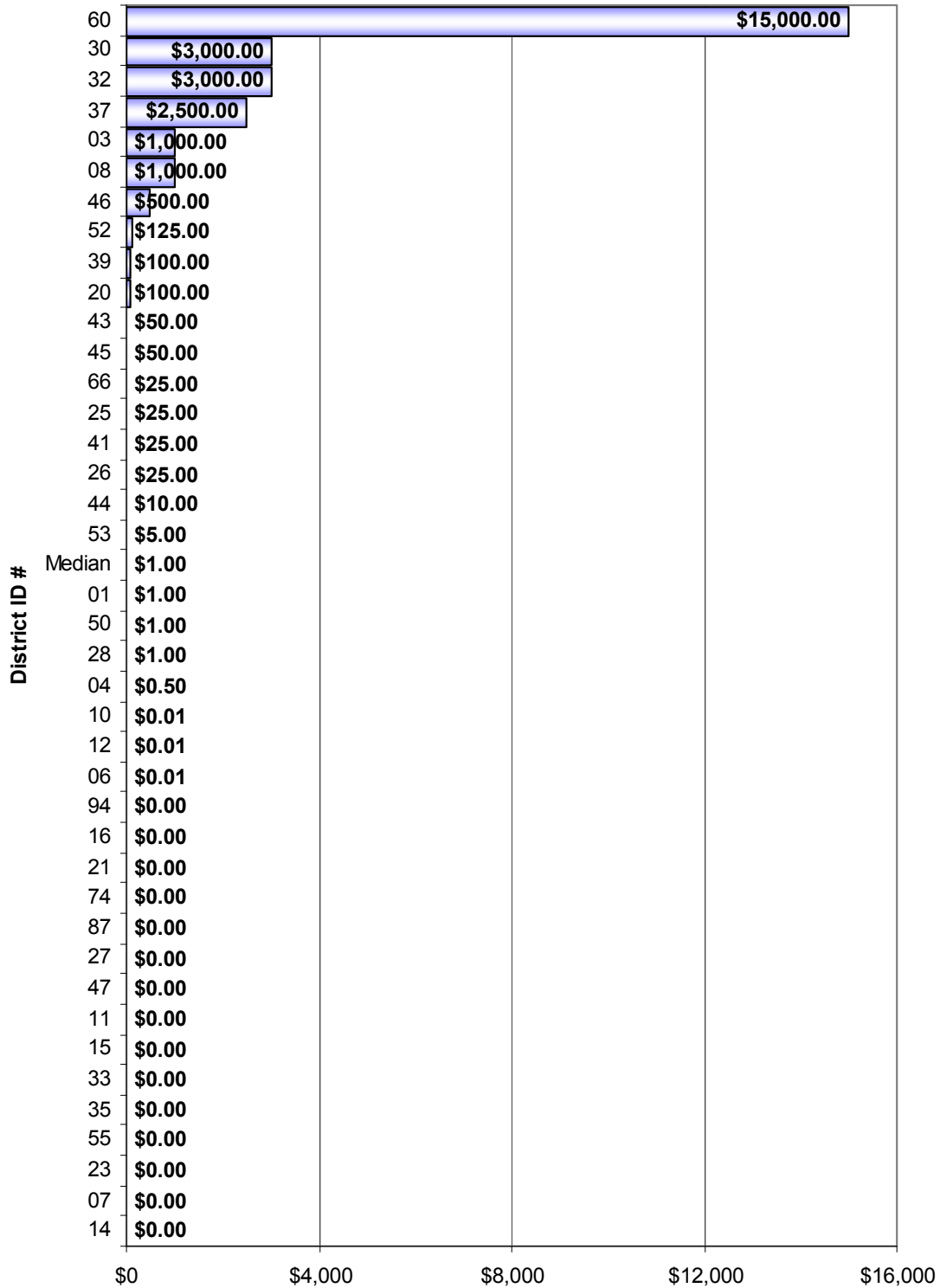
- District procurement policy
- Controls on other methods for small purchases
- Technology tools that minimize transactional costs
- P-Card utilization

Analysis of the Data

- FY 08 > 40 districts responded
- FY 08 > High = \$15,000; Low = \$0; Median = \$1
- \$0 minimum is the most common response and most districts have a minimum less than \$1. Even for districts with large P-Card programs, requisitions/POs are still relied on for low dollar requirements. This may be due to the cost control and increasing ease of e-procurement/ERP systems vs. other methods.

Performance Measurement & Benchmarking for K12 Operations

Requisition Minimum



Key Performance Indicator

Number of SKUs – All Warehouses

Number of Stock Keeping Units (SKU) for all warehouse types – office/school supply, food service, facility maintenance, transportation maintenance, textbook, and other.

Why This Measure Is Important

SKUs are unique identifiers for each distinct item in the district’s warehouse inventories. As the number of SKUs increases, the level of inventory management increases. Lack of standardization and a high number of under-utilized or dead stock SKUs will increase inventory costs. SKU analyses (especially by warehouse) should be routinely reviewed and business cases should periodically be conducted to compare warehouse operations/costs to direct delivery contract arrangements.

Factors That Influence This Measure

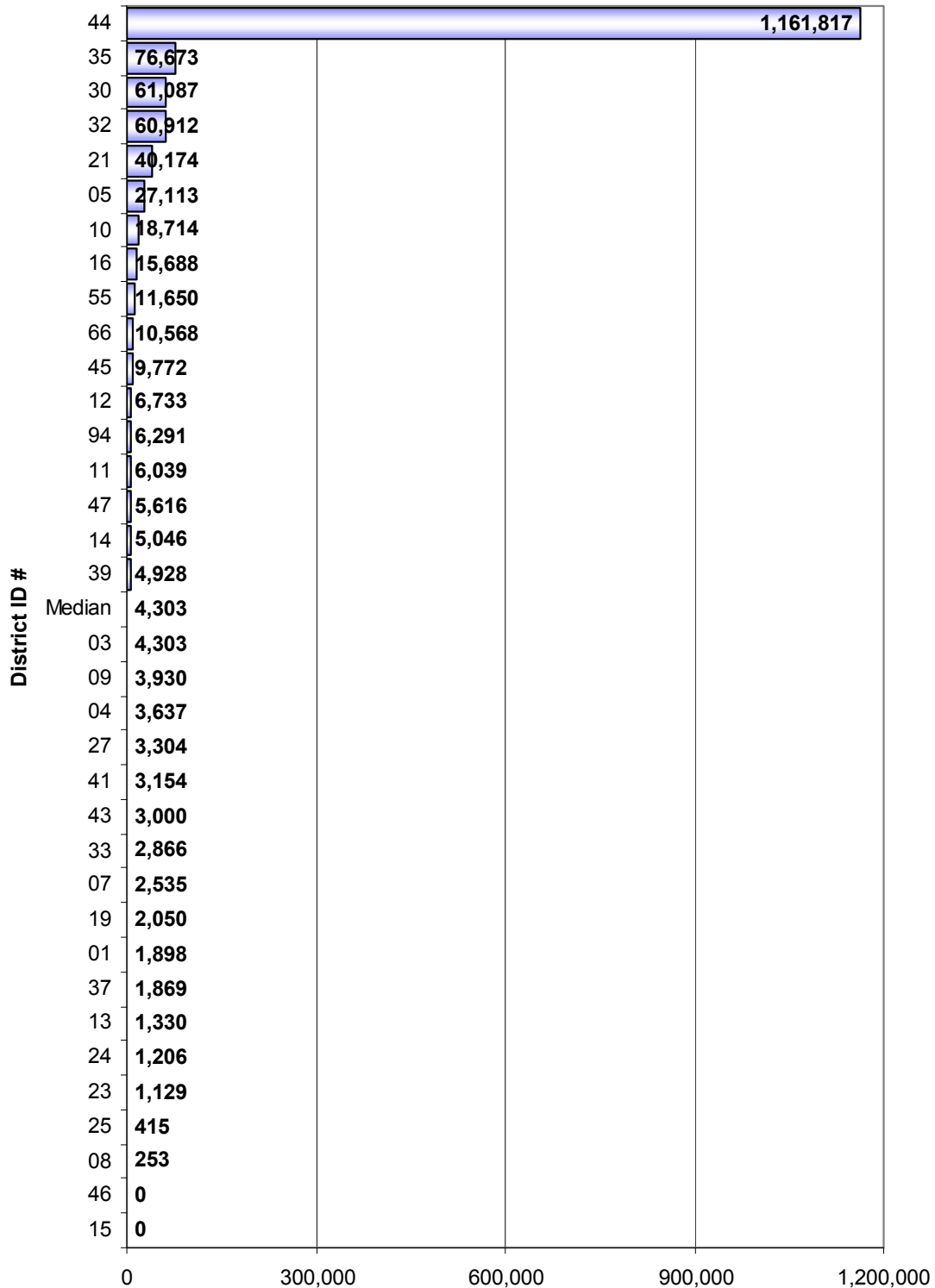
- Data management systems
- Inventory management systems
- SKU analysis – inventory item reviews
- Warehouse facility and operational constraints
- Market environment for certain commodities

Analysis of the Data

- FY 08 > 35 districts responded
- FY 08 > High = 1,161,817; Low = 0; Median = 4,303

Performance Measurement & Benchmarking for K12 Operations

Number of SKUs - All Warehouses



Key Performance Indicator

Stock Turn Ratio – By Warehouse Type

Total annual sales by warehouse type divided by average inventory value warehouse type.⁷

Why These Measures Are Important (See all warehouse stock turn discussion.)

Factors That Influence This Measure (See all warehouse stock turn discussion.)

Analysis of the Data - Facility Maintenance Warehouse

- FY 08 > 19 districts responded
- FY 08 > High = 17.0; Low = 0.4; Median = 2.8
- Maintenance emergency spare parts may force lower stock turns to minimize critical equipment downtime

Analysis of the Data - Food Service Warehouse

- FY 08 > 13 districts responded
- FY 08 > High = 30.6; Low = 2.0; Median = 6.9
- Food items usually require higher stock turns to mitigate shelf-life constraints

Analysis of the Data - Office/School Supply Warehouse

- FY 08 > 22 districts responded
- FY 08 > High = 21.0; Low = 0.0; Median = 3.7
- Districts with stock turns less than the median should evaluate opportunities to improve their warehouse operation and costs.

Analysis of the Data - Transportation Maintenance Warehouse

- FY 08 > 10 districts responded
- FY 08 > High = 9.3; Low = 0.3; Median = 3.4
- Maintenance emergency spare parts may force lower stock turns to minimize critical equipment downtime.

Analysis of the Data-Textbook Warehouse

- FY 08 > 6 districts responded
- FY 08 > High = 14.8; Low = 0.4; Median = 6.3
- Relatively few districts report maintaining dedicated textbook warehouses, although some districts have moved to direct delivery of textbooks and eliminated textbook warehouse operations.

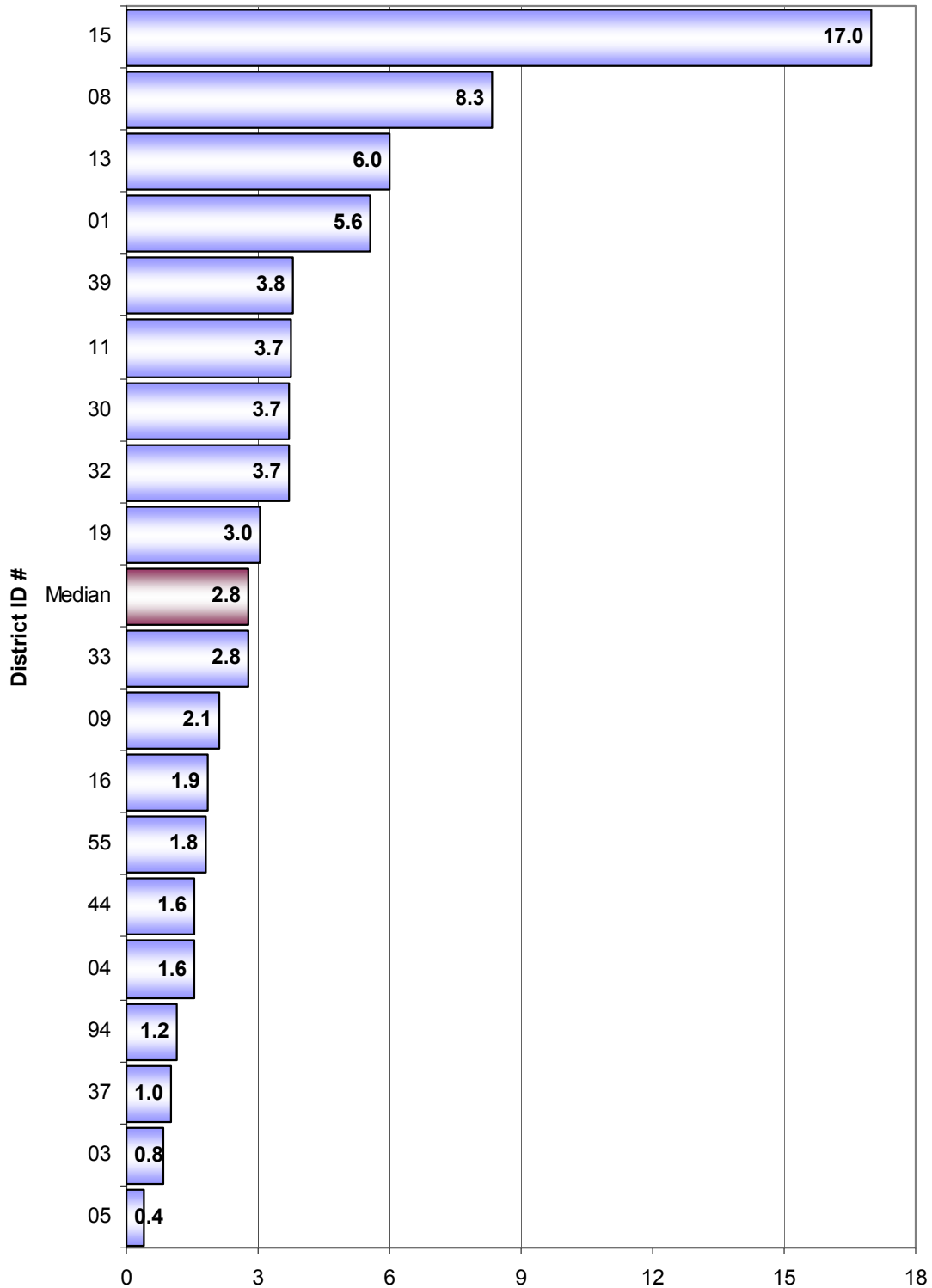
Analysis of the Data- Other Warehouse

- FY 08 > 6 districts responded- commodity type is unknown
- FY 08 > High = 78.0; Low = 1.1; Median = 6.2; High outlier district should be confirmed.

⁷ Stock turn ratio for **all** warehouses is depicted in the Power Indicators.

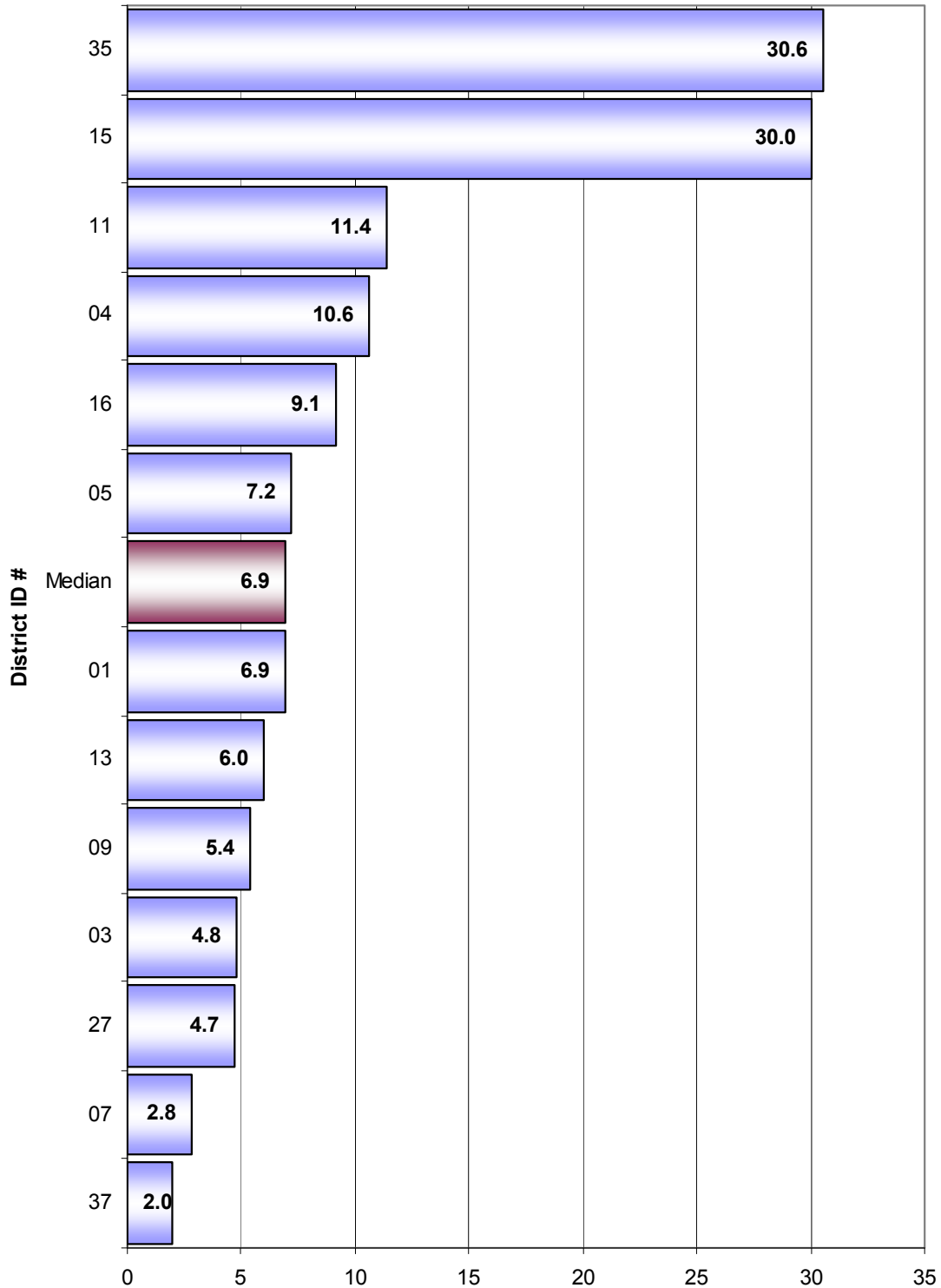
Performance Measurement & Benchmarking for K12 Operations

Stock Turn Ratio - Facilities Maintenance Warehouse



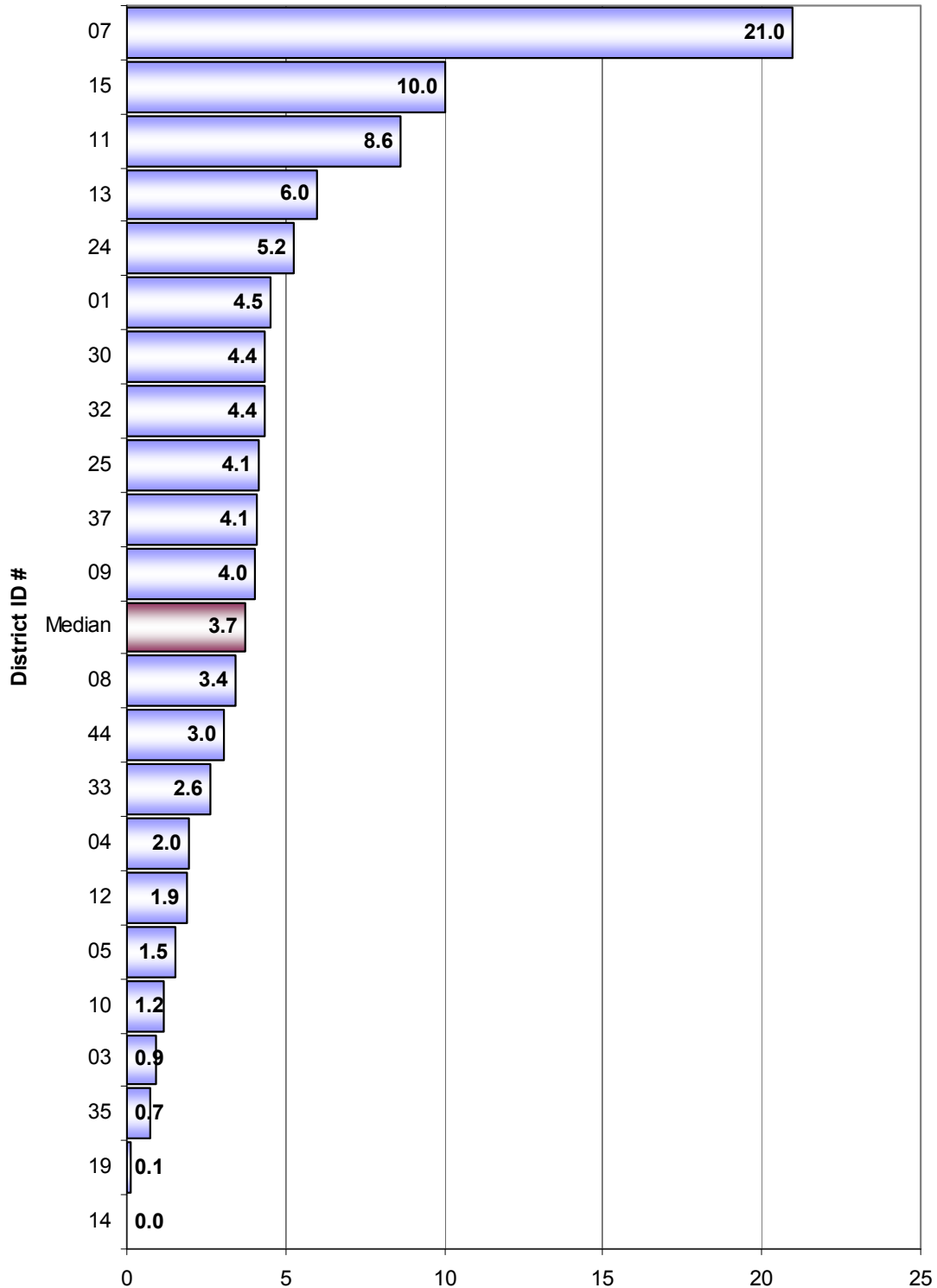
Key Performance Indicator

Stock Turn Ratio - Food Services Warehouse



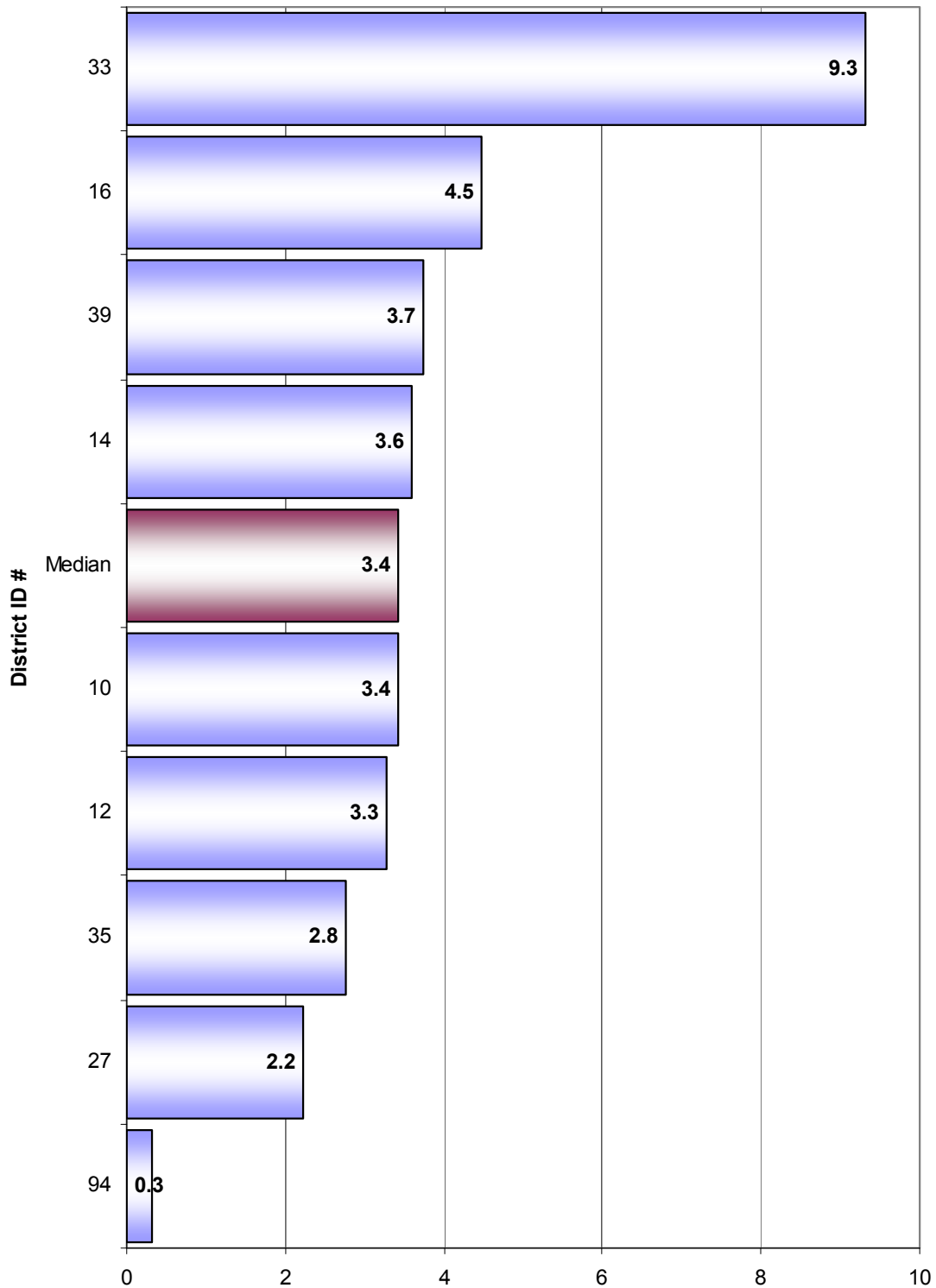
Performance Measurement & Benchmarking for K12 Operations

Stock Turn Ratio - Office/School Supply Warehouse



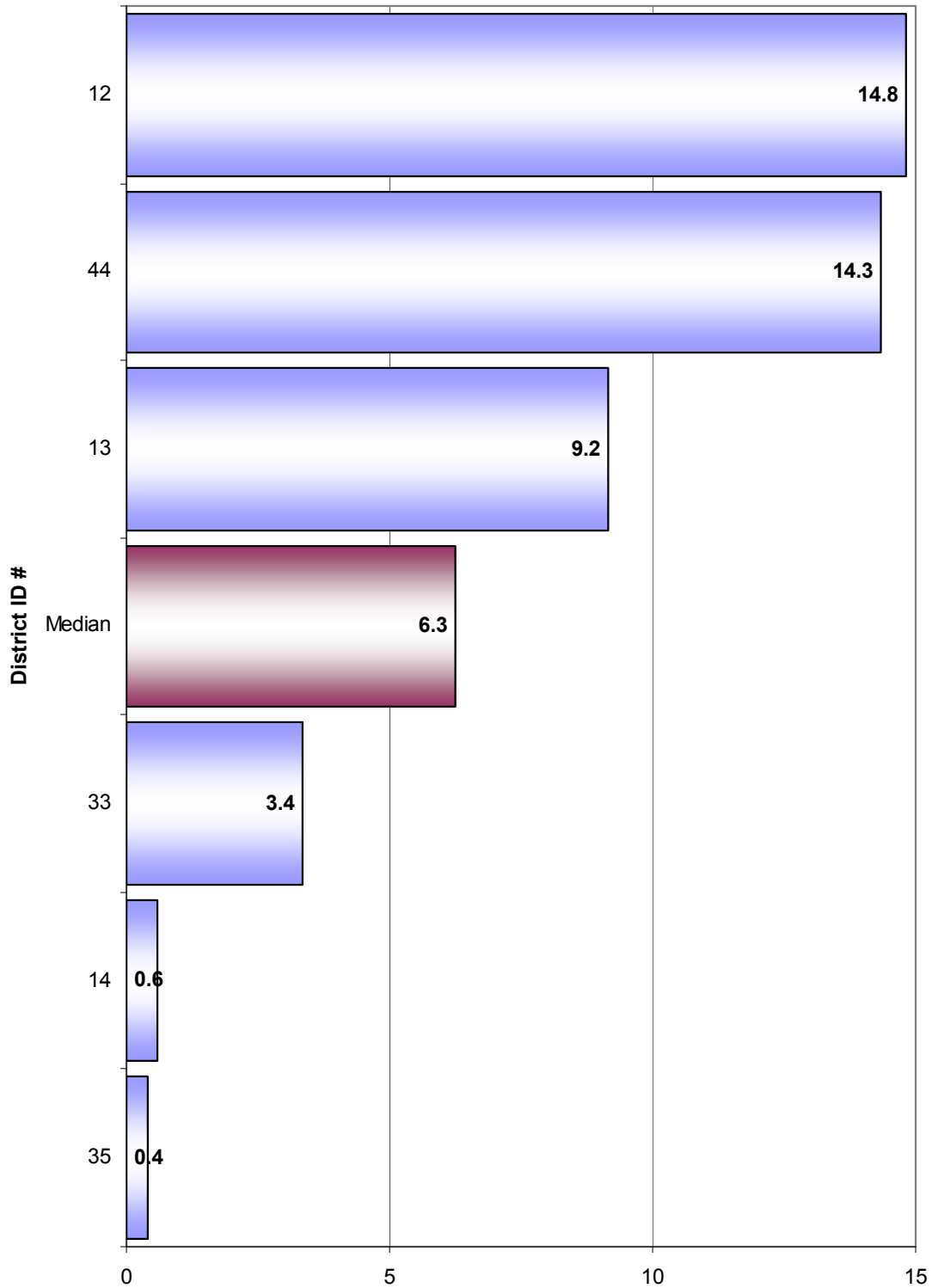
Key Performance Indicator

Stock Turn Ratio - Transportation Maintenance Warehouse



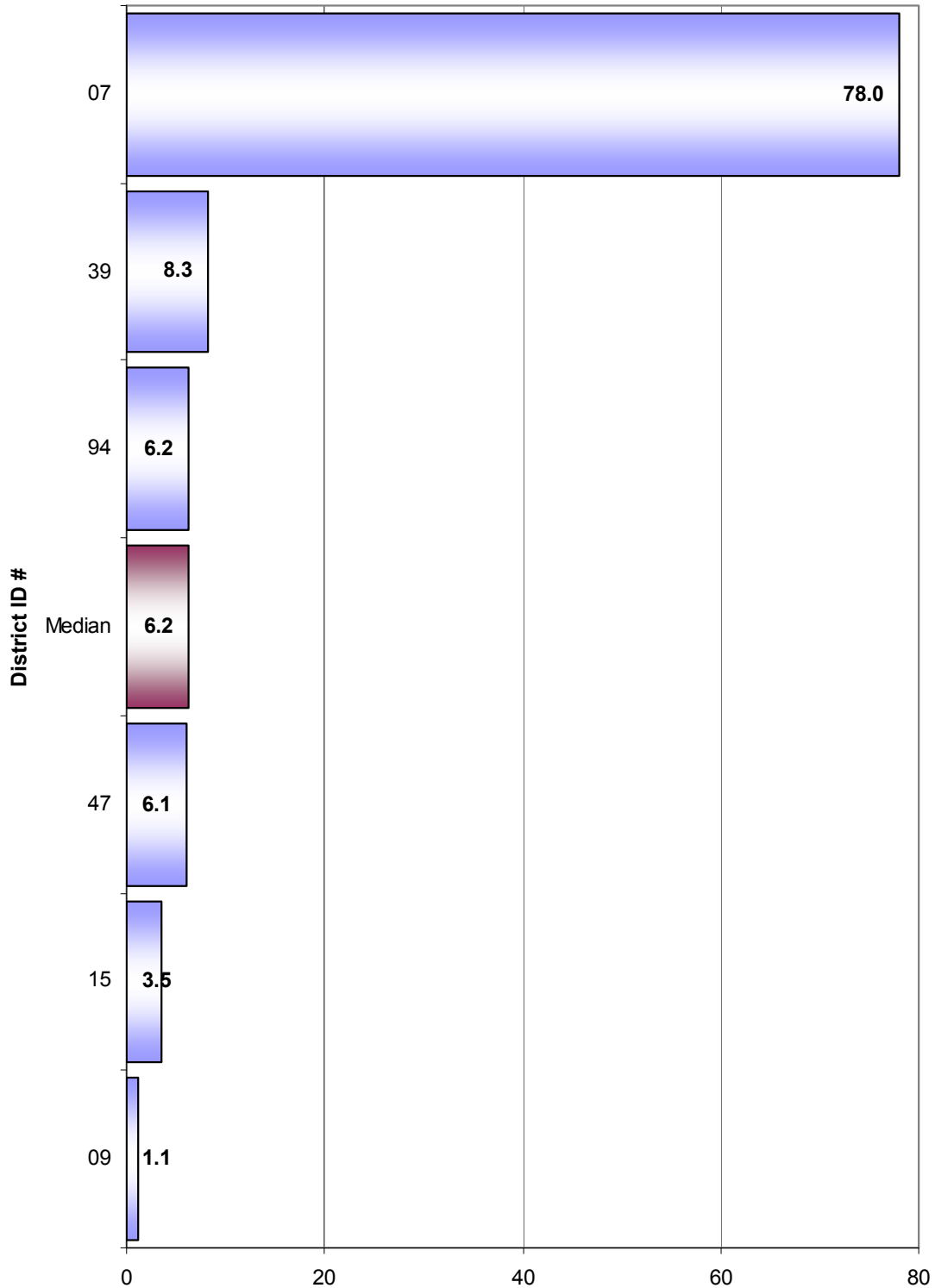
Performance Measurement & Benchmarking for K12 Operations

Stock Turn Ratio - Textbook Warehouse



Key Performance Indicator

Stock Turn Ratio - Other



Warehouse Fill Rate

Total annual warehouse lines filled *divided by* total annual warehouse lines ordered.

Why This Measure Is Important

This measure captures the number of demand requisitions compared to requisitions completed for stock items. This determines the effectiveness of the warehouse operations throughout the district, which in turn affects customer satisfaction.

Factors That Influence This Measure

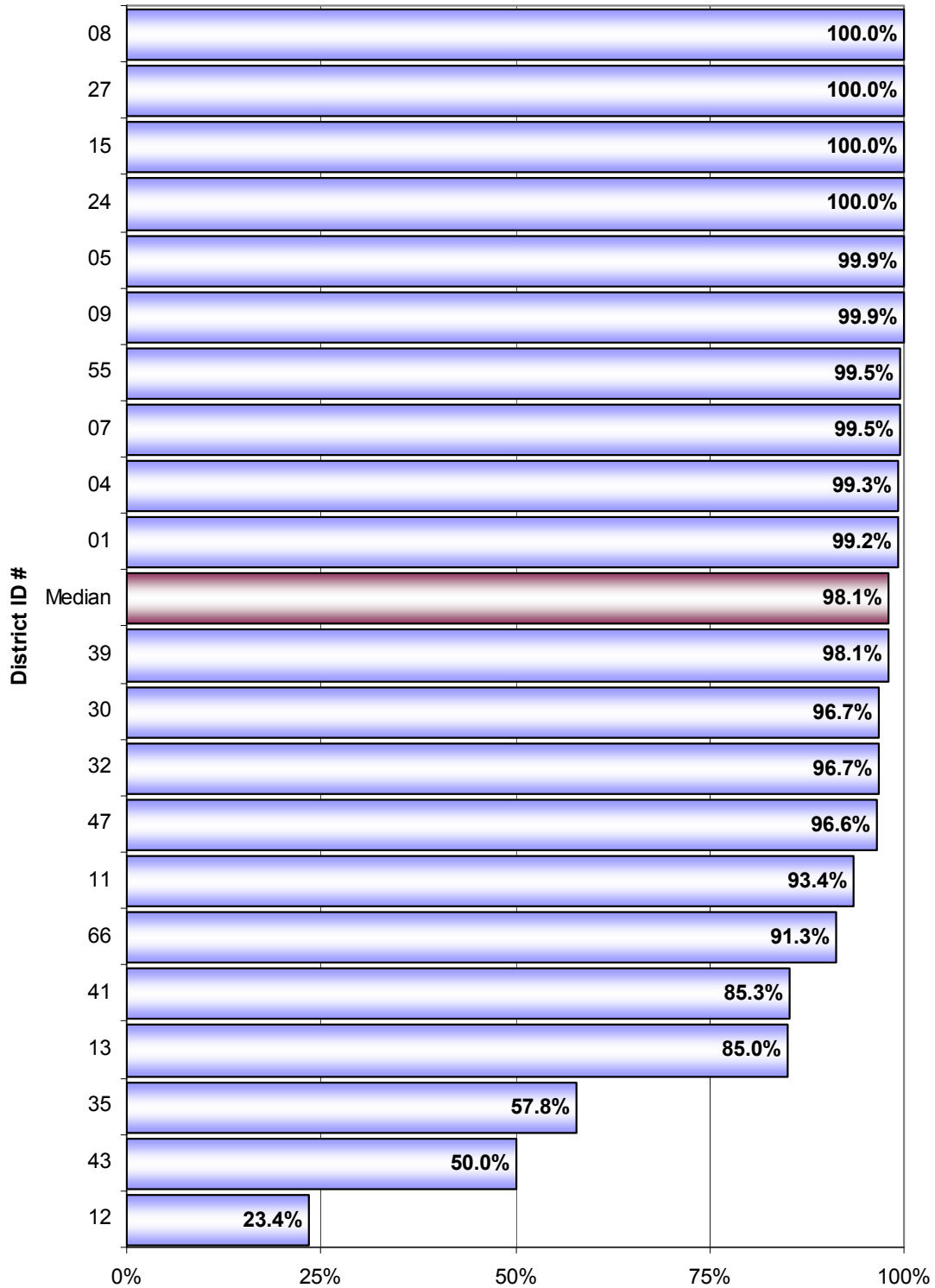
- Stock ratio
- Higher than anticipated demand due to windfall of grants
- Forecasting capability
- Stock-outs
- Interruption of supply
- Resources

Analysis of the Data

- FY08 > 21 districts responded
- FY 08 > High = 100.0%; Low =23.4%; Median = 98.1%
- Customer service is indicated by the high standard found in the data reported with the significant majority reporting fill rates of 95% to 100%.
- In comparison to previous years, the trend of top performing and medians are consistent over time, and the data for low fill rates also shows consistency.
- The districts with significantly low fill rates may have differing uses for their warehouses or may measure differently.

Performance Measurement & Benchmarking for K12 Operations

Warehouse Fill Rate - All Warehouses



Key Performance Indicator

Warehouse Fill Rate – By Warehouse Type

Total annual lines filled (by warehouse type) *divided by* total annual lines ordered.

Why These Measures Are Important (See Measure for all warehouses.)

Factors That Influence This Measure (See Measure for all warehouses.)

Analysis of the Data – Facilities Maintenance

- FY 08 > 19 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 97.0%

Analysis of the Data – Office/School Supplies

- FY 08 > 19 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 96.0%

Analysis of the Data – Food Service

- FY 08 > 13 districts responded
- FY 08 > High = 100.0%; Low = 85.0%; Median = 100.0%

Analysis of the Data - Transportation

- FY 08 > 6 districts responded
- FY 08 > High = 100.0%; Low = 11.0%; Median = 84.2%
- Lower than other warehouse types may indicate a number of transportation repair parts may not be carried in stock

Analysis of the Data – Textbooks

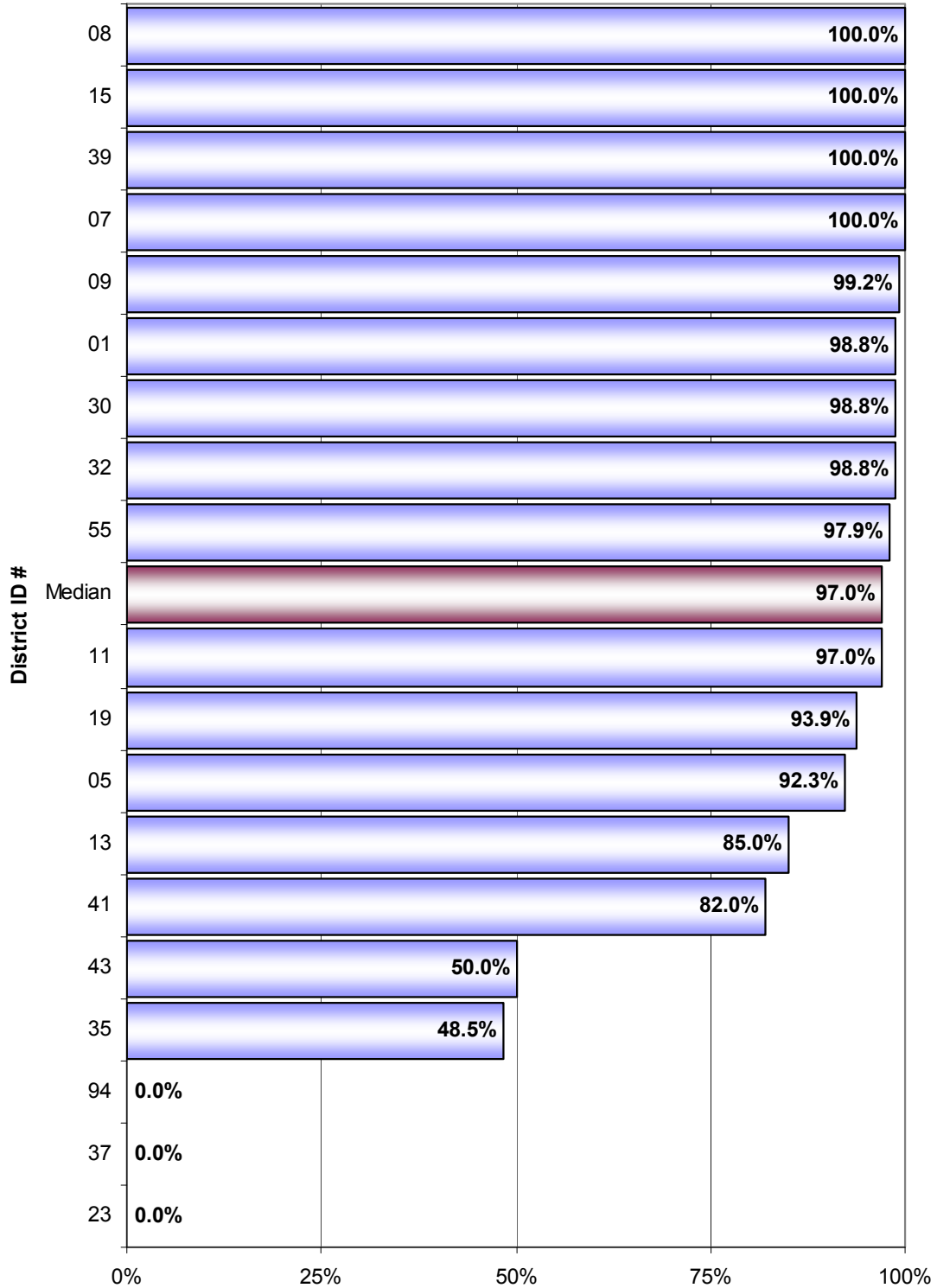
- FY 08 > 10 districts responded
- FY 08 > High = 100.0%; Low = 1.1%; Median = 96.9%

Analysis of the Data – Other

- FY 08 > 7 districts responded
- FY 08 > High = 100.0%; Low = 2.6%; Median = 99.5%

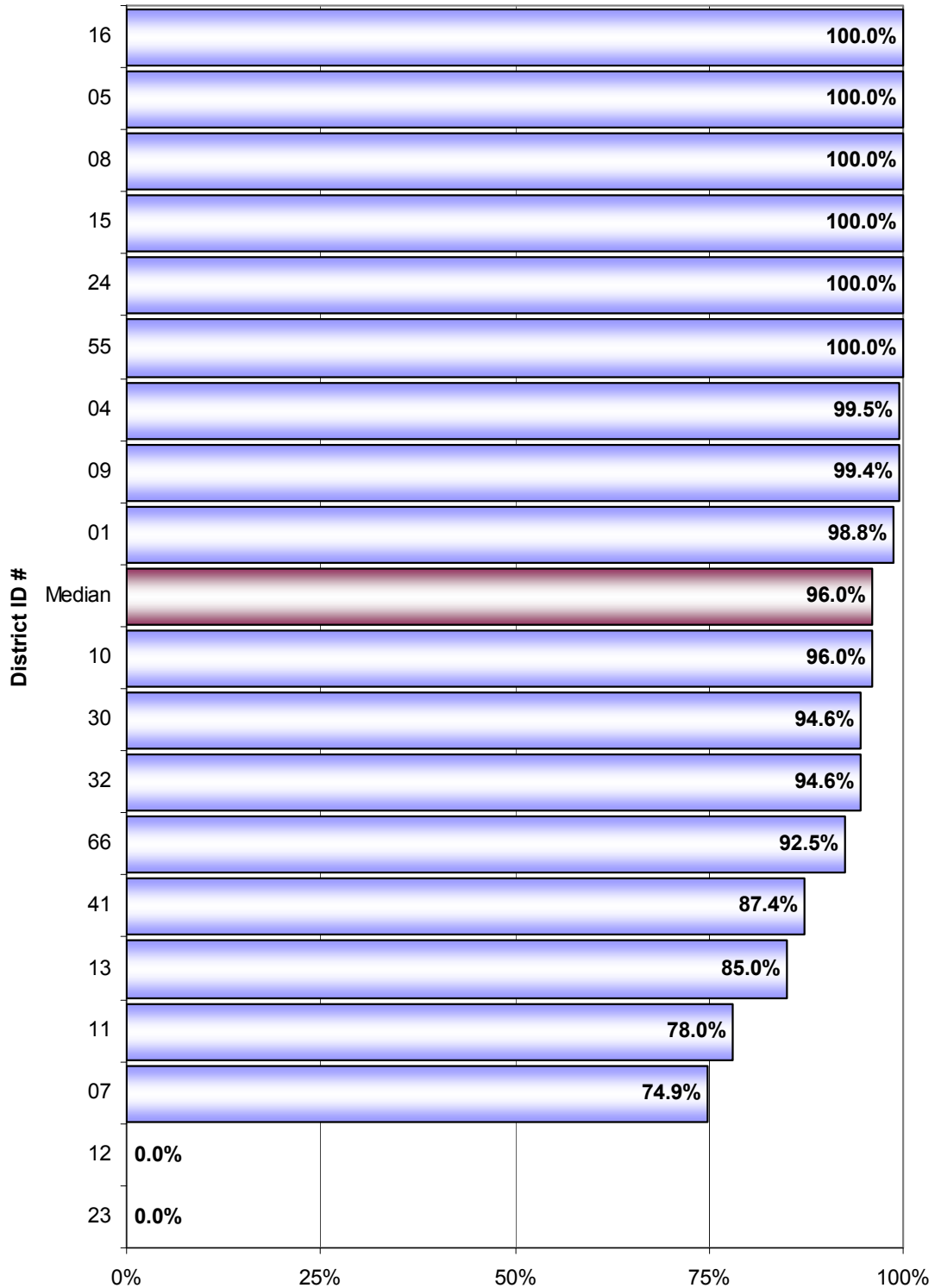
Performance Measurement & Benchmarking for K12 Operations

Warehouse Fill Rate - Facility Maintenance Warehouse



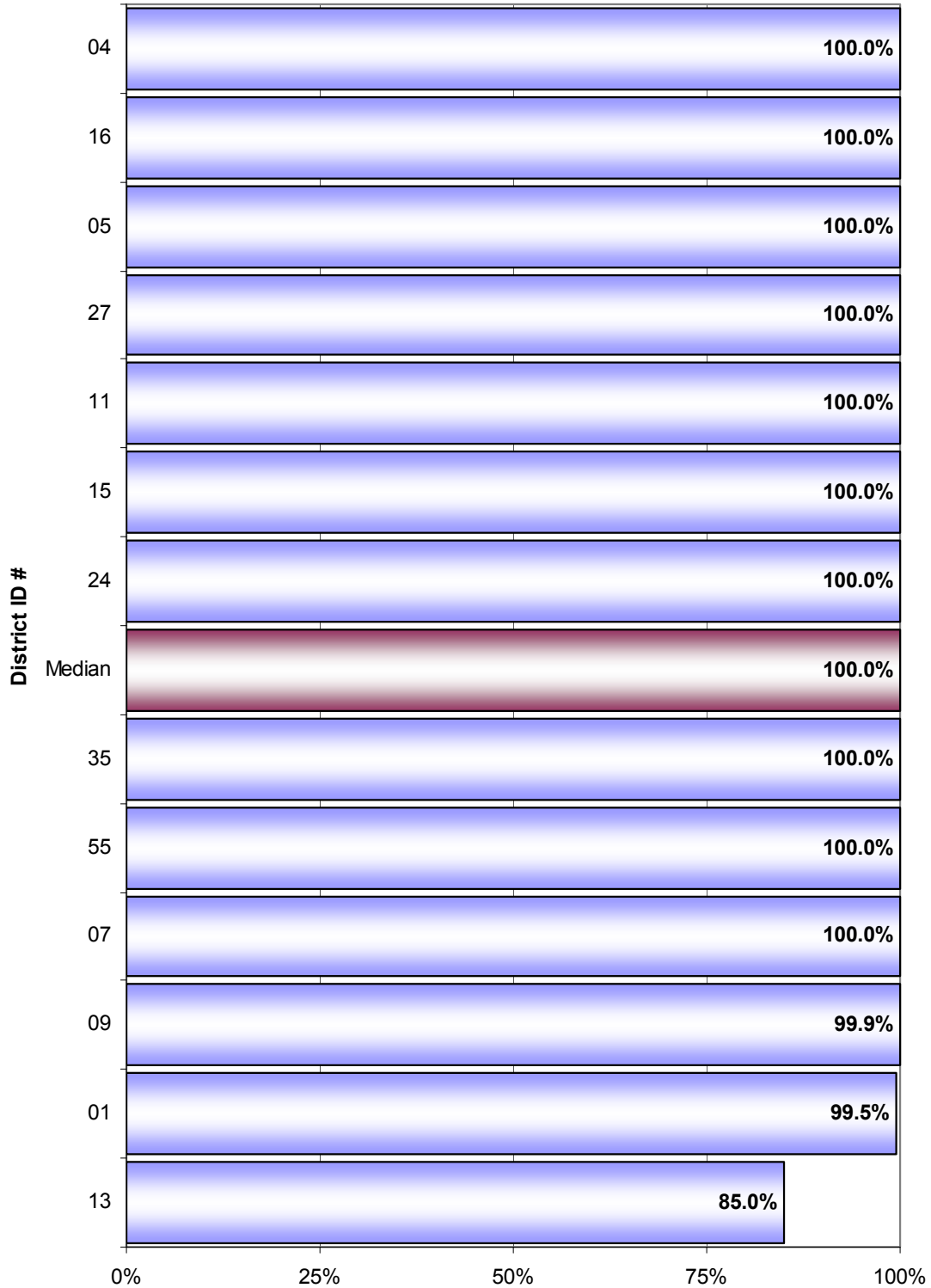
Key Performance Indicator

Warehouse Fill Rate - Office/School Supply Warehouse



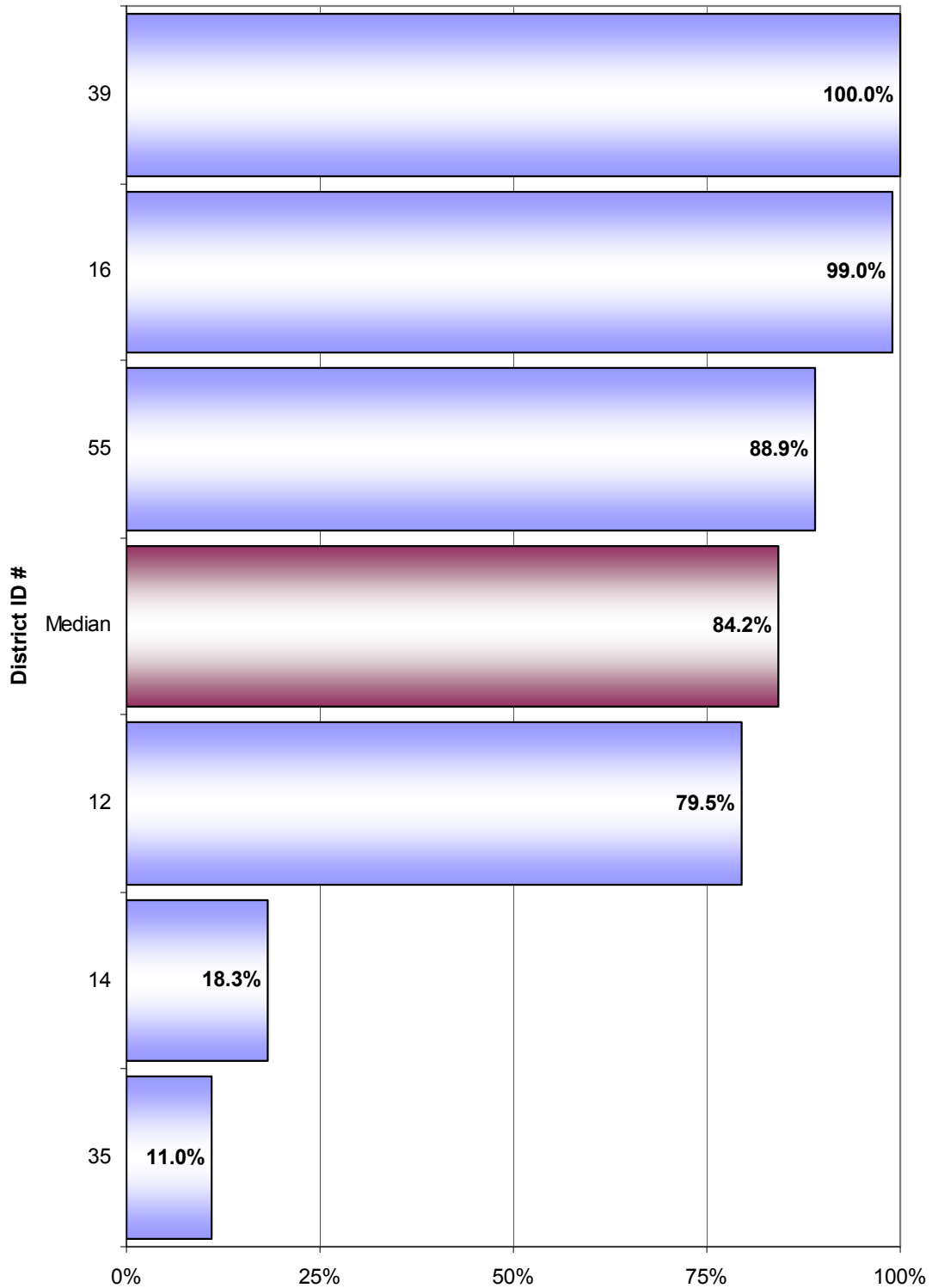
Performance Measurement & Benchmarking for K12 Operations

Warehouse Fill Rate - Food Services Warehouse



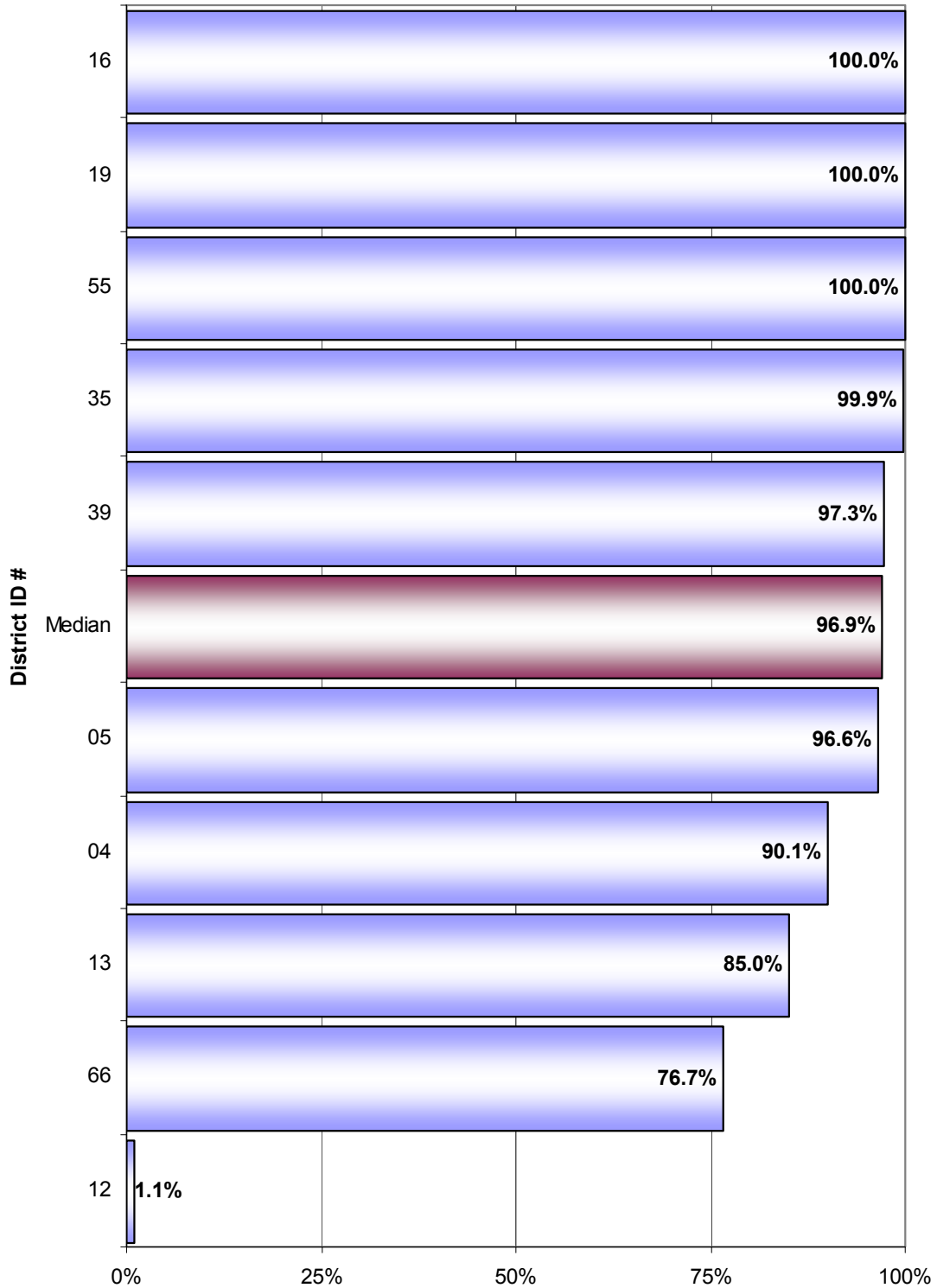
Key Performance Indicator

Warehouse Fill Rate - Transportation Maintenance Warehouse



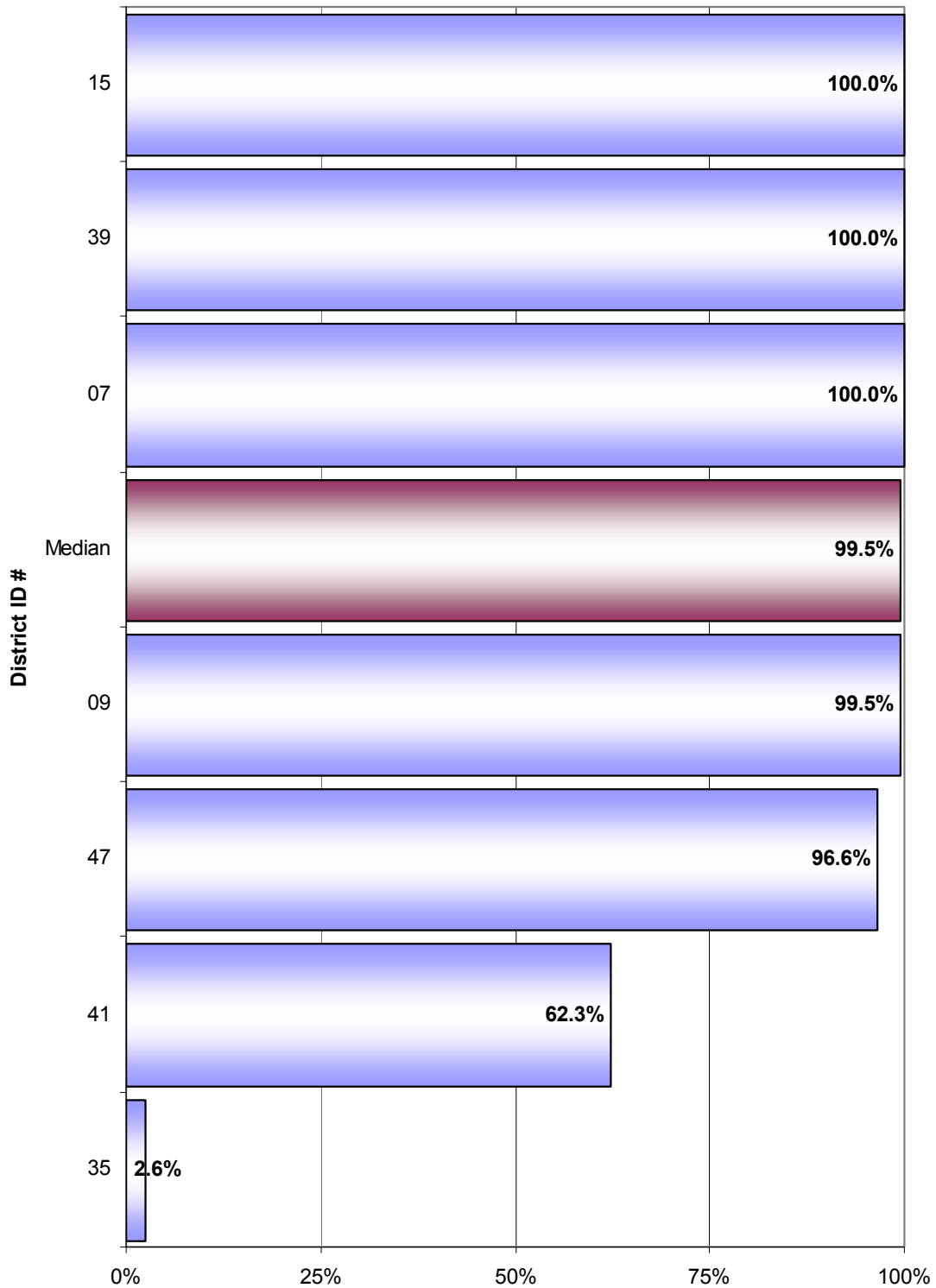
Performance Measurement & Benchmarking for K12 Operations

Warehouse Fill Rate - Textbook Warehouse



Key Performance Indicator

Warehouse Fill Rate - Other



MWBE

Total dollars spent on purchases from MWBE vendors *divided by* total procurement dollars spent by the district from all funds excluding P-Card.

Total number of MWBE transactions *divided by* total number of procurement transactions excluding P-Card.

Why These Measures Are Important

This measure illustrates the degree to which districts provide opportunities for certain socio-economic vendor classifications such as MWBE. Some districts may also have specific laws, policies, or regulations or goals associated with MWBE vendors.

Factors That Influence This Measure

- District procurement policy and regulations
- State procurement law
- City and supporting market demographics

Analysis of the Data – MWBE Dollar Spend

- FY 08 > 25 districts responded
- FY 08 > High = 31.5%; Low = 0.0%; Median =4.8%

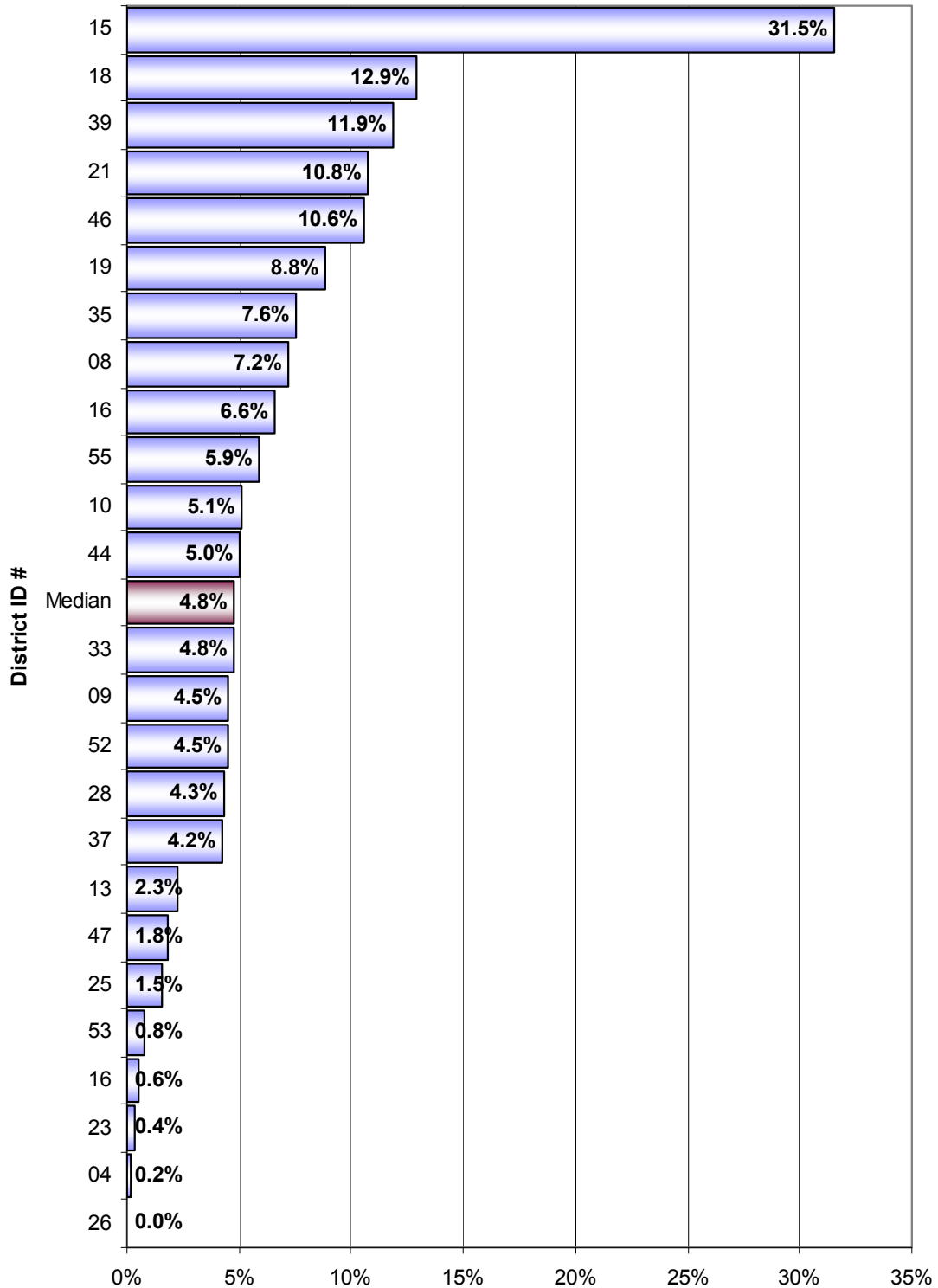
Analysis of the Data – MWBE Transactions

- FY 08 > 20 districts responded
- FY 08 > High = 98.9%; Low = 0.0%; Median = 1.8%
- The outlier response could be the result of an erroneous entry

Note: Although these measures may provide districts a comparison to peers, local/state law and policy differences along with differences in the demographics of the supporting vendor community (survey shows most districts did not do Disparity Studies*) are involved. Also note that data do not include district P-Card MWBE dollars and transactions. In the future, this data should be included.

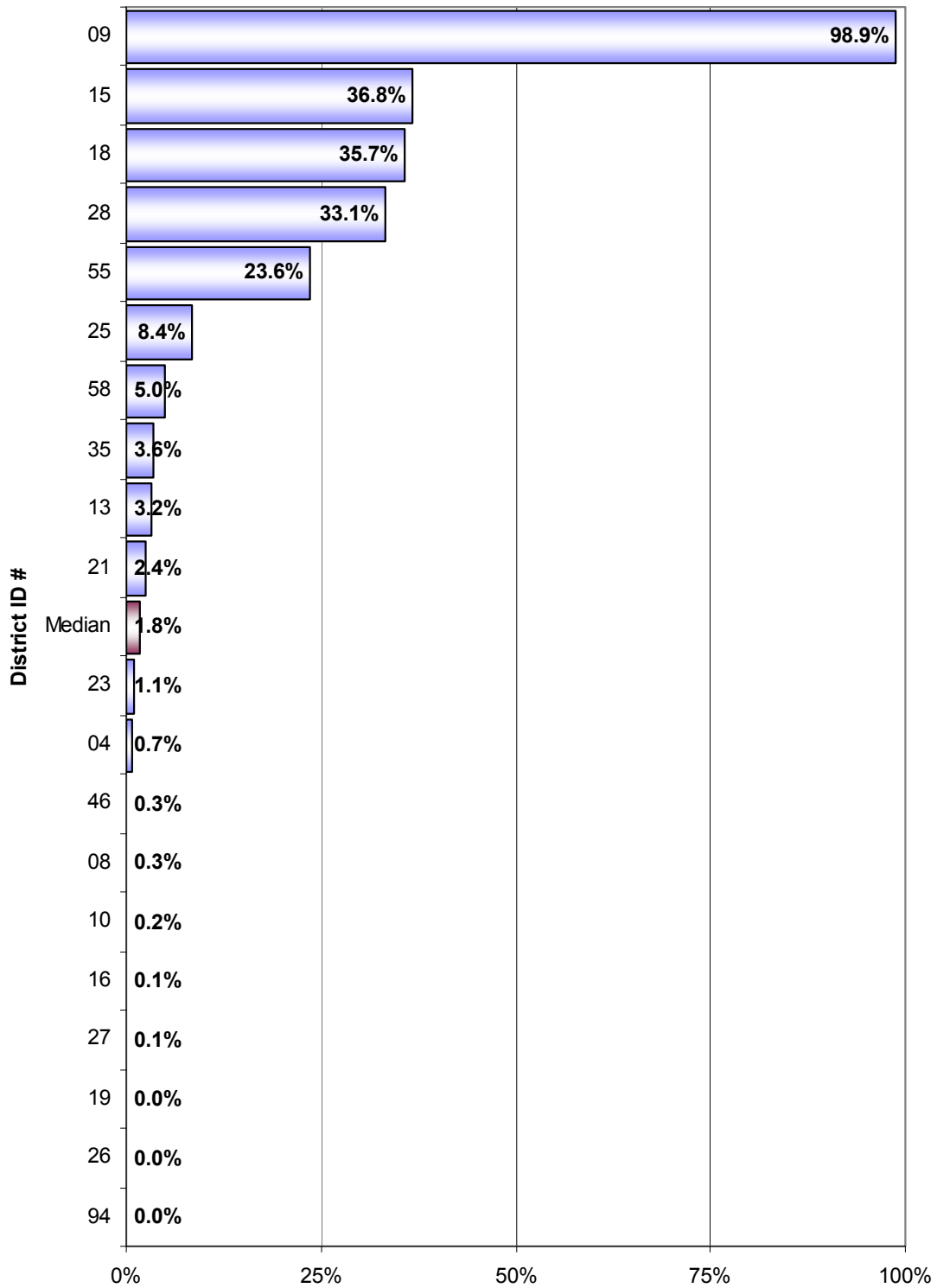
Performance Measurement & Benchmarking for K12 Operations

M/WBE Dollars



Key Performance Indicator

M/WBE Transactions



Safety & Security

District-Wide Safety & Security Plan

Does the district have a districtwide safety & security plan (Yes/No)?

Why This Measure Is Important

This measure reflects the priority district and school administrators place on updating safety plans. Annually updated safety plans are most likely to be both accurate and “top of mind,” meaning that the process of updating them serves as a refresher for staff and further prepares them for crises.

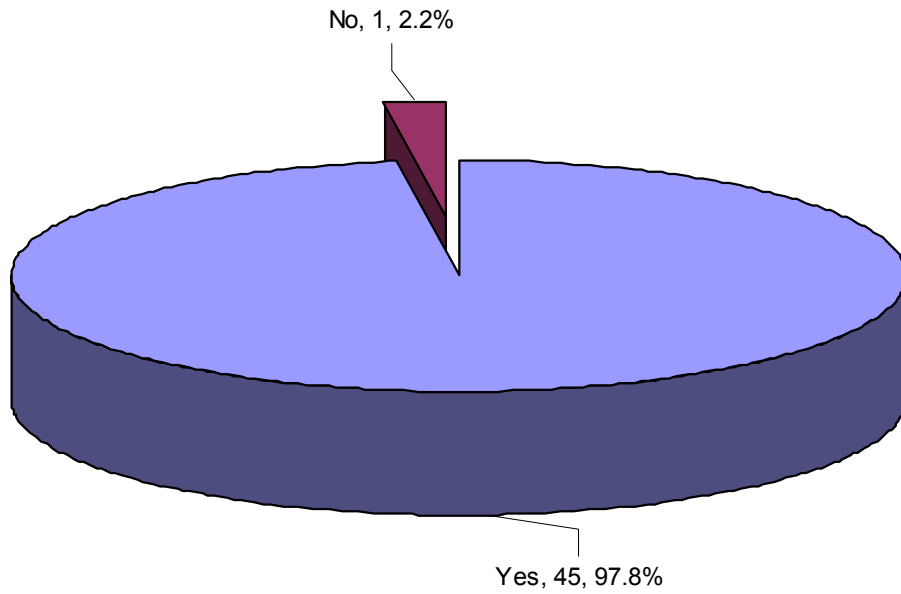
Factors That Influence This Measure

- District guidance on the format and content of crisis plans
- Staff capacity to update crisis plan
- Technical support of schools in order to properly update their plans

Analysis of the Data

- FY 08 > 46 districts responded
- FY 08 > Yes = 97.8%; No = 2.2%

District-Wide Safety & Security Plan



Safety & Security Staff Training

Number of safety and security staff required to attend training annually *divided by* the number of safety and security staff – armed security, unarmed security, contract security, and local law enforcement; and the number of annual training hours required for safety and security staff.

Why This Measure Is Important

This measure reflects the priority district and school administrators place on training their security personnel. Annually updated training plans are most likely to be both accurate and “top of mind,” meaning that the process of updating them serves as a refresher for staff and further prepares them for crises.

Factors That Influence This Measure

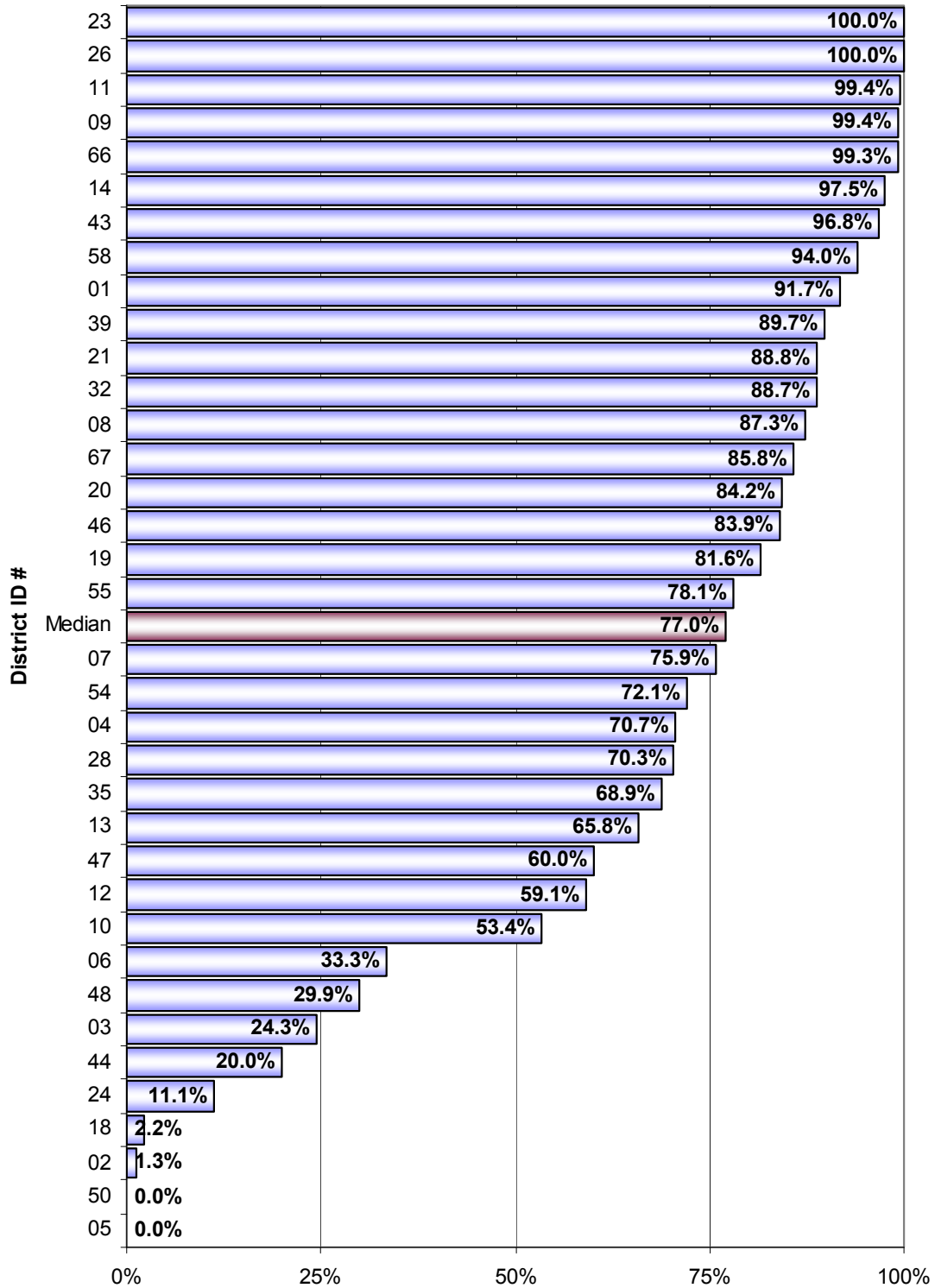
- District budgets
- Areas of responsibility for security staff
- Presence of dedicated law enforcement

Analysis of the Data

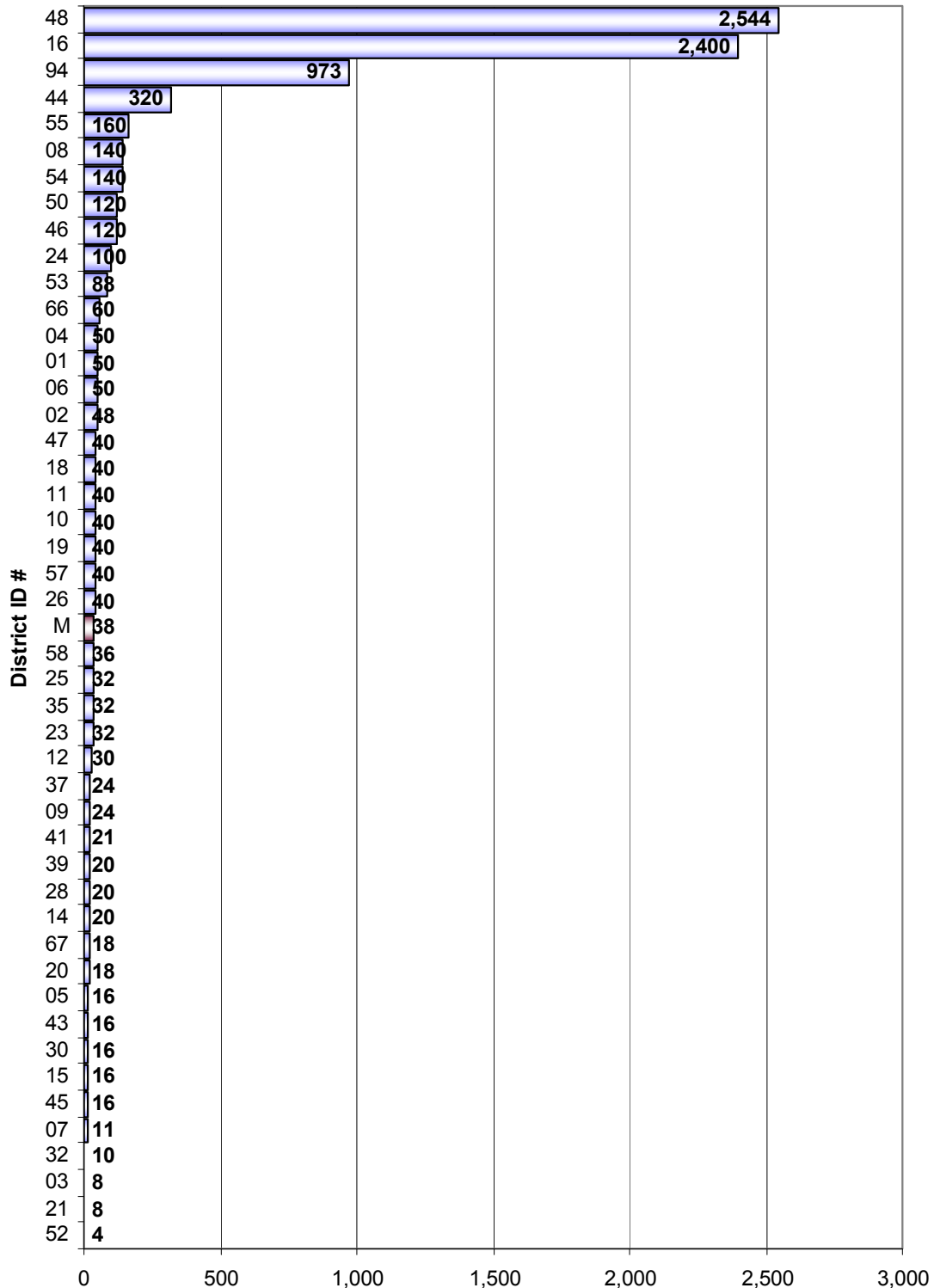
- FY 08 > 36 districts responded with 27 districts indicating that over 50% of their safety and security staff were required to attend annual training programs training with 10 districts requiring that 90% of their staff were required to attend these programs annually.
- FY 08 > 42 districts provided reasonable responses with a range of 4 to 160 hours or an average of 38 hours of training required annually

Performance Measurement & Benchmarking for K12 Operations

Safety & Security Staff Required to Attend Training Annually



Training Hours Required by Safety & Security Staff



Building Access Control – Visitor and Employee Identification Badges

To what extent are visitor and employee ID badges required in your district and to what extent are they required in district school buildings?

Why This Measure Is Important

These measures reflect the emphasis districts put on access control as a deterrent.

Factors That Influence This Measure

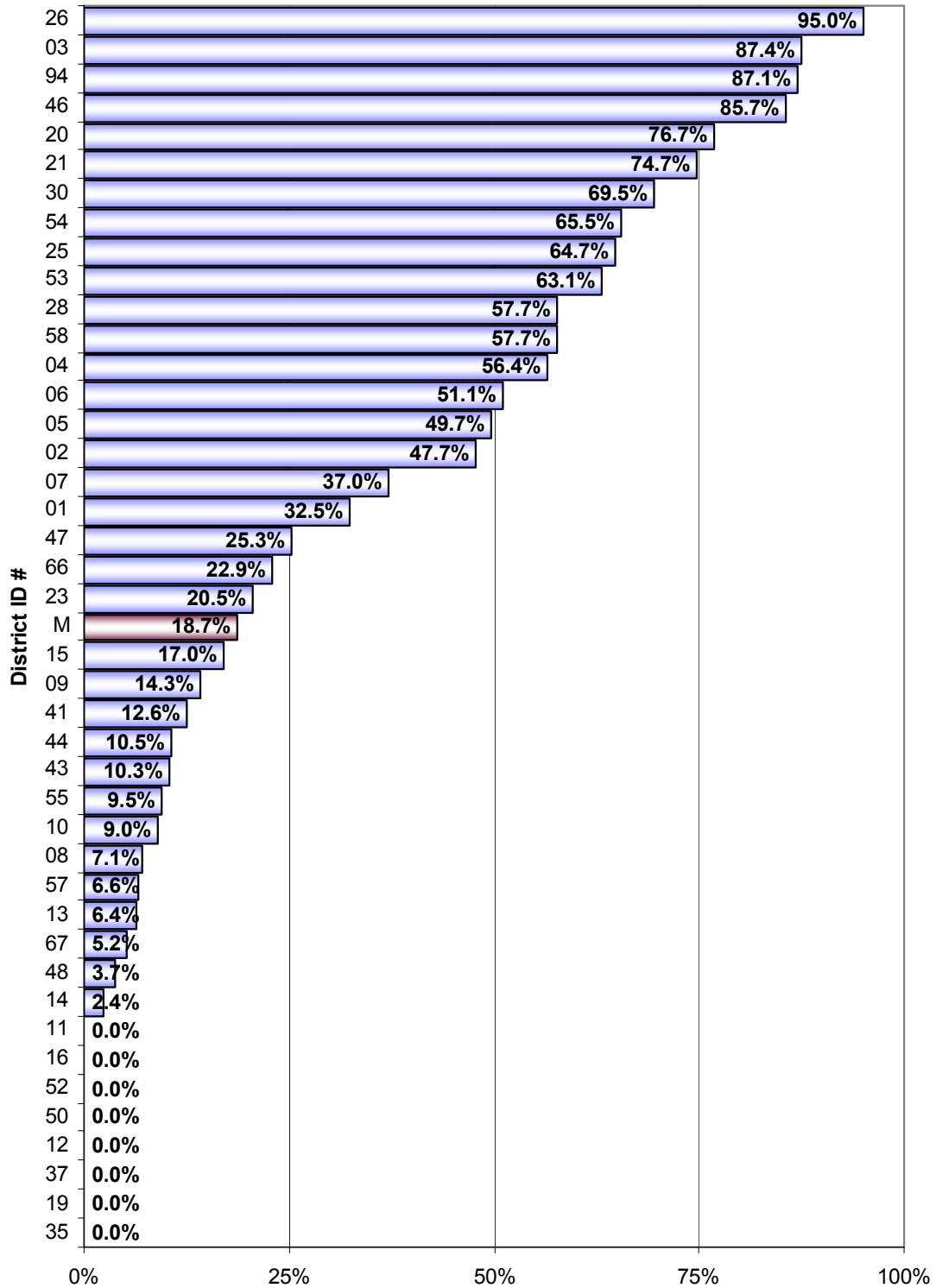
- Level of crime statistics of surrounding neighborhoods
- District policy for security
- Configuration of school (office, front desk, etc.) to make access control a possibility
- Budget allocations

Analysis of the Data – Visitor and Employee Identification Badges

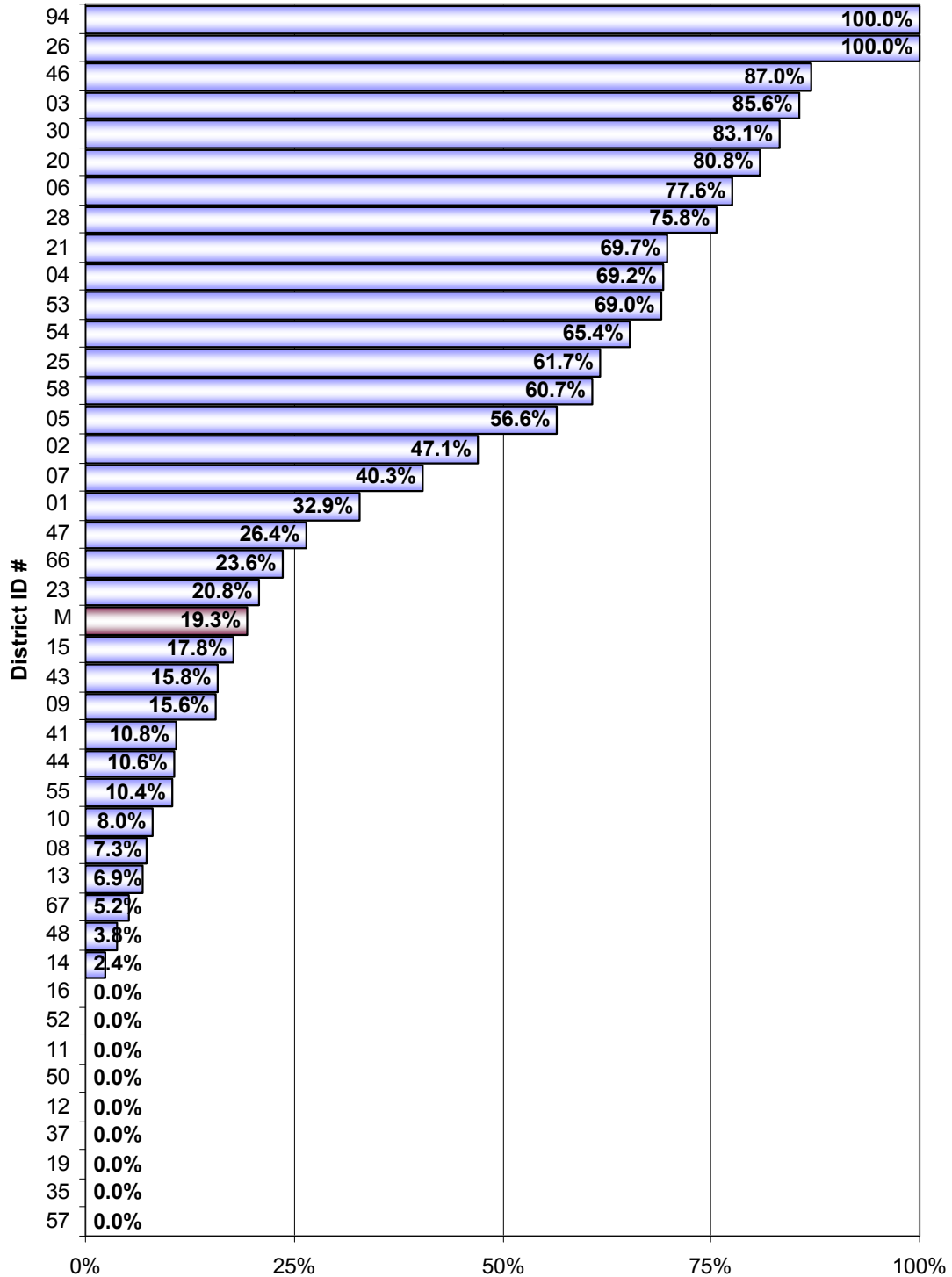
- FY 08 > 42 districts responded with 34 districts indicating that visitor ID badges are required with a wide range of usage in all buildings; and with 33 districts indicating they require some use of visitor ID badges in their school buildings with 2 districts requiring the use of these badges in all of their schools.
- FY 08 > There is also a wide usage of employee ID badges with 38 districts indicating they are used to some extent in all of their buildings; and with 35 districts indicating employee ID badges are required in some of their school buildings

Performance Measurement & Benchmarking for K12 Operations

Buildings With Visitors Required to Wear Identification Badges

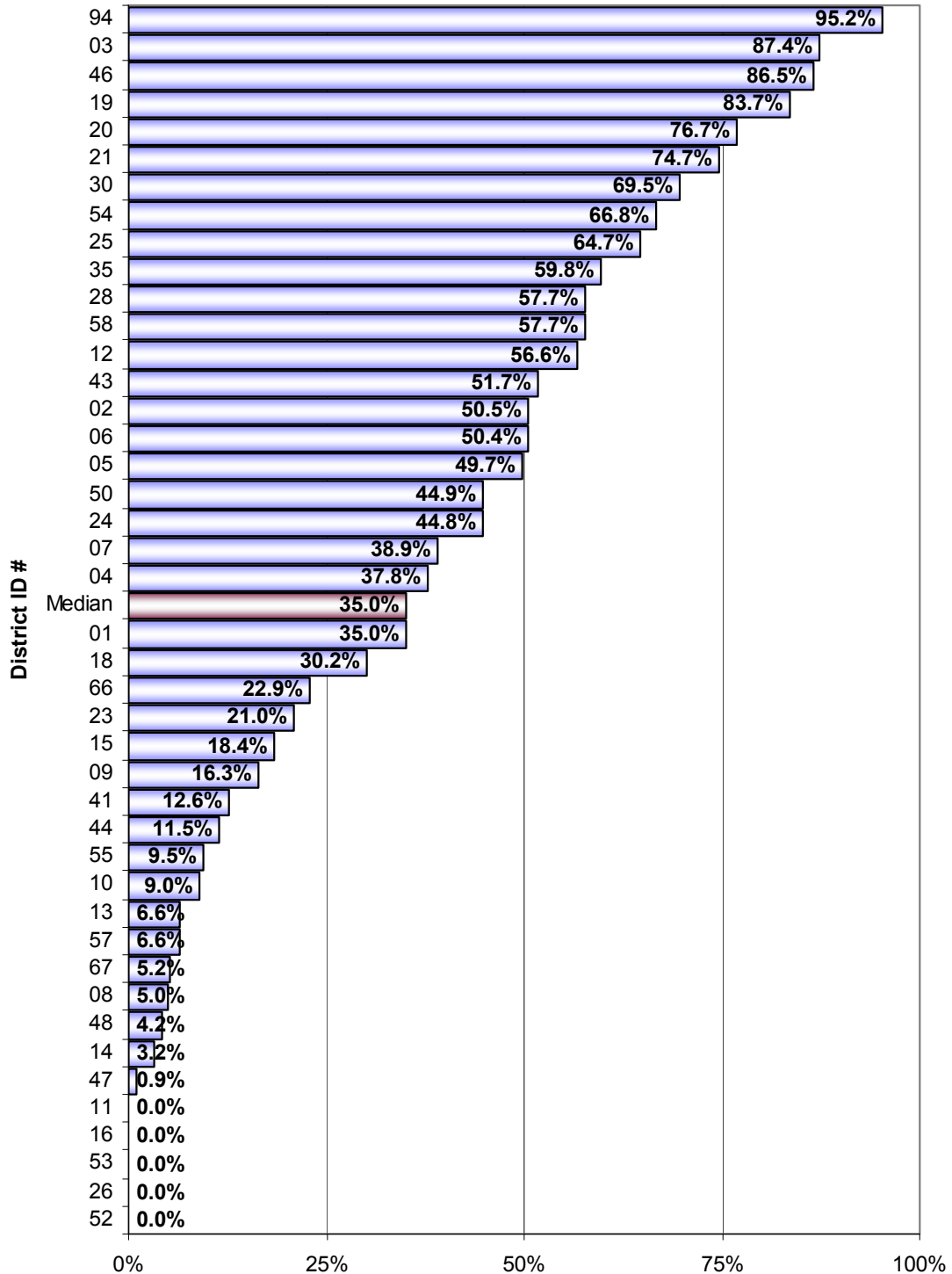


**School Buildings with Visitors Required to Wear Identification
Badges**

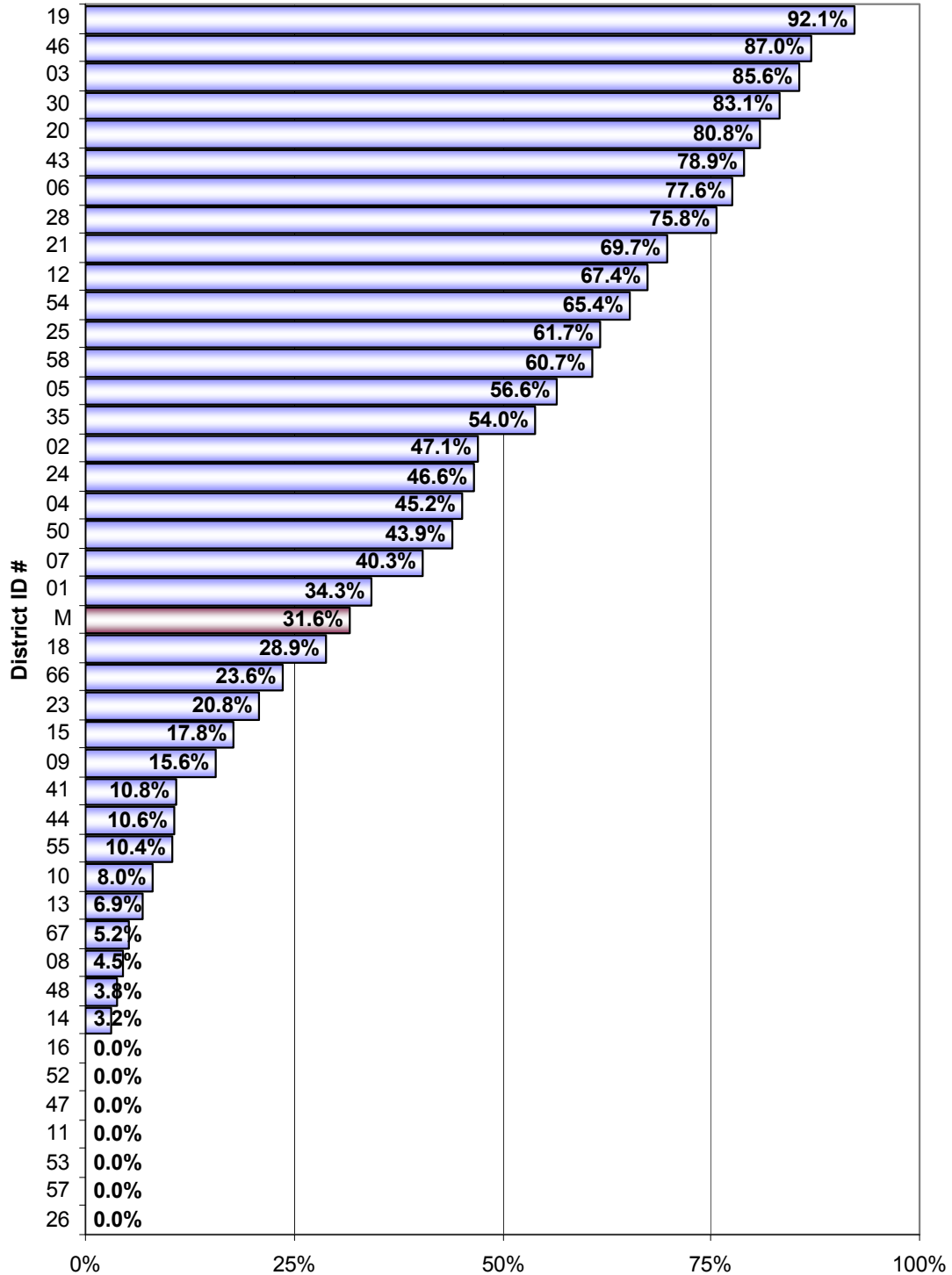


Performance Measurement & Benchmarking for K12 Operations

Buildings With Employees Required to Wear Identification Badges



School Buildings with Employees Required to Wear
Identification Badges



Safety & Security Expenditures as Percent of General Fund

Total safety and security expenditures *divided by* total General Fund expenditures.

Why This Measure Is Important

This measure gives an indication of the level of support for safety and security operations being provided by the general fund. A lower percentage would indicate that other sources of funds must be provided to meet the safety needs. A low percentage could also be an indication that not all security needs are being met by the district

Factors That Influence This Measure

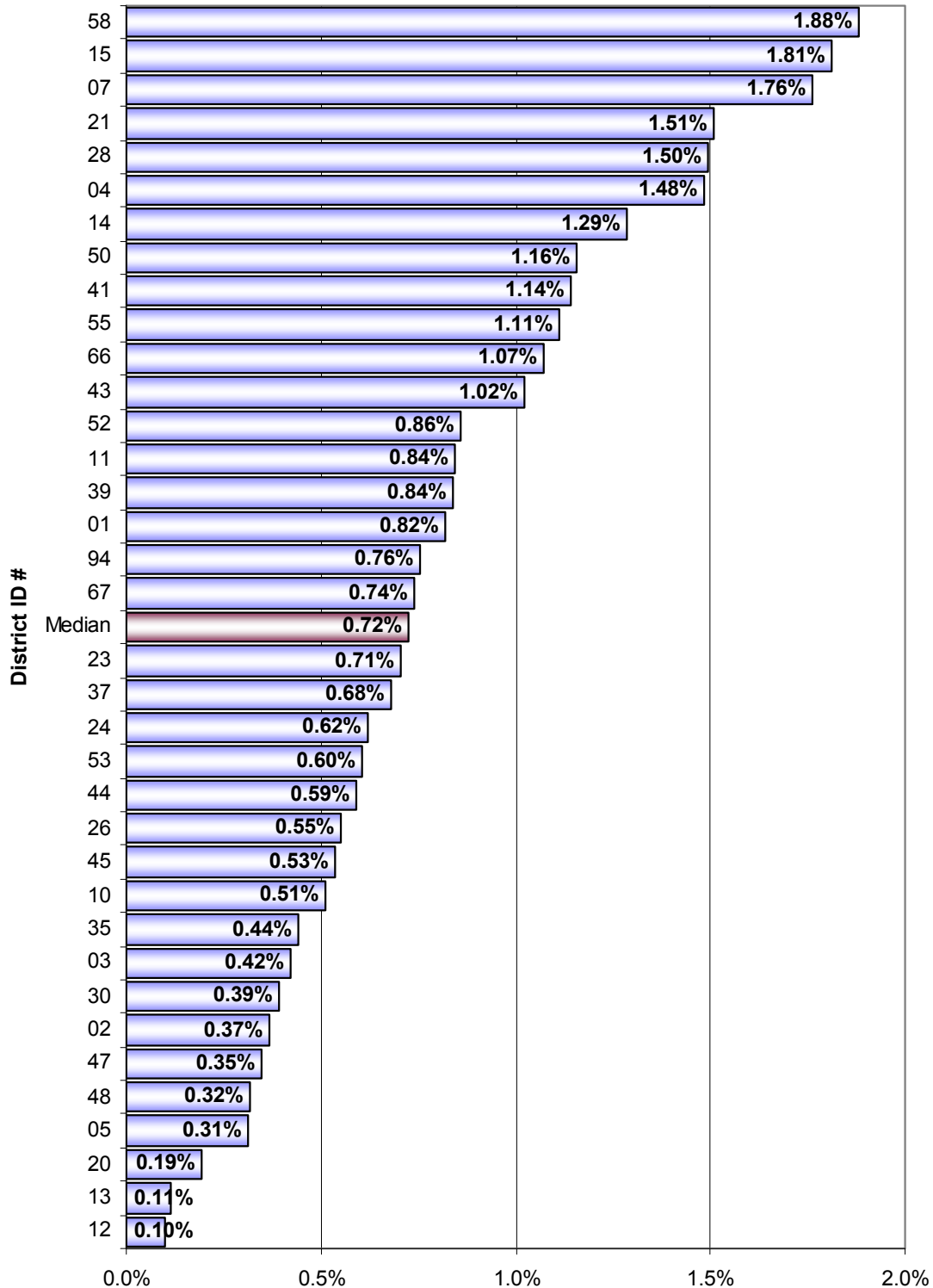
- Overall funding level for the general fund
- Availability of other funds sources to perform safety and security operations

Analysis of the Data

- FY 08 > 36 districts responded
- FY 08 >> High = 1.9%, Low = 0.1%, Median = 0.7%

Performance Measurement & Benchmarking for K12 Operations

Safety & Security Expenditures as Percent of General Fund



Number of Weapons Incidents per 1,000 Students

Total weapons, drugs, and arrest incidents *divided by* 1,000 enrolled students.

Why This Measure Is Important

This measure provides an indicator of the concentration of student weapons incidents in each district, adjusted for the size of the district in terms of enrollment.

Factors That Influence This Measure

- Available resources to allocate to safety and security
- Staffing formulas
- Utilization of technology such as security cameras to offset the need for more staff
- Enrollment
- External crime rates

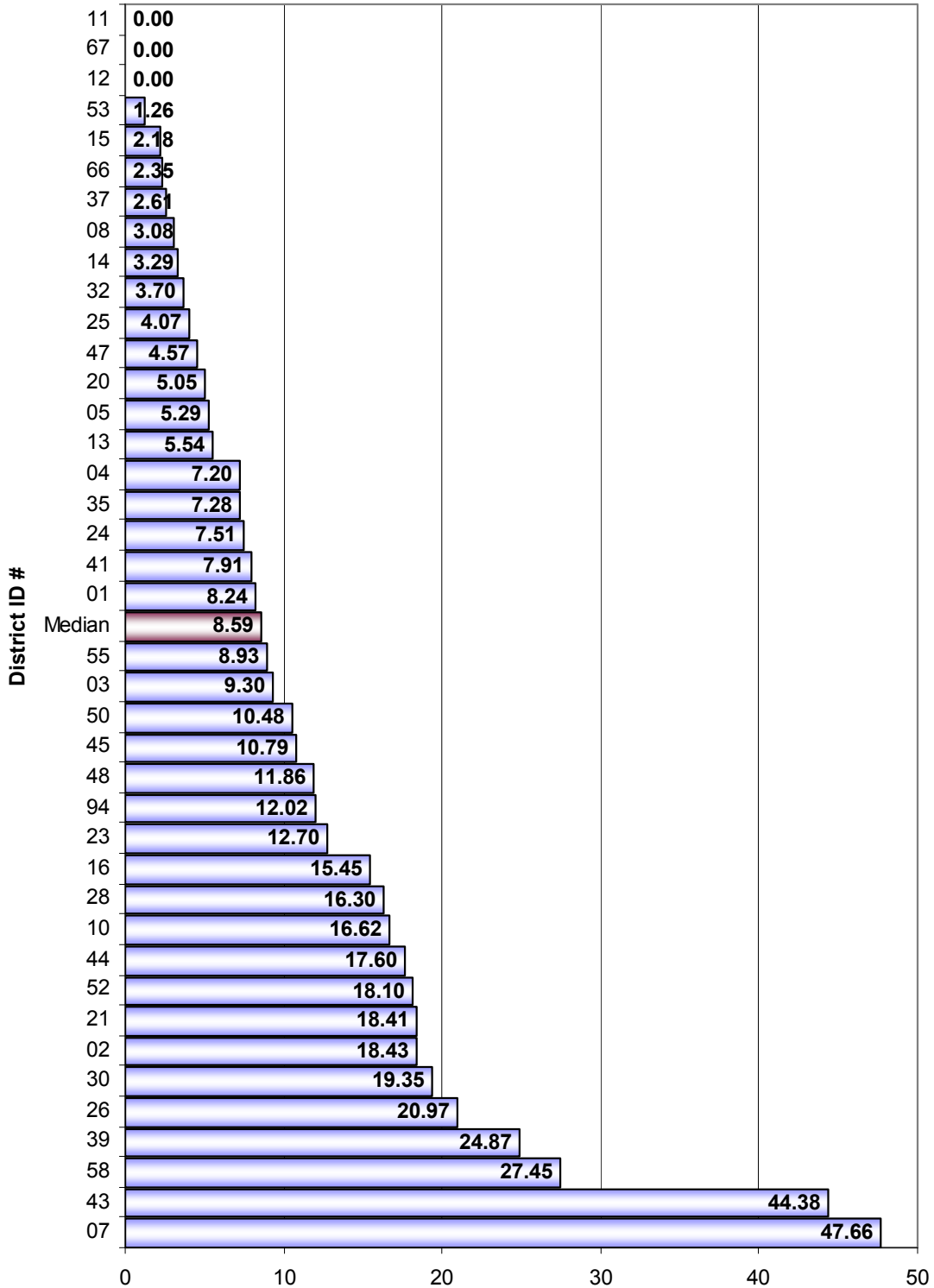
Analysis of the Data

- FY 08 > 40 districts responded with 37 districts reporting a wide range of weapons incidents with the average number of weapons incidents occurring at a rate of 8.59 incidents per 1,000 students.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Weapons Incidents per 1,000 Students



Buildings with Remote Video Surveillance

Number of sites with remote video surveillance *divided by* the total number of buildings.

Why This Measure Is Important

The benefits of video images in crime prevention and solving crimes are enormous. How images should be maintained is an issue, as video surveillance technology is improving significantly. There are "smart cameras" that are triggered by fights, by whether a person is standing or lying down, etc.

Factors That Influence This Measure

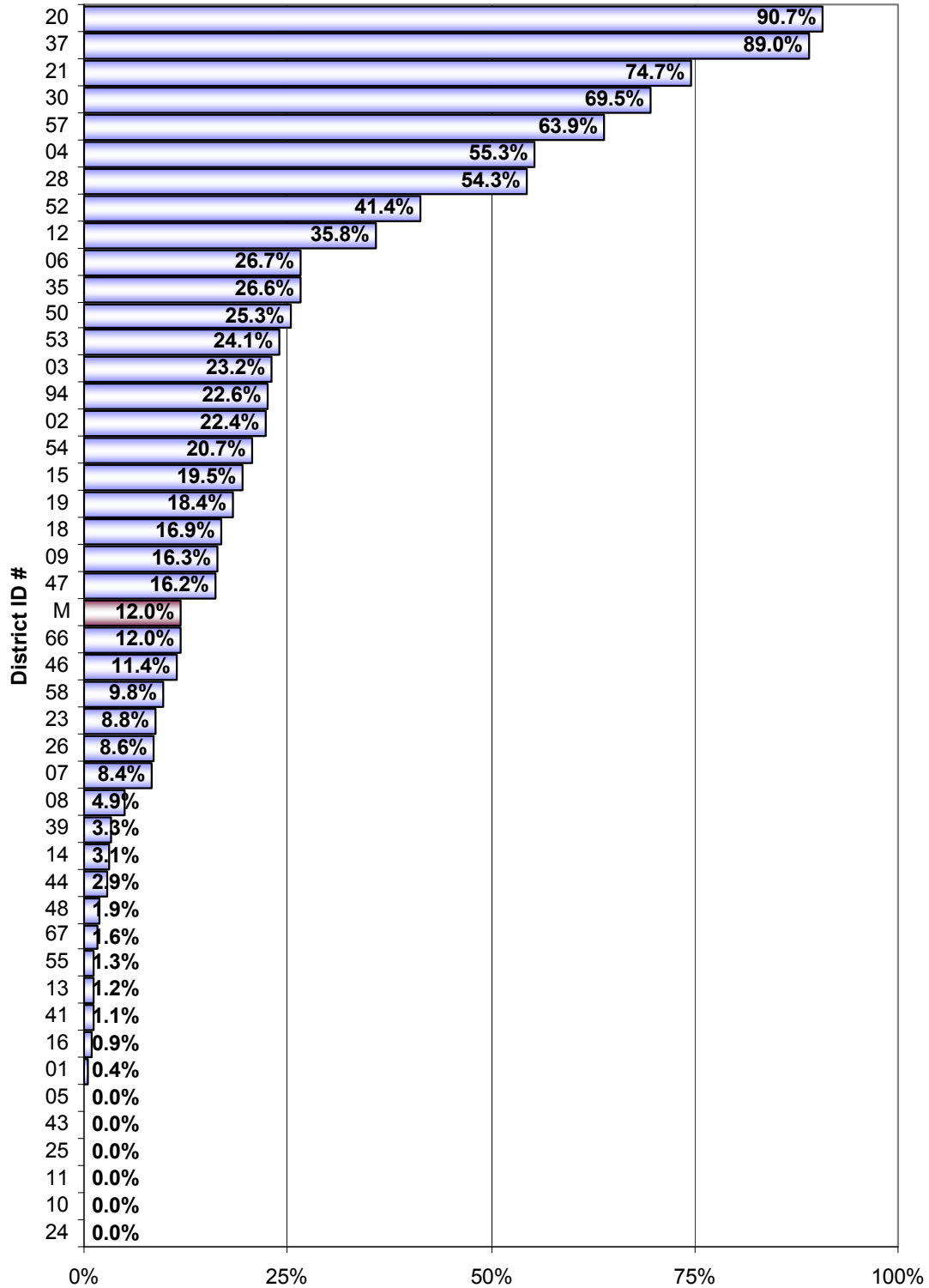
- Allocation of budget funds for video monitoring
- Policies on system monitoring
- Location and capture rate of cameras
- Privacy issues

Analysis of the Data

- FY 08 > 45 districts responded with 39 districts reporting a range of remote video surveillance usage

Performance Measurement & Benchmarking for K12 Operations

Buildings with Remote Video Surveillance



Key Performance Indicator

High School Buildings with Metal Detectors

To what extent are walk-through and/or hand-held metal detectors used in your district's high schools?

Why This Measure Is Important

This measure provides insight into the physical safeguards for high school staff and students.

Factors That Influence This Measure

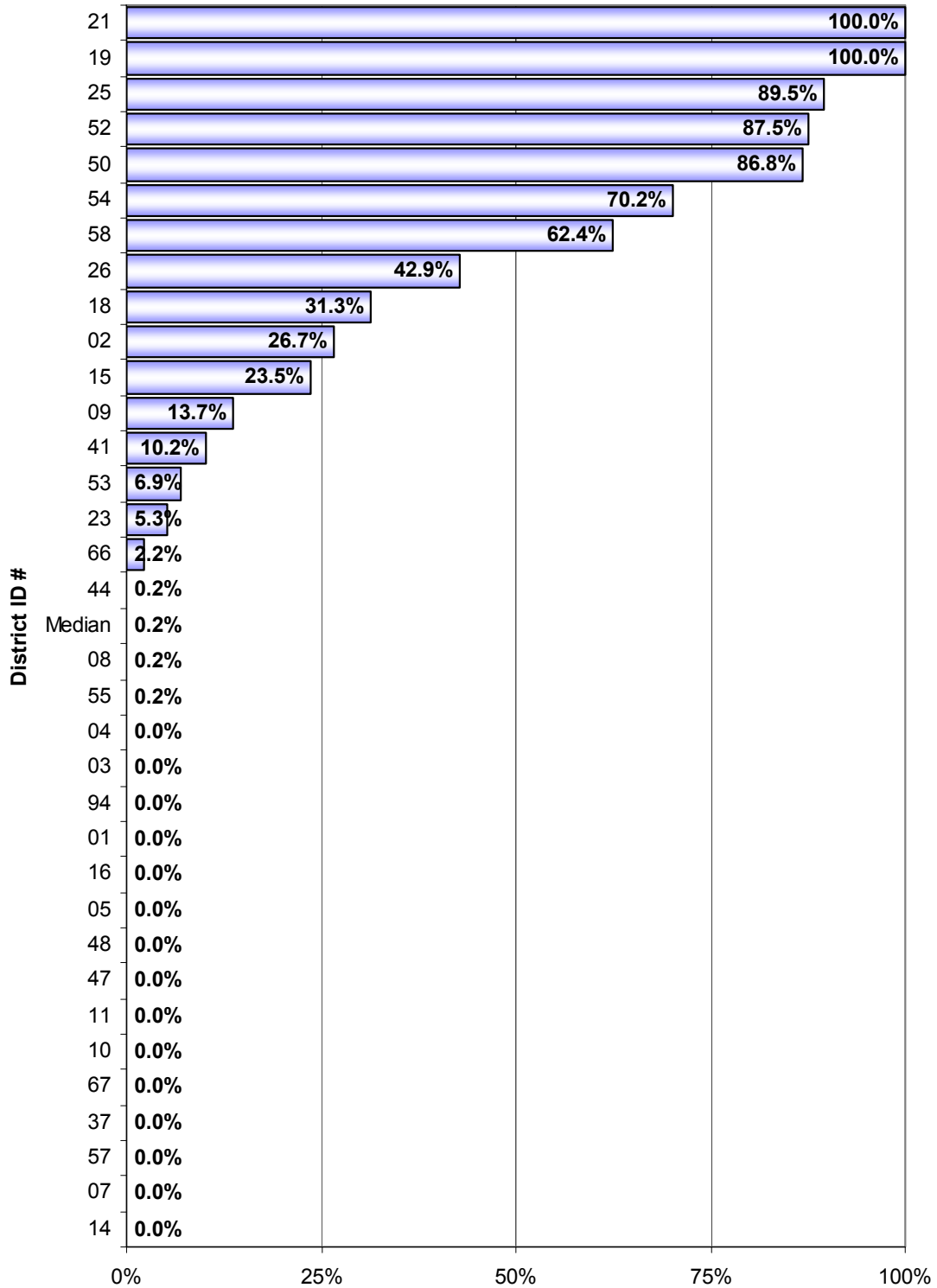
- Resource availability
- Policies on utilization of metal detectors
- Staff availability and skill to use the machines

Analysis of the data - High Schools with Walk-Through Metal Detectors

- FY 08 > 19 and 25 districts use walk-through, hand-help metal detectors or some combinations of both based on some security allocation formula designated for the use of these devices

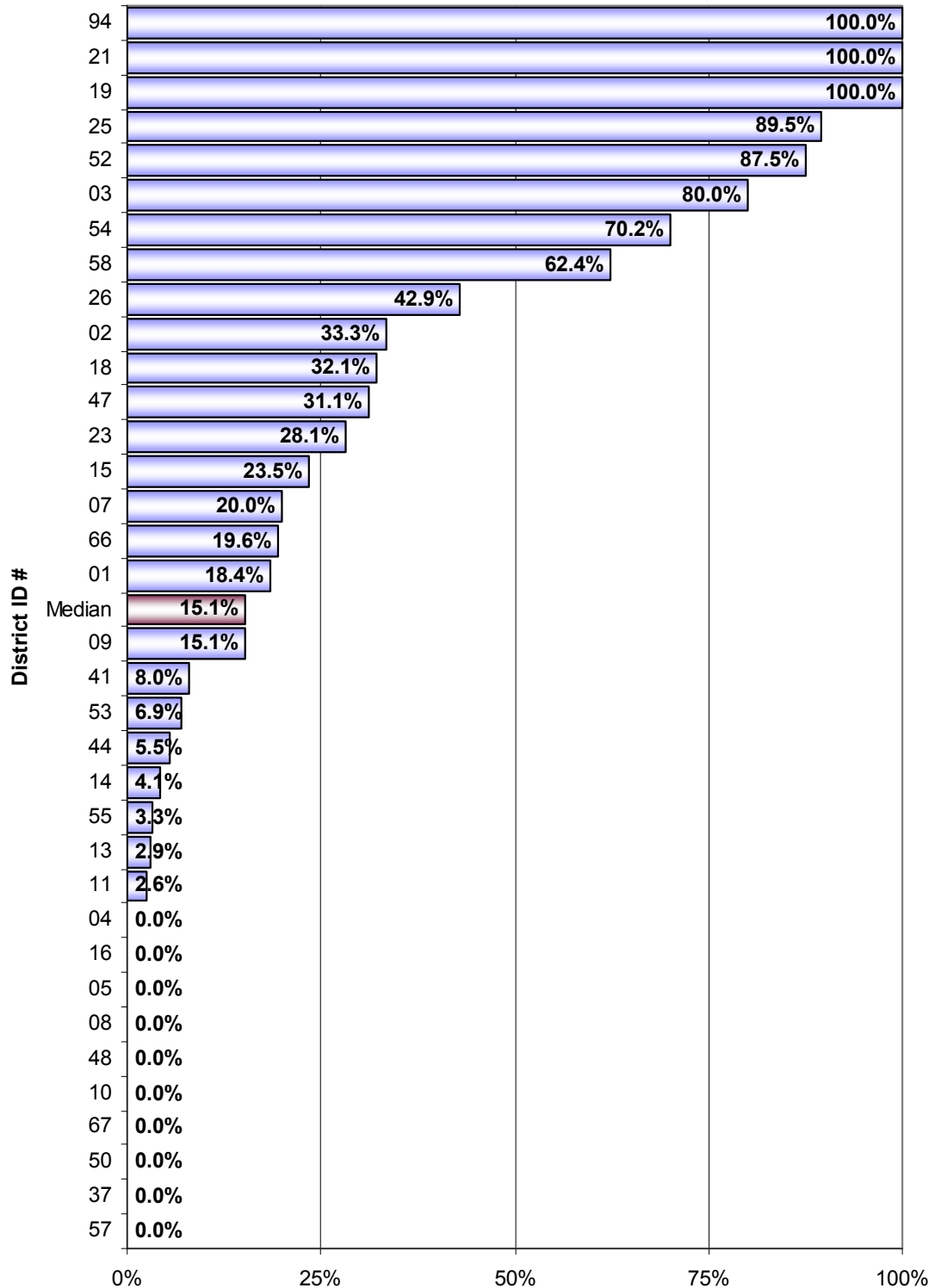
Performance Measurement & Benchmarking for K12 Operations

High School Buildings with Walk-Through Metal Detectors



Key Performance Indicator

High School Buildings with Hand Held Metal Detectors



Number of Incidents

Total people incidents and other incidents (accidents) *divided by* 1,000 enrolled students.

Why This Measure Is Important

This indicator gives districts an idea of the density of incidents in each district, adjusted for the size of the district in terms of enrollment.

Factors That Influence This Measure

- Available resources to allocate for safety and security
- Staffing formulas
- Documented need for additional safety and security staff through data such as crime statistics
- Utilization of technology such as security cameras to offset the need for more staff
- Enrollment

Analysis of the Data - People Incidents

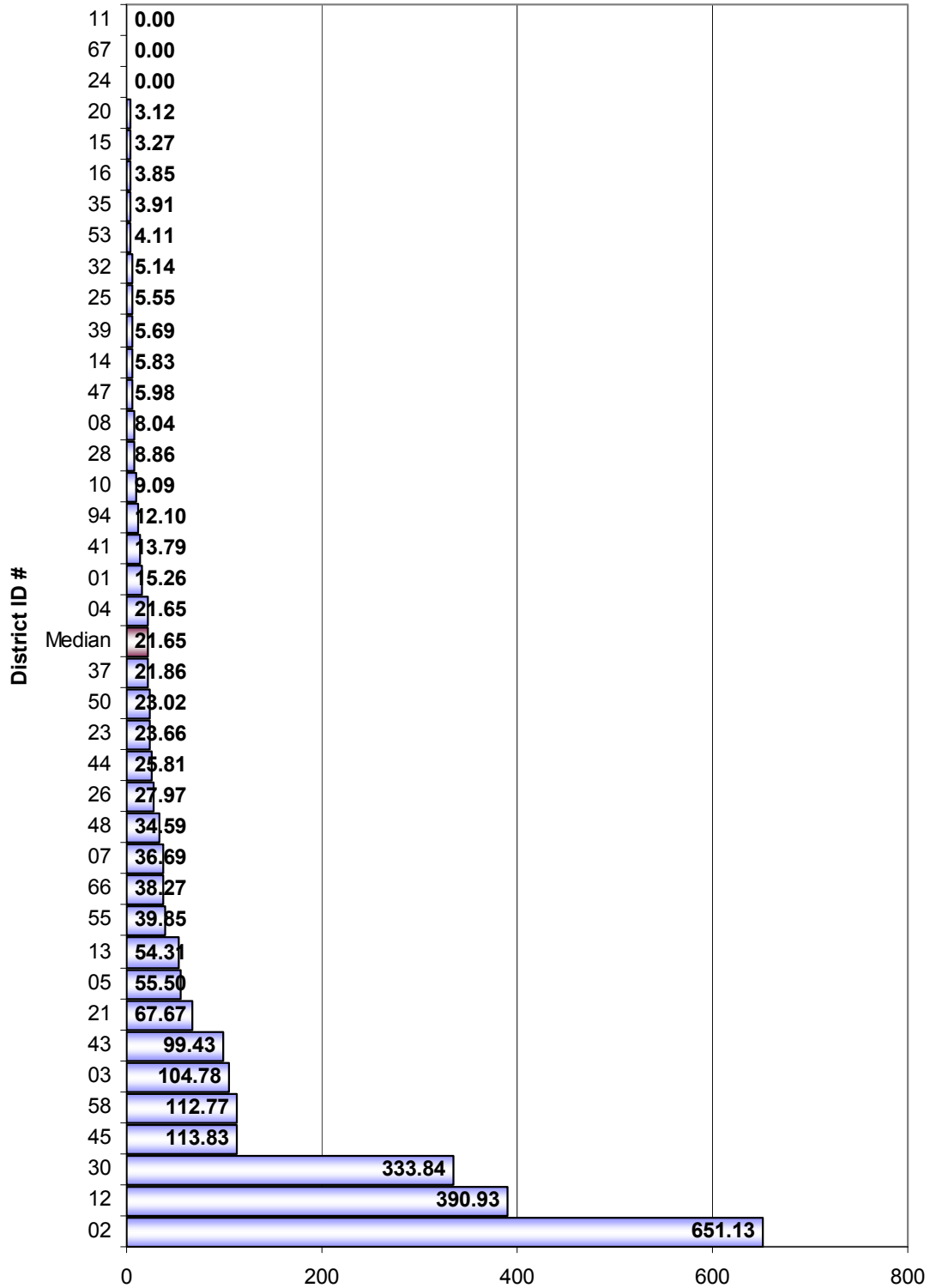
- FY 08 > 39 districts responded with data indicating a wide range between 3.12–651.13 and an average of 21.65 incidents involving people for every 1,000 enrolled students

Analysis of the Data -Accidents

- FY 08 > 26 districts responded with data indicating a wide range from .07–58.8 and an average of 2.12 accidents for every 1,000 enrolled students

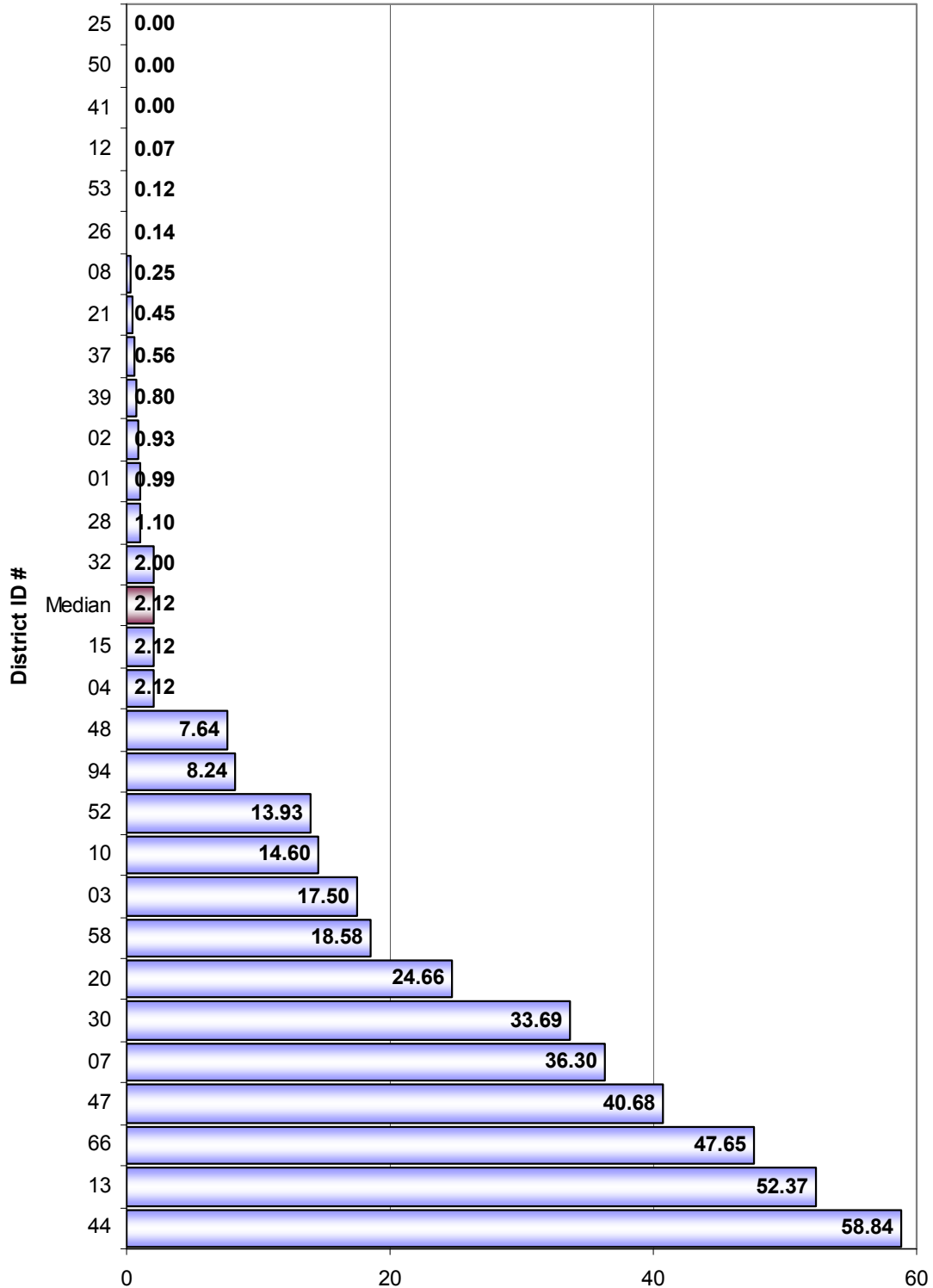
Performance Measurement & Benchmarking for K12 Operations

Number of People Incidents per 1,000 Students



Key Performance Indicator

Other Incidents per 1,000 Students



Security Allocation Formula

What are the factors that influence your districts security allocation formula?

Factors That Influence This Measure

- School crime statistics
- Neighborhood crime statistics
- School population/enrollment
- School level (high, middle, elementary)
- Student expulsion/suspension rates
- Building square footage
- Building structure
- Campus size (acreage)
- Other factors

Analysis of the Data

- FY 08 > 30 districts responded with the influencing factors displayed in the accompanying chart.

Performance Measurement & Benchmarking for K12 Operations

| DISTRICT ID # | School crime stats | Neighborhood crime stats | School population/enrollment | School level (high, middle, elementary) | Student expulsions/suspensions | Building square footage | Building structure | Campus size (acreage) | Other |
|---------------|--------------------|--------------------------|------------------------------|---|--------------------------------|-------------------------|--------------------|-----------------------|-------|
| 94 | | | | | | | | | |
| 67 | | | | | | | | | |
| 66 | | | | | | | | | |
| 58 | x | x | x | x | x | x | x | x | |
| 57 | x | x | x | x | x | x | x | | x |
| 55 | | | x | x | x | x | | x | |
| 54 | | | x | x | x | | x | | |
| 53 | x | x | x | x | x | | | | x |
| 52 | | | | | | | | | |
| 50 | x | x | x | x | x | x | x | x | x |
| 48 | x | | x | x | x | x | x | x | x |
| 47 | | | | | | | | | |
| 46 | x | x | x | x | | | | x | |
| 45 | | | | | | | | | |
| 44 | x | | x | | | | | | |
| 43 | | | | | | | | | |
| 41 | x | x | x | x | | | | | |
| 39 | x | x | x | x | | | | | x |
| 37 | | | | | | | | | |
| 35 | x | x | | x | | | | | |
| 32 | x | x | x | x | | x | x | x | x |
| 30 | | | | | | | | | |
| 28 | x | x | x | x | x | x | x | x | x |
| 26 | x | | | x | | | | | x |
| 25 | x | | x | x | | x | x | | x |
| 24 | x | | x | x | x | x | x | x | |
| 23 | | | | | | | | | |
| 21 | | | | | | | | | |
| 20 | | | | | | | | | |
| 19 | x | x | x | x | x | x | x | x | x |
| 18 | x | | x | x | x | | | | |
| 16 | x | x | x | x | x | | | | |
| 15 | x | x | x | x | x | x | x | x | x |
| 14 | x | x | x | x | x | x | x | | |
| 13 | | | | | | | | | |
| 12 | | | | | | | | | |
| 11 | | | | | | | | | |
| 10 | x | x | x | x | x | x | x | x | x |
| 09 | | | x | x | | | | | x |
| 08 | x | x | x | x | | x | x | x | x |
| 07 | | | | x | | | | | |
| 06 | | | | | | | | | |
| 05 | | | | | x | | x | | |
| 04 | x | | x | x | | x | | | |
| 03 | | | x | x | | | | | |
| 02 | | | | | | | | | |
| 01 | x | x | x | x | x | x | | | |
| | 51.1% | 36.2% | 55.3% | 59.6% | 36.2% | 34.0% | 31.9% | 25.5% | 29.8% |

Key Performance Indicator

Dedicated Law Enforcement

Does your district have a dedicated law enforcement operation (Yes/No)?

Why This Measure Is Important

This measure provides insight into an additional physical and organizational safeguard for staff and students and crime deterrent.

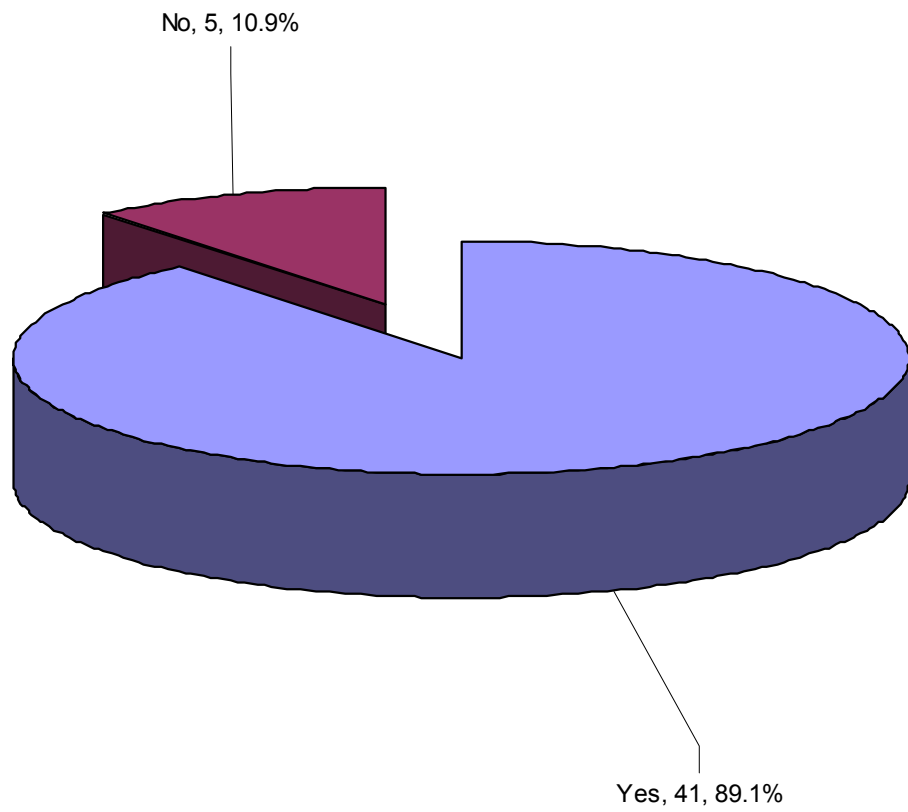
Factors That Influence This Measure

- Policies on utilization of dedicated law enforcement officers
- Intergovernmental agreements
- Quality of equipment
- Frequency on “checks”
- Staff availability and skill to use mobile units
- Budget allocation

Analysis of the Data

- FY 08 > 46 districts responded with 41 districts (89.1%) indicating that they have a dedicated law enforcement operation

Dedicated Law Enforcement



Uniformed Presence

Total number of uniformed safety and security staff *divided by* 1,000 enrolled students.

Why This Measure Is Important

This measure gives an indication of the concentration of safety officers in each district, adjusted for the size of the district in terms of enrollment. The “coverage” of officers across the student population plays a large role in the effectiveness of security efforts.

Factors That Influence This Measure

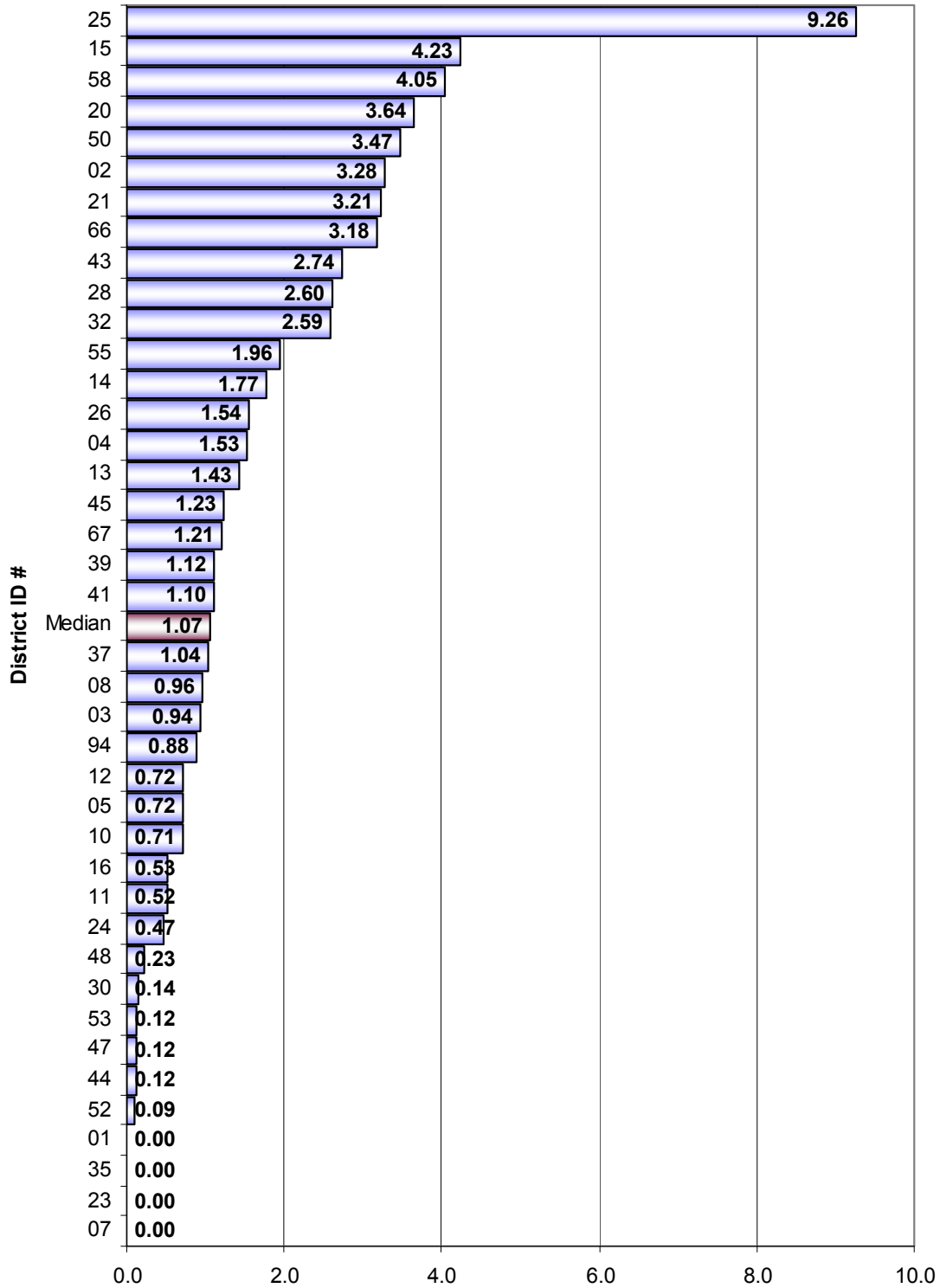
- Available resources allocated to safety and security
- Staffing formulas
- Documented need for additional safety and security staff through data such as crime statistics
- Utilization of technology such as security cameras to offset the need for more staff
- Enrollment

Analysis of the Data

- FY 08 > 40 districts responded with 1 district indicating the heaviest concentration of 9.26 safety and security personnel for every 1,000 enrolled students; 12 districts assigning approximately 2-4 personnel for every 1,000 students; 14 districts assigning approximately 1 per 1,000 students; and the remaining 13 assigning less than 1 safety and security personnel for every 1,000 students

Performance Measurement & Benchmarking for K12 Operations

Uniformed Presence per 1,000 Students



Key Performance Indicator

Principals Supervise/Evaluate School Site Safety & Security Personnel

Who supervises and evaluates the district's safety and security personnel?

Why This Measure Is Important

This measure explains the reporting and supervisor relationships of school and security personnel.

Factors That Influence This Measure

- Labor union contracts
- Organizational design
- Performance management system

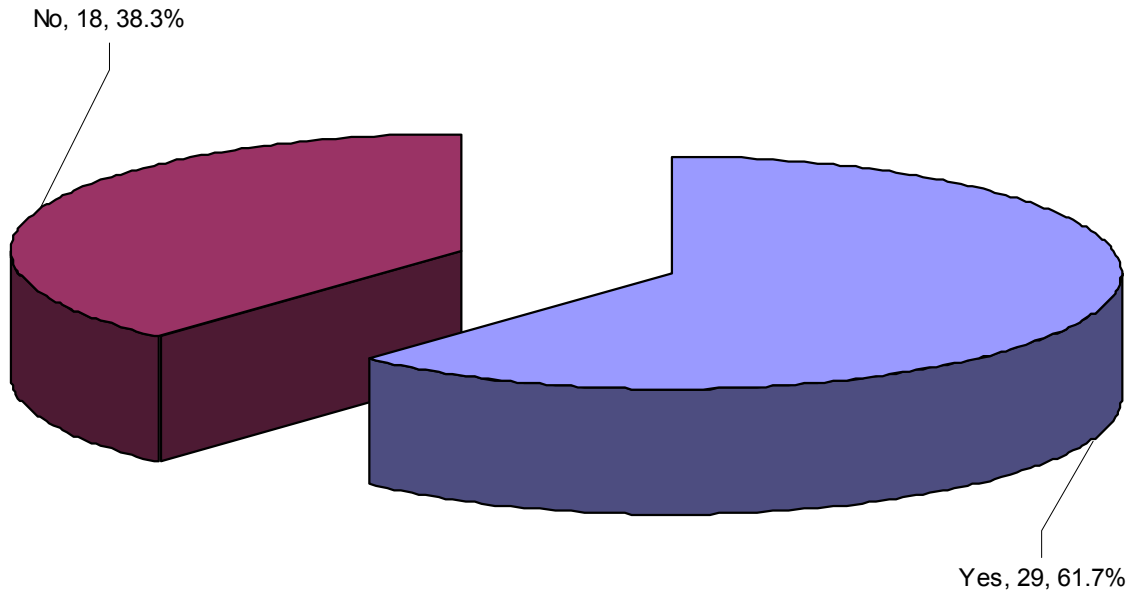
Analysis of the Data – Supervision

- FY 08 > 29 (61.6%) of 47 districts indicated that safety and security personnel are supervised by their building principals.

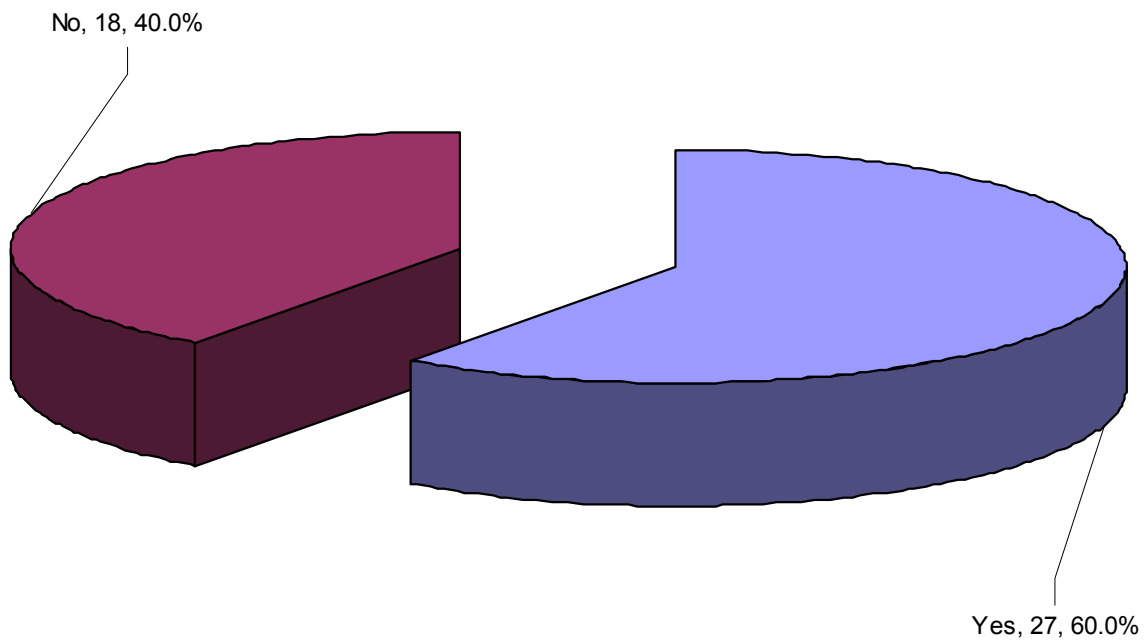
Analysis of the Data – Evaluation

- FY 08 > 27 (60%) of 45 districts indicated that safety and security personnel are evaluated by their building principals. Presumably, safety and security in the remaining 18 districts are evaluated by the central office or a combination of central and site-based staff.

Principals Supervise School Site Safety & Security Personnel



Principals Evaluate School Site Safety & Security Personnel



Safety & Security Incident Tracking

Does the district track incidents manually or with a technology-based system (Yes/No)?

Why This Measure Is Important

This measure captures the percentage of districts using technological means of tracking incidents.

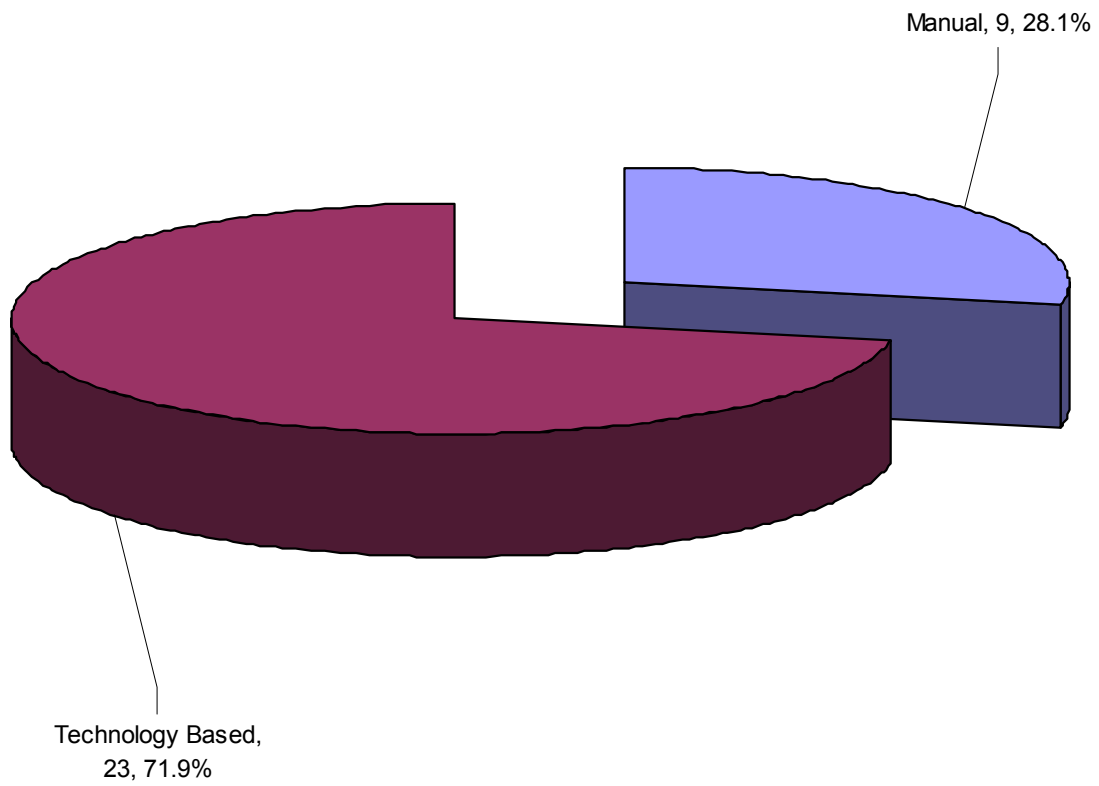
Factors That Influence This Measure

- District budget
- Technological infrastructure
- Incident reporting business process

Analysis of the Data

- FY 08 > 32 districts responded with 23 districts (71.9%) indicating that they use technology-based systems to track incidents and 9 (28.1%) indicating that they use manual systems for this purpose.

Safety & Security Incident Tracking



Mobile Units

Total number and types of mobile units, e.g., patrol, unmarked, bicycle vehicles.

Why This Measure Is Important

This measure provides insight into an additional physical safeguard for staff and students and crime deterrent.

Factors That Influence This Measure

- Policies on utilization of mobile units
- Quality of equipment
- Frequency on “checks”
- Staff availability and skill to use mobile units
- Budget allocation

Analysis of the data – Total Mobile Units

- FY 08 > 47 districts responded
- FY 08 > High = 374; Low = 0; Median = 19

Analysis of the data – Patrol Units

- FY 08 > 33 districts indicated that they have patrol units
- FY 08 > 7 district use 90% of more of their mobile units for patrolling purposes; 9 use 60-80% of these units for patrolling; 7 use 40-60% and 9 use less than 40% of these units for this purpose

Analysis of the data – Unmarked Units

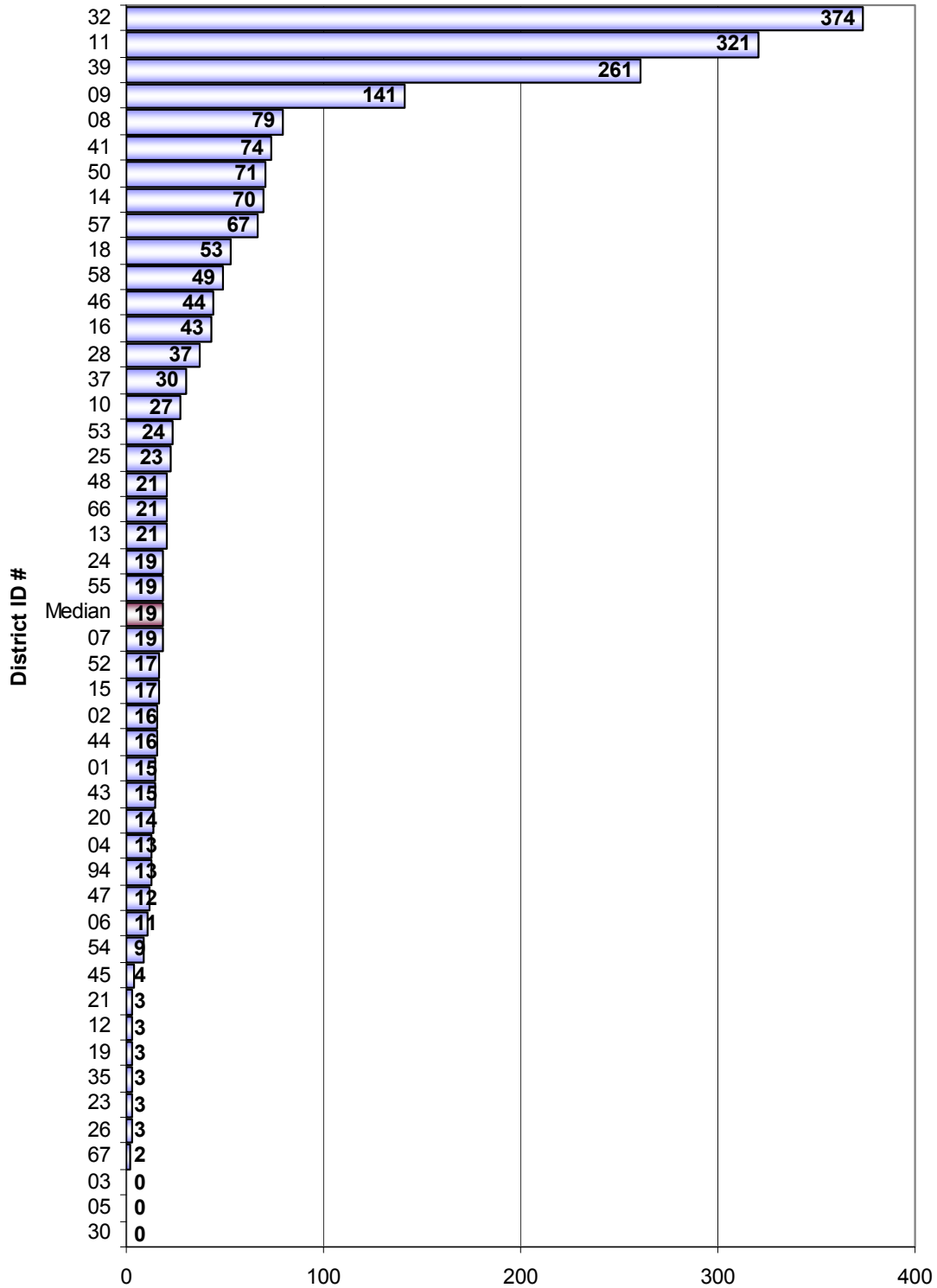
- FY 08 > 28 districts indicated some usage of unmarked mobile units, but most (25 districts) indicating that 55-95% of their mobile units were marked vehicles

Analysis of the data – Bicycle Units

- FY 08 > 38 districts responded with 7 districts indicating that they use bicycle units.

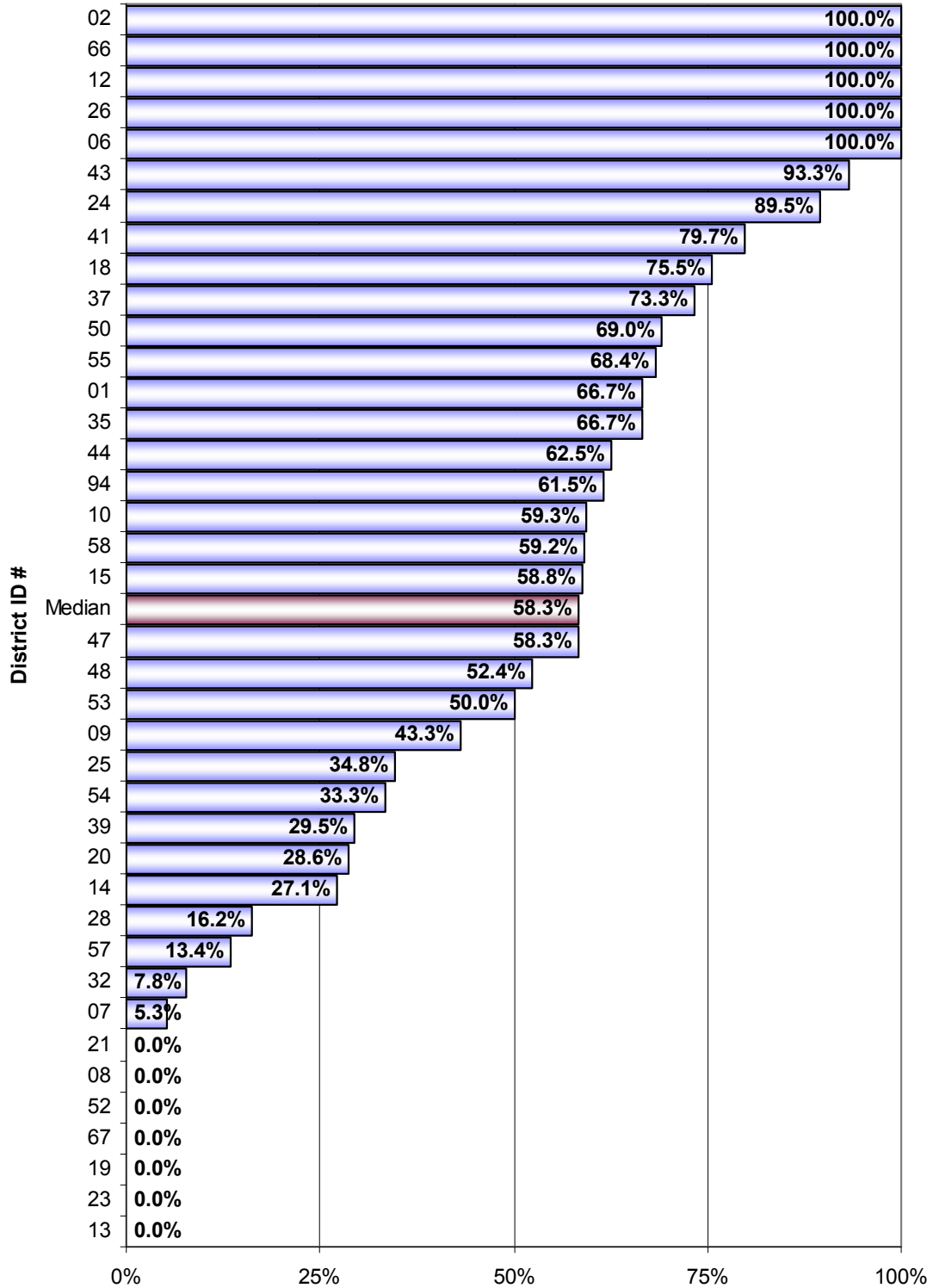
Performance Measurement & Benchmarking for K12 Operations

Number of Mobile Units



Key Performance Indicator

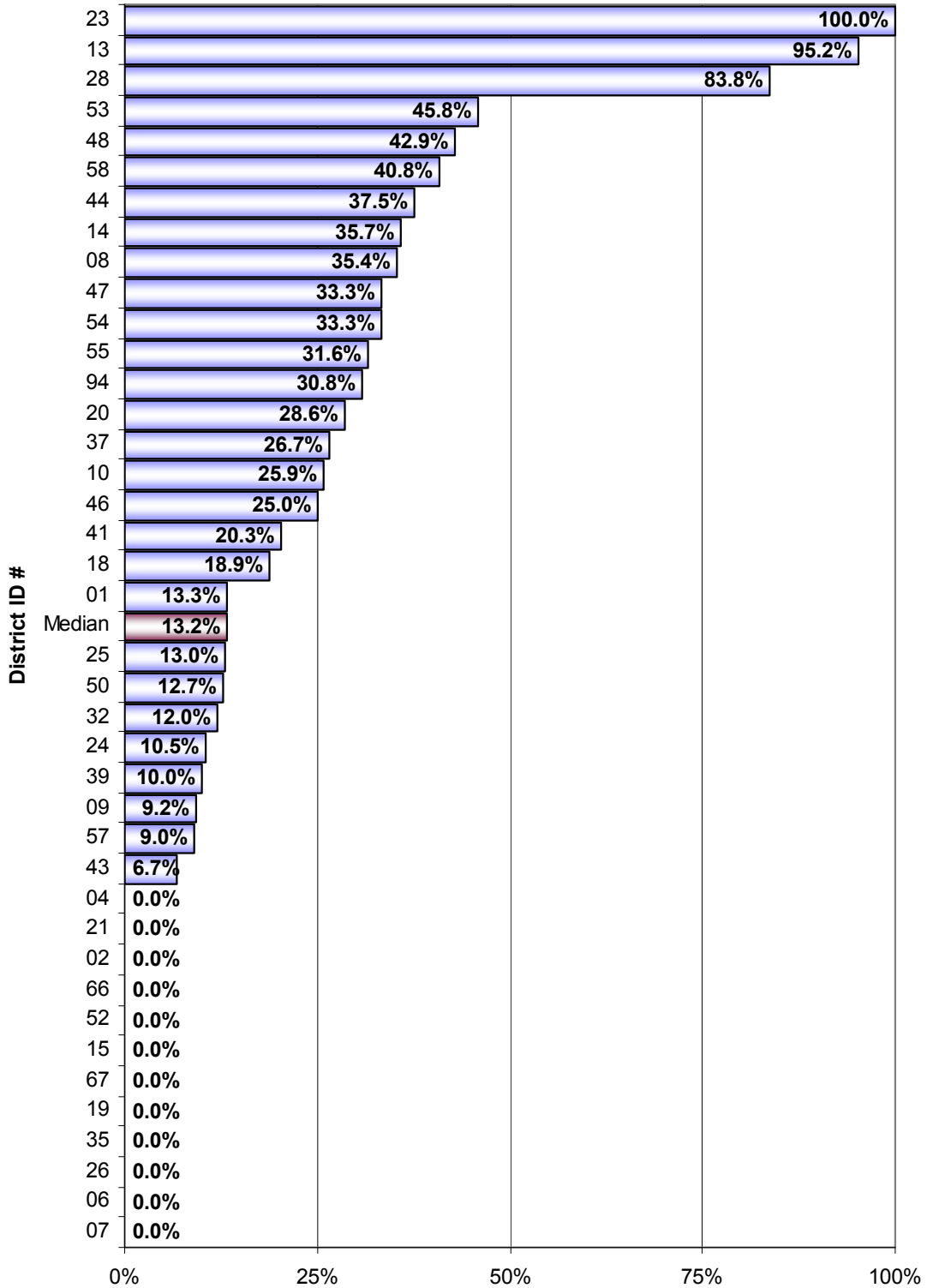
Patrol Units



Key Performance Indicator

Performance Measurement & Benchmarking for K12 Operations

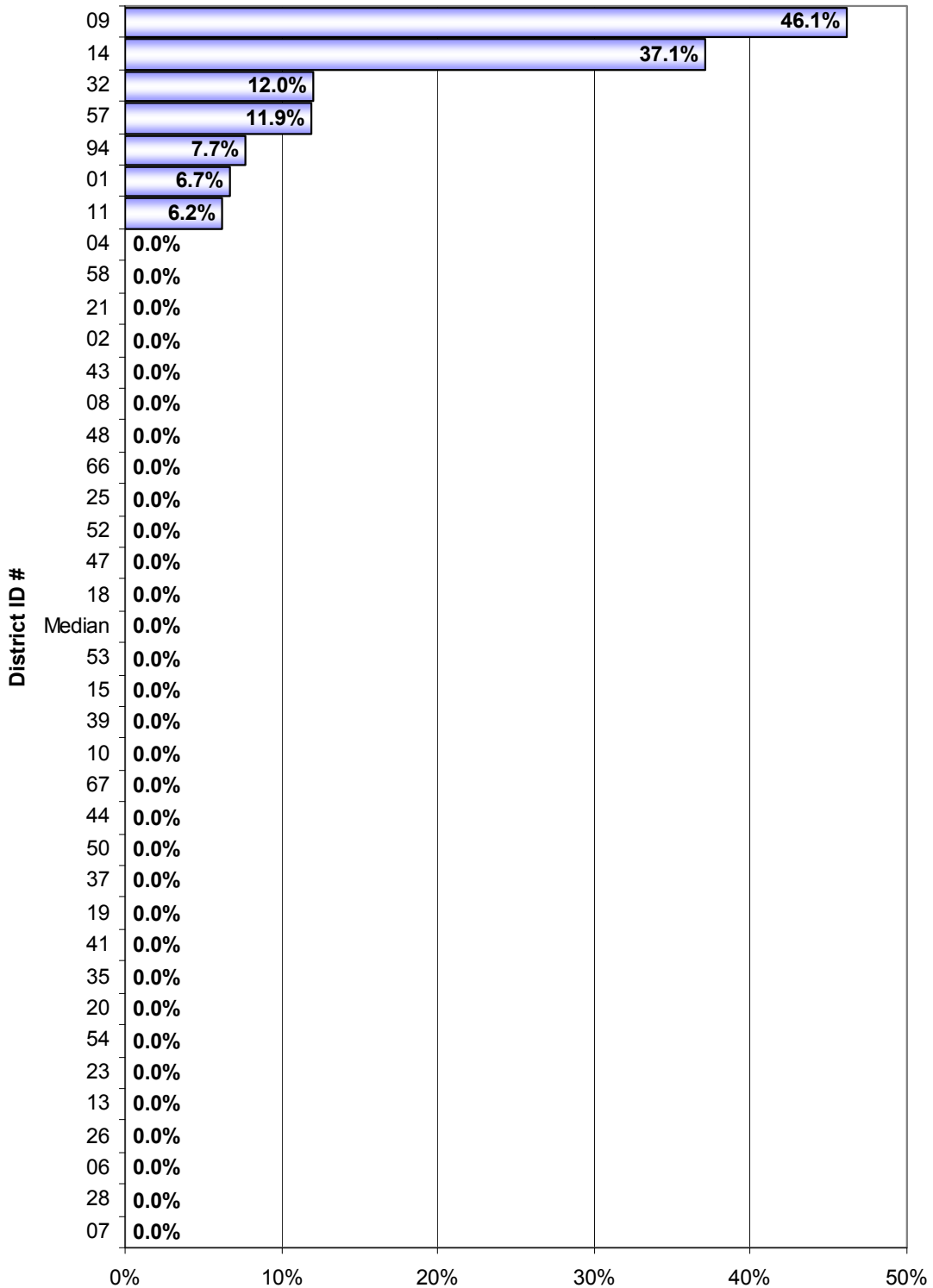
Unmarked Units



Key Performance Indicator

Key Performance Indicator

Bicycle Units



Canines

Does the district use canines for safety and/or security purposes (Yes/No)?

Why This Measure Is Important

This measure provides insight into an additional physical safeguard for staff and students and crime deterrent.

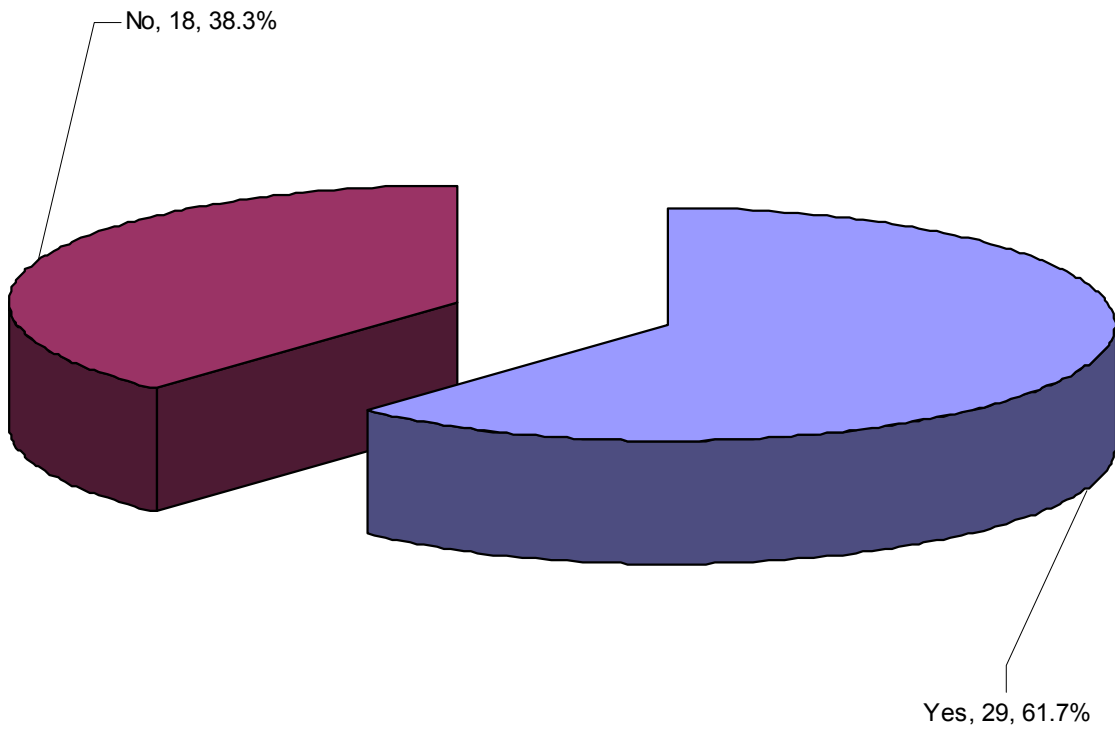
Factors That Influence This Measure

- Policies on utilization of canine units
- Quality of training
- Frequency on “checks”
- Staff availability and skill to use service animals
- Budget allocation

Analysis of the Data

- FY 08 > 47 districts responded
- FY 08 > Yes = 61.7%; No = 38.3%

Canines



Canine Usage

How does your districts use its canine units, e.g., for drug searches, weapons searches, patrols, etc?

Why This Measure Is Important

This measure provides insight into an additional physical safeguard for staff and students and crime deterrent.

Factors That Influence This Measure

- Policies on utilization of service animals
- Frequency on “checks”
- Staff availability and skill to use service animals
- Budget allocation

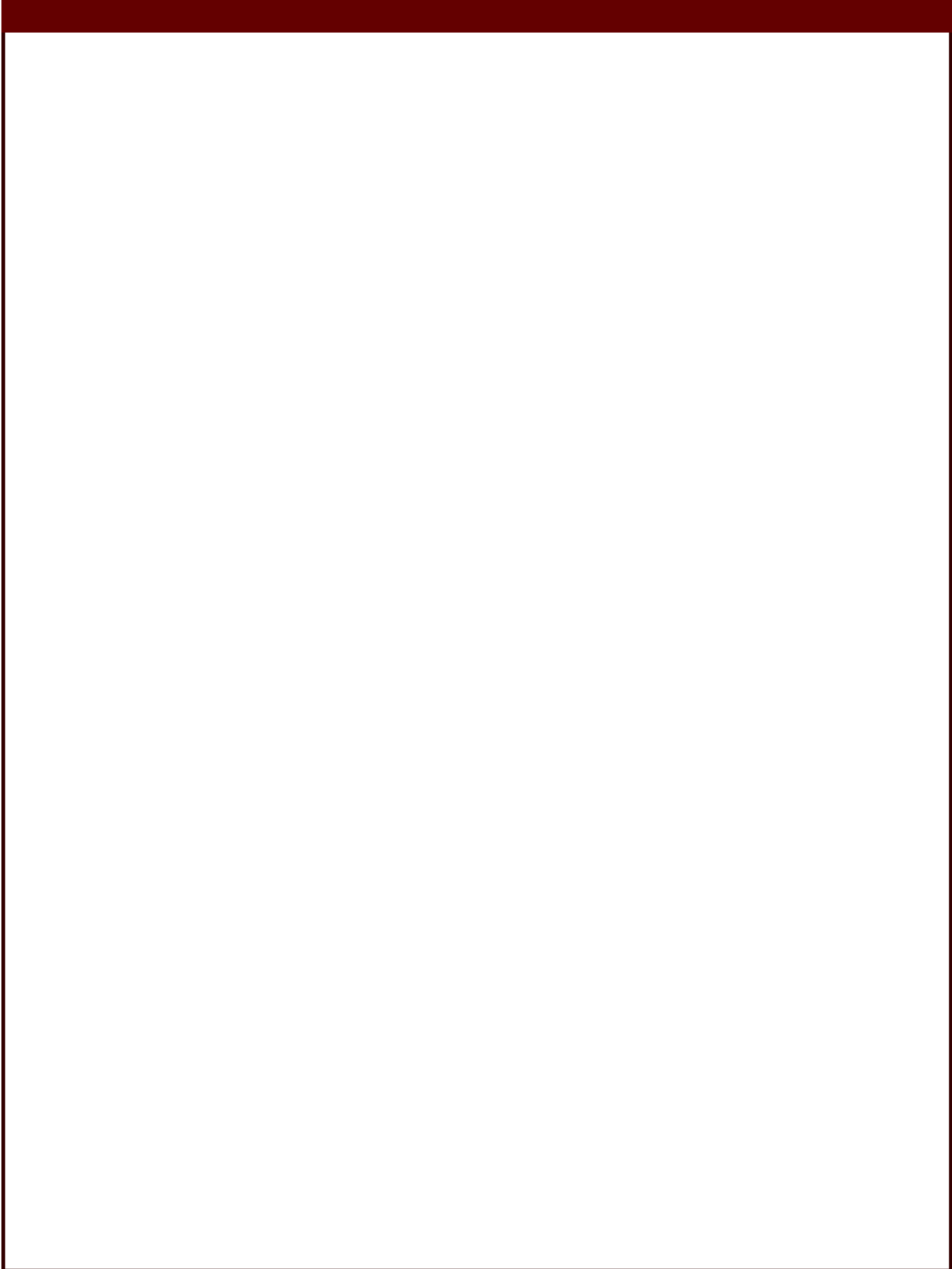
Analysis of the data

- FY 08 > 47 districts responded
- 28 districts (59.6%) use their canine units for drug searches; 20 districts (42.6%) use the units for weapons searches; and 6 districts (12.8%) them for patrol duty.

Performance Measurement & Benchmarking for K12 Operations

| DIST RICT ID # | Canine Usage | | |
|----------------------|----------------|----------------------------|--------|
| | Drug search | Wcap on search es | Patrol |
| 94 | x | | |
| 67 | x | x | |
| 66 | | | |
| 58 | | | |
| 57 | x | x | |
| 55 | x | x | |
| 54 | | | |
| 53 | x | x | |
| 52 | | | |
| 50 | | | x |
| 48 | | | |
| 47 | x | | x |
| 46 | | | |
| 45 | x | | |
| 44 | x | x | |
| 43 | x | x | x |
| 41 | x | | |
| 39 | x | x | x |
| 37 | x | x | |
| 35 | | | |
| 32 | x | x | x |
| 30 | x | | |
| 28 | x | x | |
| 26 | x | x | |
| 25 | | | |
| 24 | x | | |
| 23 | x | x | |
| 21 | x | x | |
| 20 | | | |
| 19 | | | |
| 18 | x | | |
| 16 | x | x | |
| 15 | | | |
| 14 | | | |
| 13 | x | | |
| 12 | | | |
| 11 | x | x | x |
| 10 | | x | |
| 09 | | | |
| 08 | x | x | |
| 07 | x | x | |
| 06 | x | x | |
| 05 | | | |
| 04 | x | | |
| 03 | | | |
| 02 | x | x | |
| 01 | | | |
| | 59.6% | 42.6% | 12.8% |

Key Performance Indicator



Transportation

Cost per Student (ACCRA Adjusted⁸)

All transportation expenditures – direct salaries, fuel, insurance-liability, insurance-workers' compensation, facility costs, capital/debt service, transportation contract costs *divided by* number of expected riders on a daily basis.

Why This Measure Is Important

This measure is an indicator of the cost efficiency of a pupil transportation program. It allows a baseline comparison across districts that should lead to further analysis based on a district's placement. A greater than average cost per student may be appropriate based on specific conditions or program requirements in a particular district. A less than average cost per student may indicate a well-run program or favorable conditions in a district.

Factors That Influence This Measure

- Driver wage and benefit structure and labor contracts
- Cost of the fleet, including fleet replacement plan, facilities, insurance and maintenance also play a role in the basic cost
- Effectiveness of the routing plan
- Ability to use each bus for more than one route or run each morning and each afternoon
- Bell schedule
- Transportation department input in proposed bell schedule changes
- Maximum riding time allowed and earliest pickup time allowed
- Contracted service costs
- Types of transported programs served

Analysis of the Data

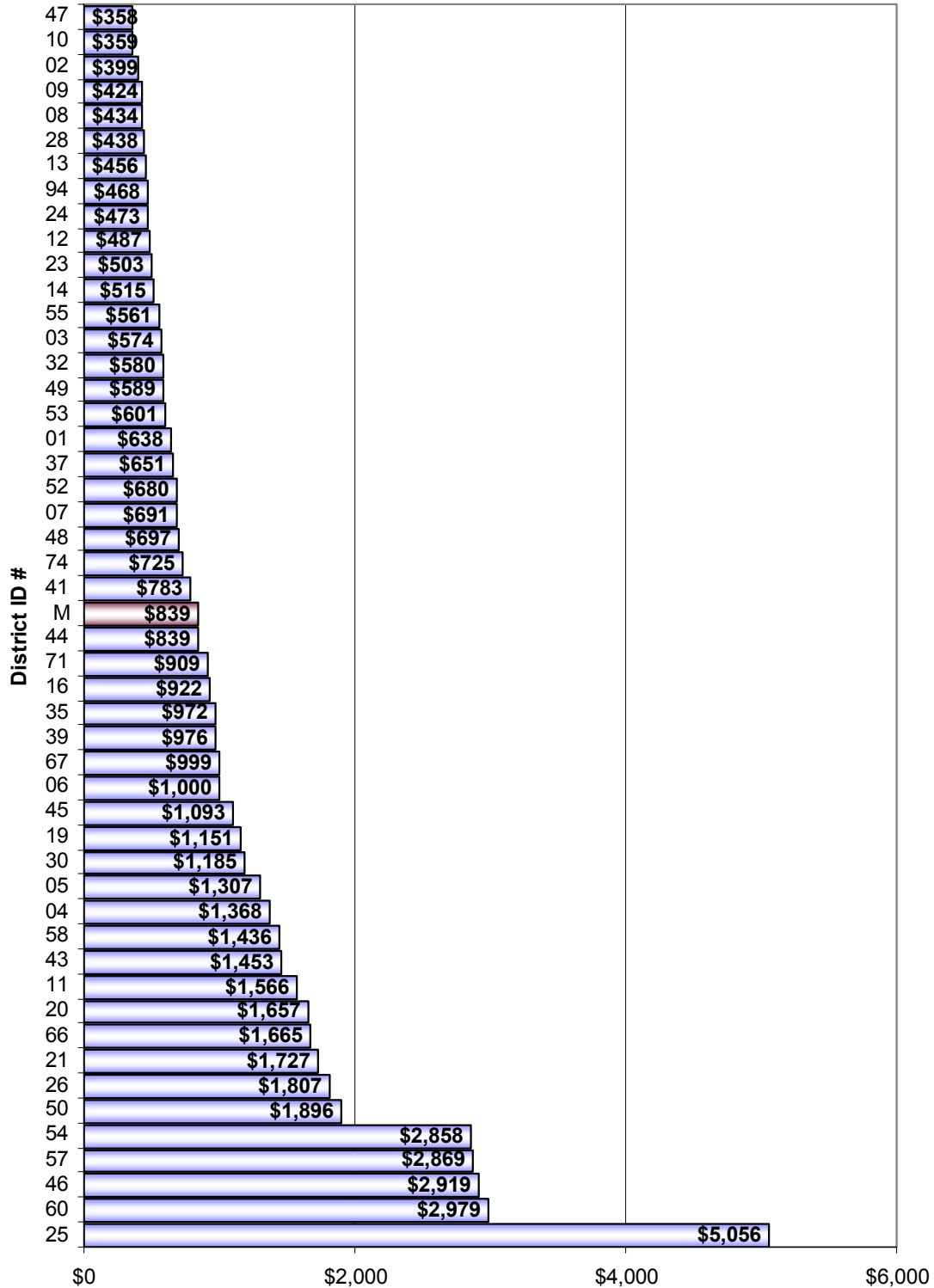
- FY 08 > 49 districts responded
- FY 08 > Low = \$358; High = \$5,056; Median = \$839
- Range between high and low = \$4,698; Mean = \$1,137
- 4 of the 8 highest cost school districts are located in the North Atlantic states; and 2 of the 3 lowest cost districts are located in Mid-Atlantic States.
- The district with the highest cost per student has the lowest average number of students riding daily.

⁸ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Cost per Student (ACCRA Adjusted)



Daily Buses as Percent of Total Buses

Number of daily buses – district and contract *divided by* total number of buses – district and contracted services.

Why This Measure Is Important

A goal of a well-run transportation department is to procure only the number of buses actually needed on a daily basis, plus an appropriate spare bus ratio. Maintaining or contracting unneeded buses is expensive and unnecessary as these funds could be used in the classroom.

Factors That Influence This Measure

- Historical trends of the number of students transported
- Enrollment projections and their impact on transported programs
- Changes in transportation eligibility policies
- Spare bus factor needed
- Age of fleet

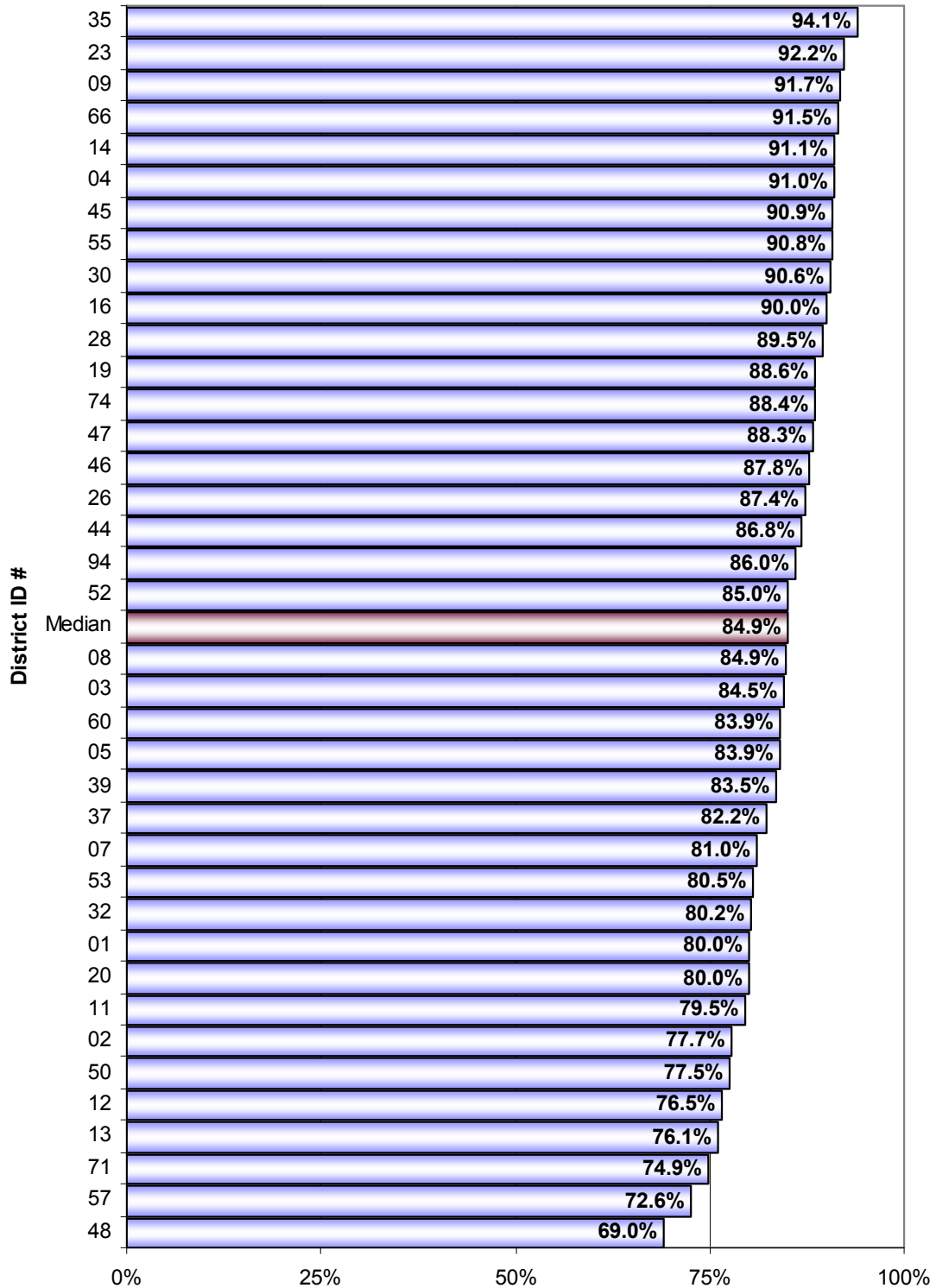
Analysis of the Data

- FY 08 > 38 districts responded
- FY 08 > High = 94.1%; Low = 69.0%; Median = 84.9%
- Range between high and low = 25.1%; Mean = 84.5%

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Daily Buses as Percent of Total Buses



Students Receiving Basic Home to School Yellow Bus Transportation

Number of students in the district receiving basic home to school yellow bus transportation *divided by* total number of students enrolled in the district.

Why This Measure Is Important

This is a basic measurement of the cost efficiency of a pupil transportation program. It allows a baseline comparison across districts that should lead to further analysis based on a district's placement. Historical trends can be used to project future transportation departmental needs and supporting budget requirements.

Factors That Influence This Measure

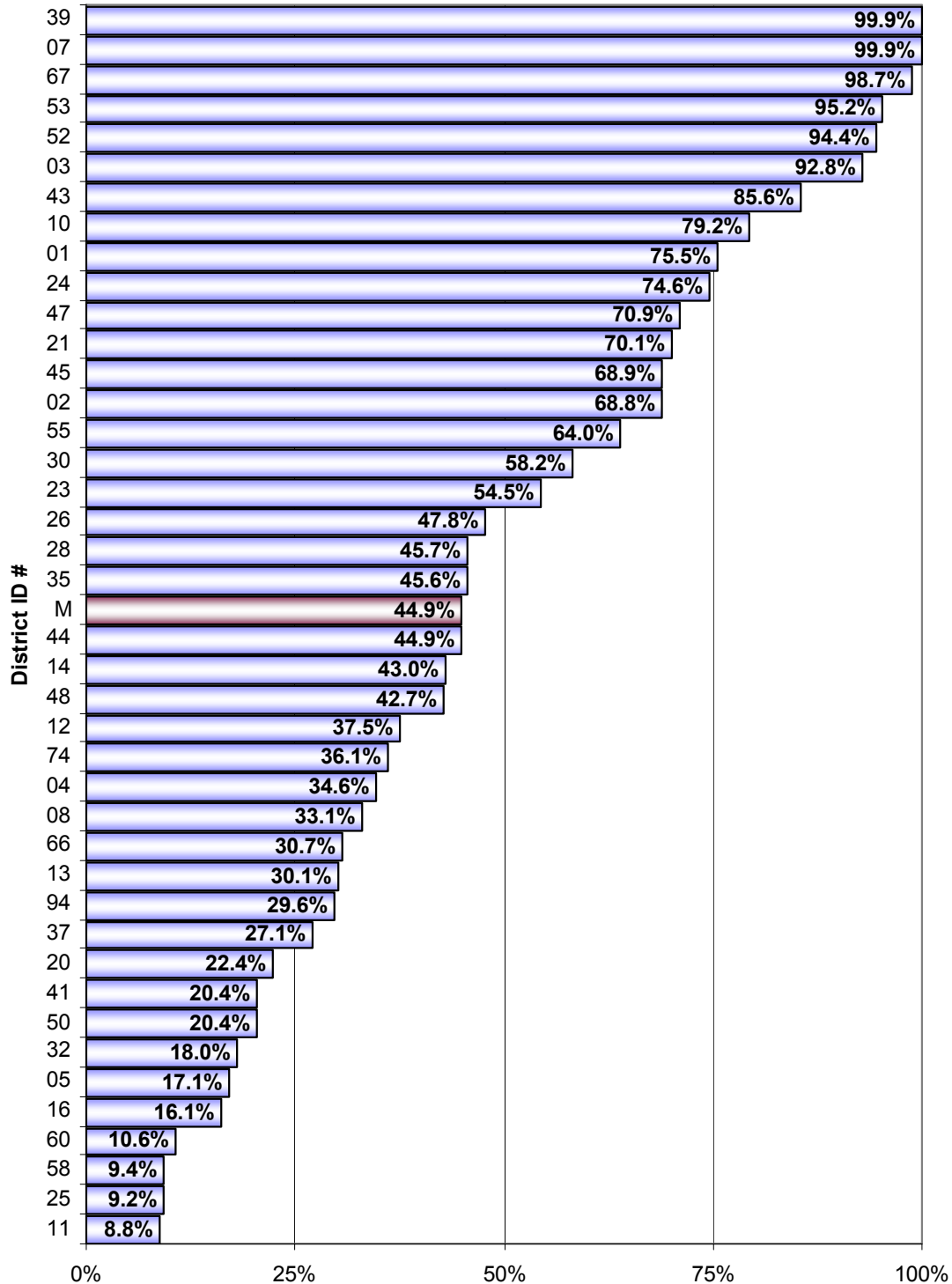
- Percentages of students transported by policy and law (where applicable)
- Placement of school attendance boundaries and zones
- Percentages transported by yellow bus versus public transportation
- Viable public transportation options
- Programs supported by transportation

Analysis of the Data

- FY 08 > 41 districts responded
- FY 08 > High = 99.9%; Low = 8.8%; Median = 44.9%
- Range between high and low = 91.18%; Mean = 49.56%
- 6 districts transport in excess of 92% of the entire student enrollment of the district; and 3 of the lowest 4 districts are very large districts with more than 175,000 enrolled students
- Based on results submitted, cold/snow climate appears not to be a factor.

Performance Measurement & Benchmarking for K12 Operations

Students Receiving Basic Home to School Yellow Bus Transportation



Transportation Expenditures as Percent of General Fund

Final expenditures for all aspects of the transportation program *divided by* the district's general fund expenditures.

Why This Measure Is Important

This measure indicates the impact the transportation program has on overall district operations. Simply put, the more a district spends on transportation the less it has to spend on other programs. Therefore, it is the goal of a district's operations team to provide the highest quality services while minimizing costs so more money is available for the classroom.

Factors That Influence This Measure

- Types of transported programs supported
- District-run operation, contractor-operated program, or combination of the two
- Percent of students transported by policy and law (where applicable)
- Percent transported by yellow bus vs. public transportation
- Public transportation as a viable option
- Labor costs in the district area
- Efficient administration of program

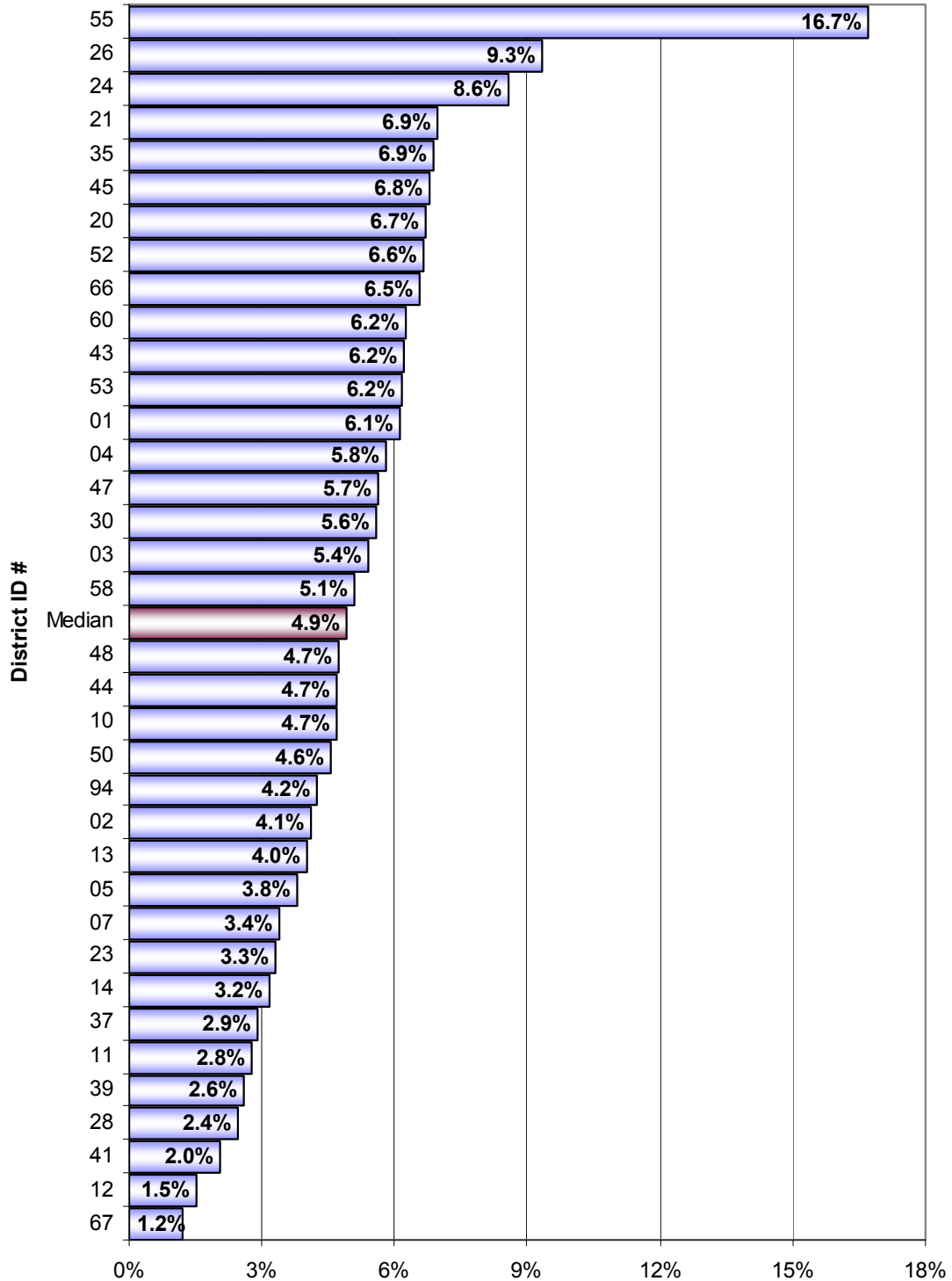
Analysis of the Data

- FY 08 > 36 districts responded
- FY 08 > High = 16.7%; Low = 1.2%; Median =4.9%
- Range between high and low = 15.5%; Mean = 5.07%
- 16 districts' expenditures for all aspects of the transportation program fall within the range of 4-6% of their total general fund expenditures; with an additional 14 districts within a range of 4-7%:
- A district's placement on the curve helps it put its own program in a larger context. The greatest value of these results may be for a district to compare itself to a district of similar size and scope to see if individual best practices may help lower the costs of programs.
- There does not appear to be a correlation between the *Cost per Student* KPI and this measure.
- The data are spread out among reporting districts, which could be an indication of the different factors influencing each district.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Transportation Expenditures as Percent of General Fund Expenditures



Average Age of Fleet

Weighted average age of fleet using a weighted average method.

Why This Measure Is Important

Each bus represents a significant asset for the district. Capital expenditures and on-going maintenance costs are driven by the fleet replacement plan. A younger fleet requires greater capital expenditures but results in reduced maintenance costs as many repairs are covered under warranty. A younger fleet will also result in fewer buses being out of service for repairs, resulting in greater reliability and service levels for the program. An older fleet may require more expenditure on the maintenance side but reduce the need for capital expenses. A careful life-cycle cost analysis is necessary to balance the two factors.

Factors That Influence This Measure

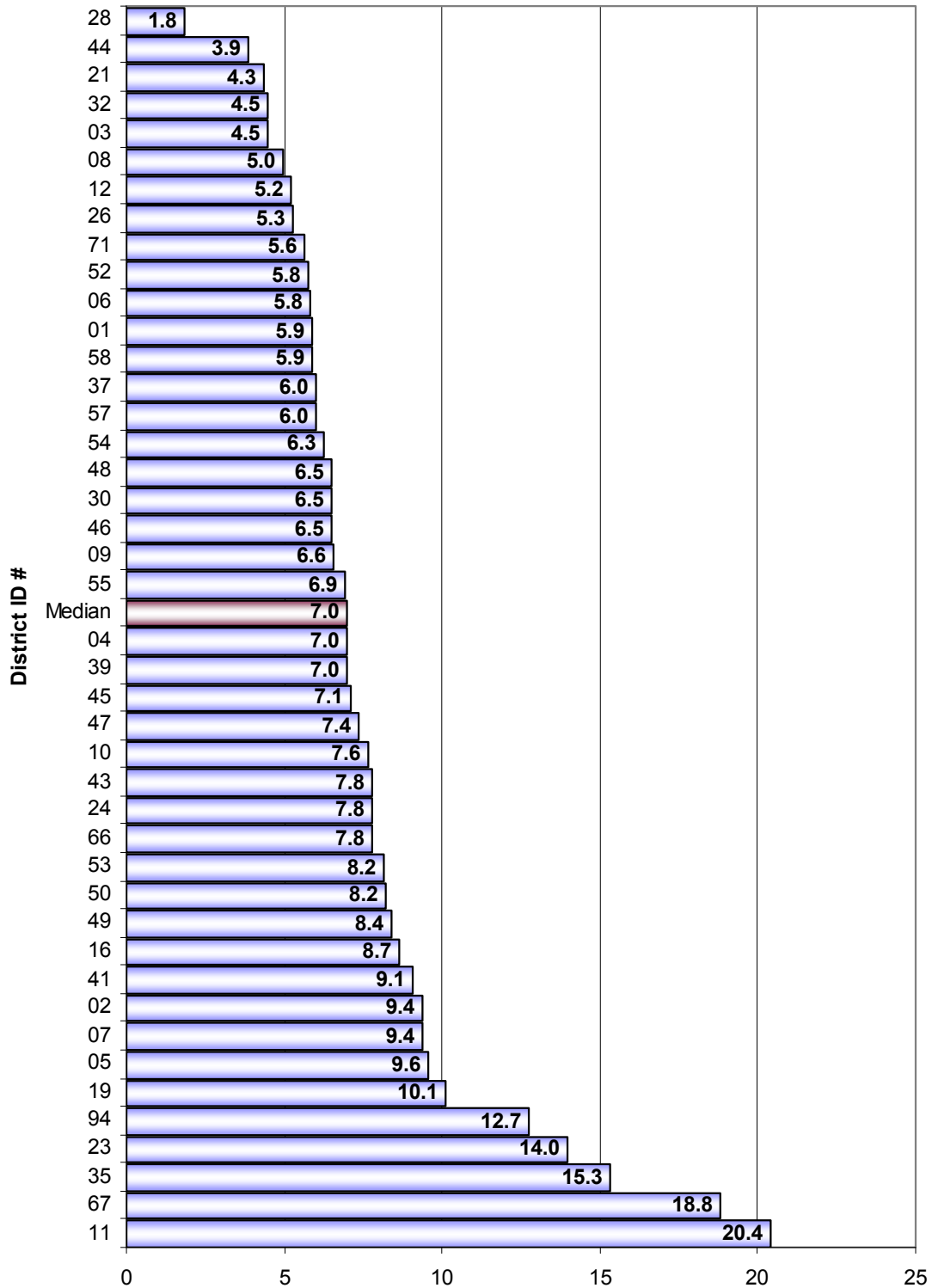
- Fiscal health of a district - fiscal problems may interrupt a fleet replacement strategy
- Environmental factors - some districts may operate in a climate that is less conducive to bus longevity. Some districts may be required to purchase cleaner burning or expensive alternative-fueled buses and supporting infrastructure
- Formal district-wide capital replacement budgets and standards
- Availability of state or local bond funding for school bus replacement

Analysis of the Data

- FY 08 > 43 districts responded
- FY 08 > High = 20.4 years; Low = 1.8 years; Median = 7.0 years
- Range between high and low = 18.59 years; Mean = 7.82 years
- 28 districts report the average age of their bus fleets to be between 5 to 8 years; 10 districts have significantly older fleets with two districts with the highest average age located in California.

Performance Measurement & Benchmarking for K12 Operations

Average Age of Fleet



Key Performance Indicator

Average Daily Ride Time

Average total daily ride time (combined AM and PM) in minutes per student.

Why This Measure Is Important

This measure documents the impact transportation services have on students transported. Long bus rides do not add anything productive to a child's day. Districts wish to maximize the loading of their buses but not at the expense of an overly long bus ride for students. Therefore, cost efficiency must be balanced with service considerations.

Factors That Influence This Measure

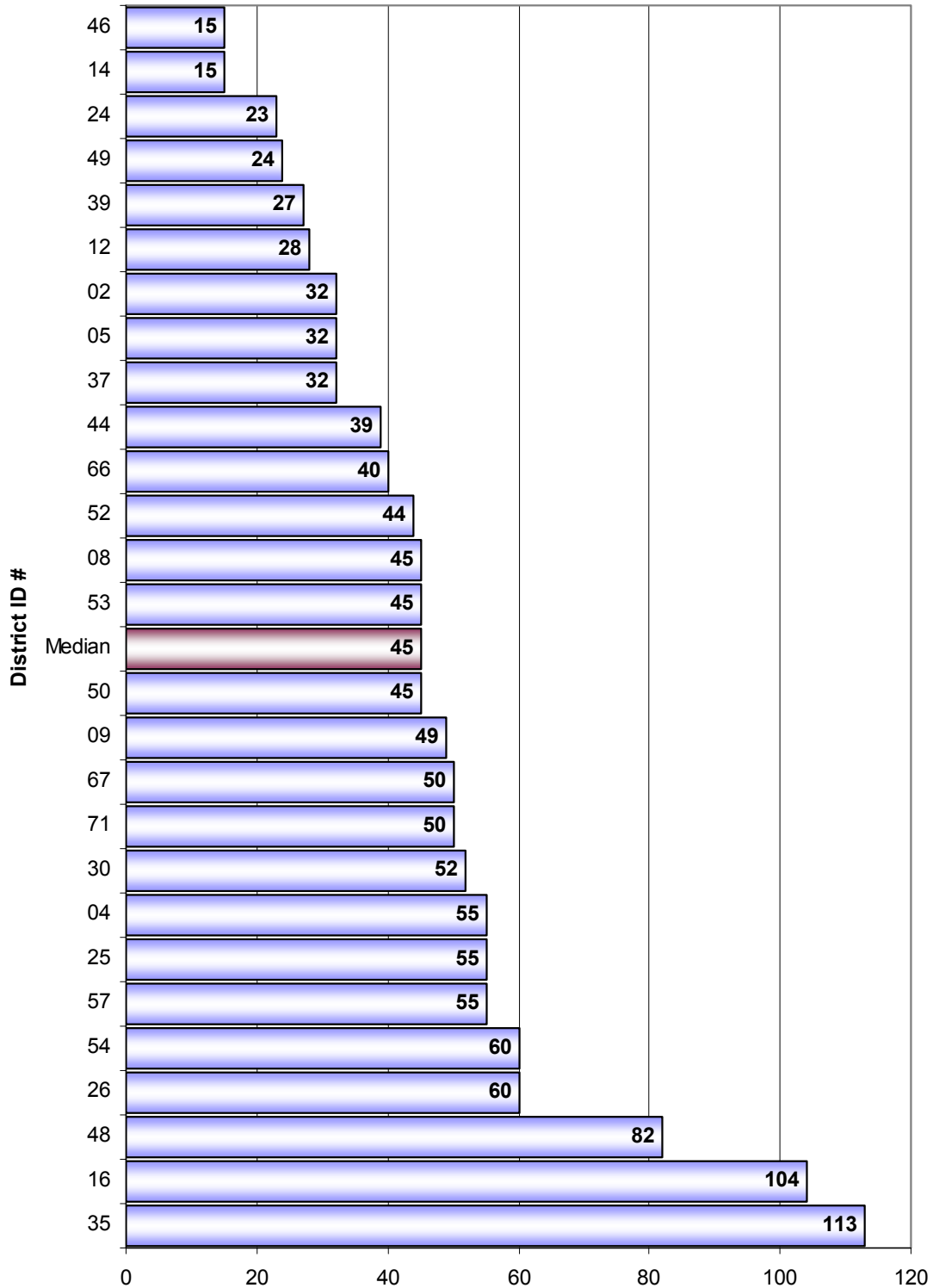
- Bus capacities
- District or state guidelines on maximum ride time
- District or state guidelines on earliest pick up time
- District geography, attendance boundaries and zones
- Programs transported

Analysis of the Data

- FY 08 > 27 districts responded
- FY 08 > Low = 15 minutes; High = 113 minutes; Median = 45 minutes
- Range between high and low = 98 minutes; Mean = 47 minutes
- 9 districts reported ride times of 23 to 40 minutes; 11 reported ride times of 44 to 55; and 5 reported ride times of 60-113 minutes.
- The results of the data illustrate the factors above.

Performance Measurement & Benchmarking for K12 Operations

Average Daily Ride Time



Key Performance Indicator

Cost per Contractor-Operated Bus (ACCRA adjusted⁹)

Total spent on contracted service including oversight, supervision, and fuel *divided by* the total number of contractor-operated buses that run on a daily basis.

Why This Measure Is Important

There is a common perception that outsourced services are less expensive. A decision to outsource transportation services can be a controversial policy decision. These decisions are often balanced against a priority for internal employment, contractor performance, and other factors that are considered in addition to cost. An objective analysis of the true cost for each contractor-operated bus contributes to the information a district needs to make the best determination about their service-delivery model.

Factors That Influence This Measure

- Local factors such as the availability of competition, land, drivers and cost of living
- Competitiveness between contractor-operated and district-operated programs
- Contract requirements and performance standards
- Types of programs supported
- The history and status (recent bidding versus contract extensions) of existing contracts

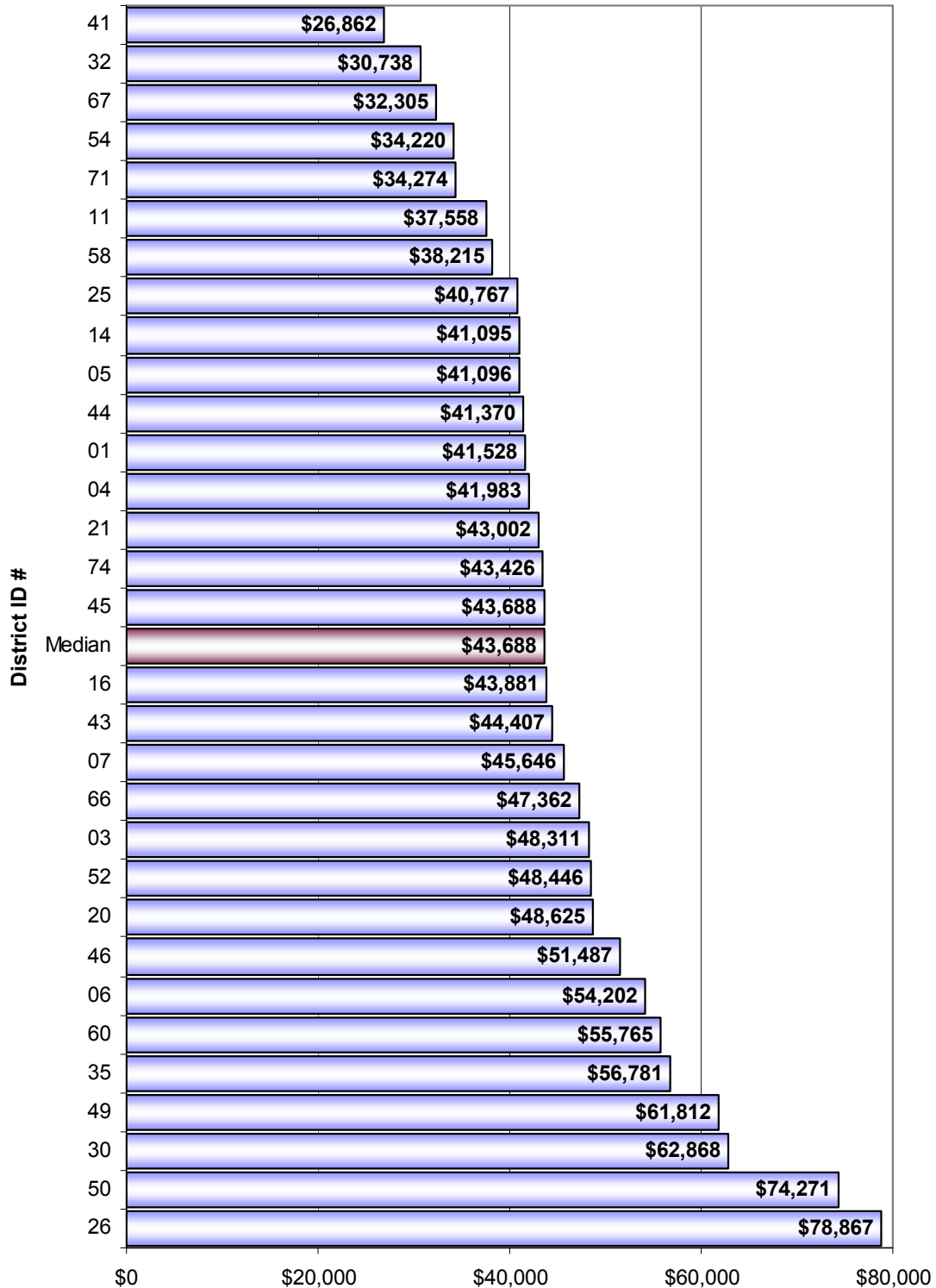
Analysis of the Data

- FY 08 > 31 districts responded
- FY 08 > Low = \$26,862; High = \$78,867; Median = \$43,688
- Range between high and low = \$52,005; Mean = \$46,286
- The variance among districts for contractor costs is less than the variance found in district-operated services.

⁹ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Cost per Contractor-Operated Bus (ACCRA Adjusted)



Key Performance Indicator

Cost per District-Operated Bus (ACCRA adjusted¹⁰)

Total components that create the overall cost of each bus (salaries, benefits, fuel and overhead) *divided by* the total number of district-operated busses that run on a daily basis.

Why This Measure Is Important

There is a common perception that district-operated transportation service is more responsive to district needs. There is also the perception that outsourced services are less expensive. A decision to outsource transportation services can be a controversial policy decision. An objective analysis of the true cost for each district-operated bus contributes to the information a district needs to make the best determination about its service delivery model.

Factors That Influence This Measure

- Local cost of living factors
- Bargaining unit condition
- Types of programs supported
- Competitiveness among contractors and between contractor-operated and district-operated programs

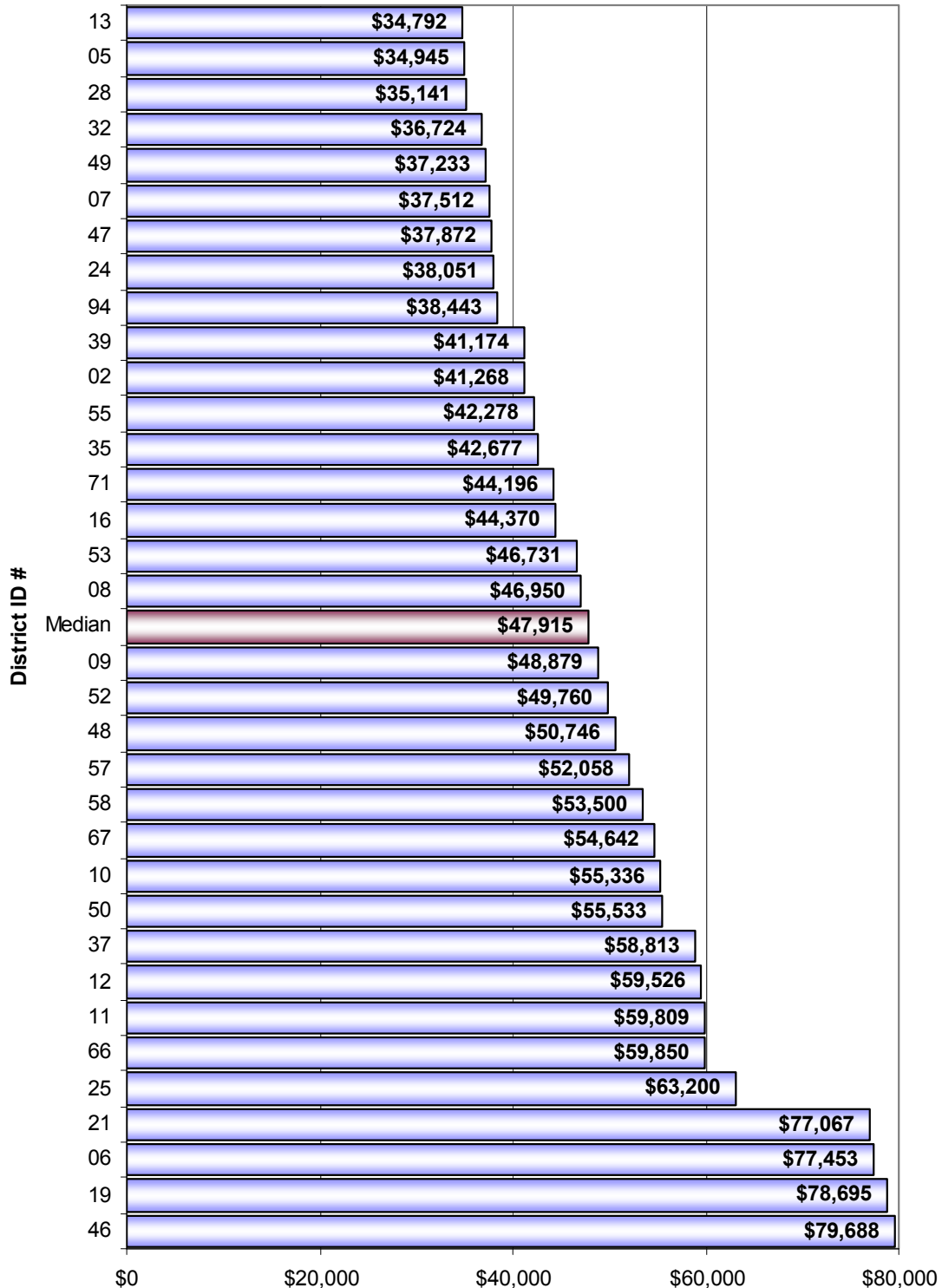
Analysis of the Data

- FY 08 > 34 districts responded
- FY 08 > Low = \$34,792; High = \$79,688; Median = \$47,915
- Range between high and low = \$44,896; Mean = \$50,439
- There may have been some underreporting because districts may report their capital and debt service costs in different locations.

¹⁰ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Cost per District-Operated Bus (ACCRA Adjusted)



Key Performance Indicator

Cost per Total Mile Operated (ACCRA Adjusted¹¹)

Total expenditures for the transportation program *divided by* total annual miles – district and contracted services.

Why This Measure Is Important

This is a basic measurement of the cost efficiency of a pupil transportation program. It allows a baseline comparison across districts that should lead to further analysis based on a district's placement. A greater than average cost per mile may be appropriate based on specific conditions or program requirements in a particular district. A less than average cost per mile may indicate a well-run program or favorable conditions in a district.

Factors That Influence This Measure

- Driver wage and benefit structure; labor contracts
- Cost of the fleet, including fleet replacement plan, facilities, fuel, insurance and maintenance
- Effectiveness of the routing plan
- Ability to use each bus for more than one route or run each morning and each afternoon
- Bell schedule
- Transportation department input in proposed bell schedule changes
- Maximum riding time allowed and earliest pickup time allowed
- Type of programs served

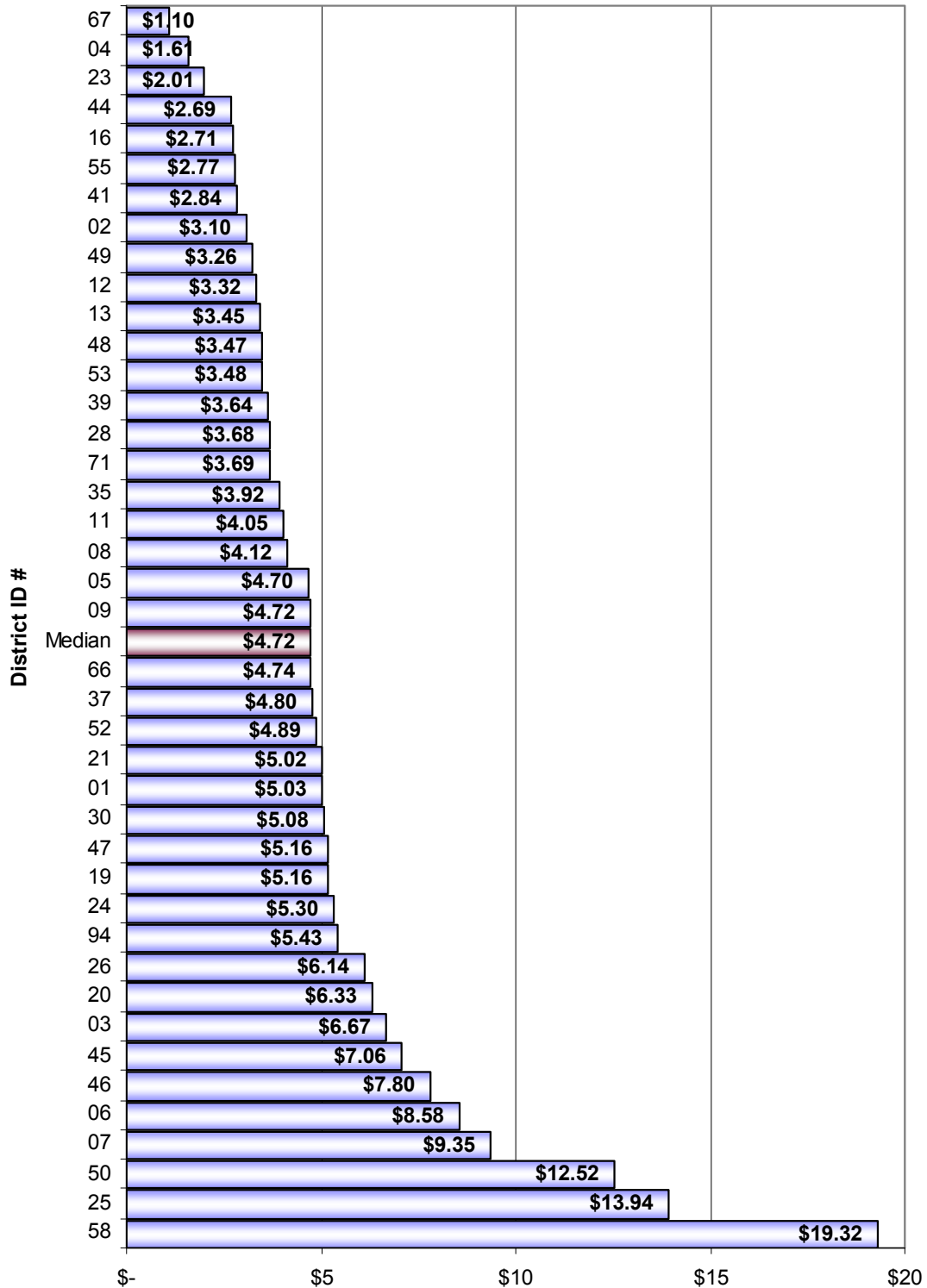
Analysis of the Data

- FY 08 > 41 districts responded
- FY 08 > Low = \$1.10; High = \$19.32; Median = \$4.72
- Range between high and low = \$18.22; Mean = \$5.28

¹¹ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Cost per Total Mile (ACCRA Adjusted)



Key Performance Indicator

Deadhead Miles per Bus

Annual deadhead miles for buses – district and contract *divided by* number of daily buses – district and contracted services. (These are miles driven with no students on board.)

Why This Measure Is Important

This measure is an efficiency indicator for transportation services. The lower the amount of deadhead a district experiences could indicate a well run operation. Reducing deadhead miles reduces fuel consumption, vehicle maintenance, and other costs of operation.

Factors That Influence This Measure

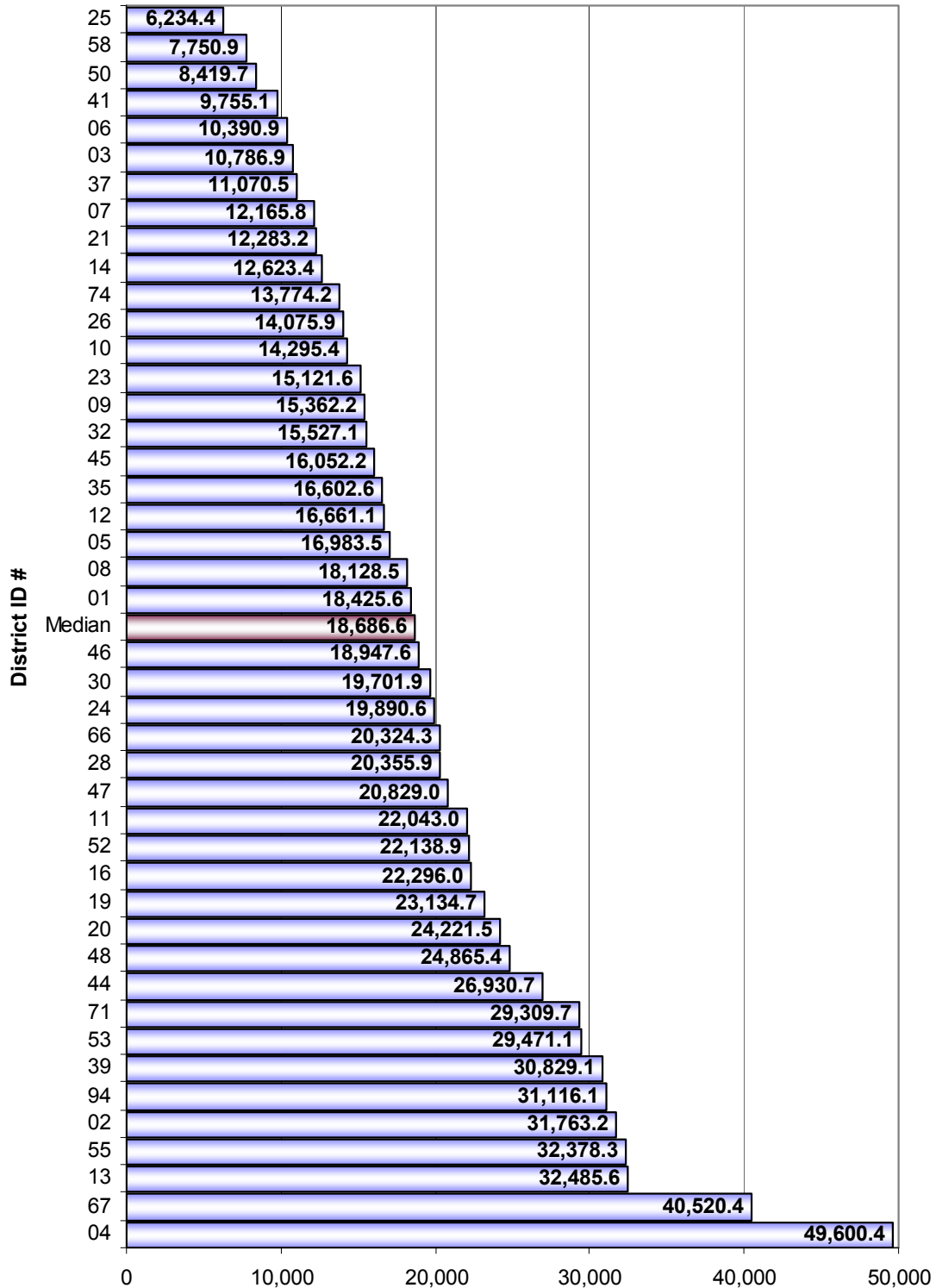
- Routing system
- Types of transportation programs served
- Size of service area
- District-labor agreements
- Location of bus depots

Analysis of the Data

- FY 08 > 44 districts responded
- FY 08 > Low = 6,234.4; High = 49,600.4; Median = 18,686.6
- Range between high and low = 43,366; Mean = 20,128.3

Performance Measurement & Benchmarking for K12 Operations

Deadhead Miles per Bus



Key Performance Indicator

Fleet In-Service

The number of buses out of service on a daily basis for any reason *divided by* total number of buses – district and contract.

Why This Measure Is Important

This is a measure of the health of a district’s transportation maintenance program. There is a correlation between school bus on-time performance and the fleet in-service rate. In-service buses have a significantly greater opportunity to leave the depot on-time and pickup and deliver students on-time. Out of service buses require the driver to wait for repairs or delay departures due to inspecting/using a spare bus. A lower in-service percentage can lead to higher spare-bus ratios and higher mechanic-to-bus ratios, which adds additional operating costs.

Factors That Influence This Measure

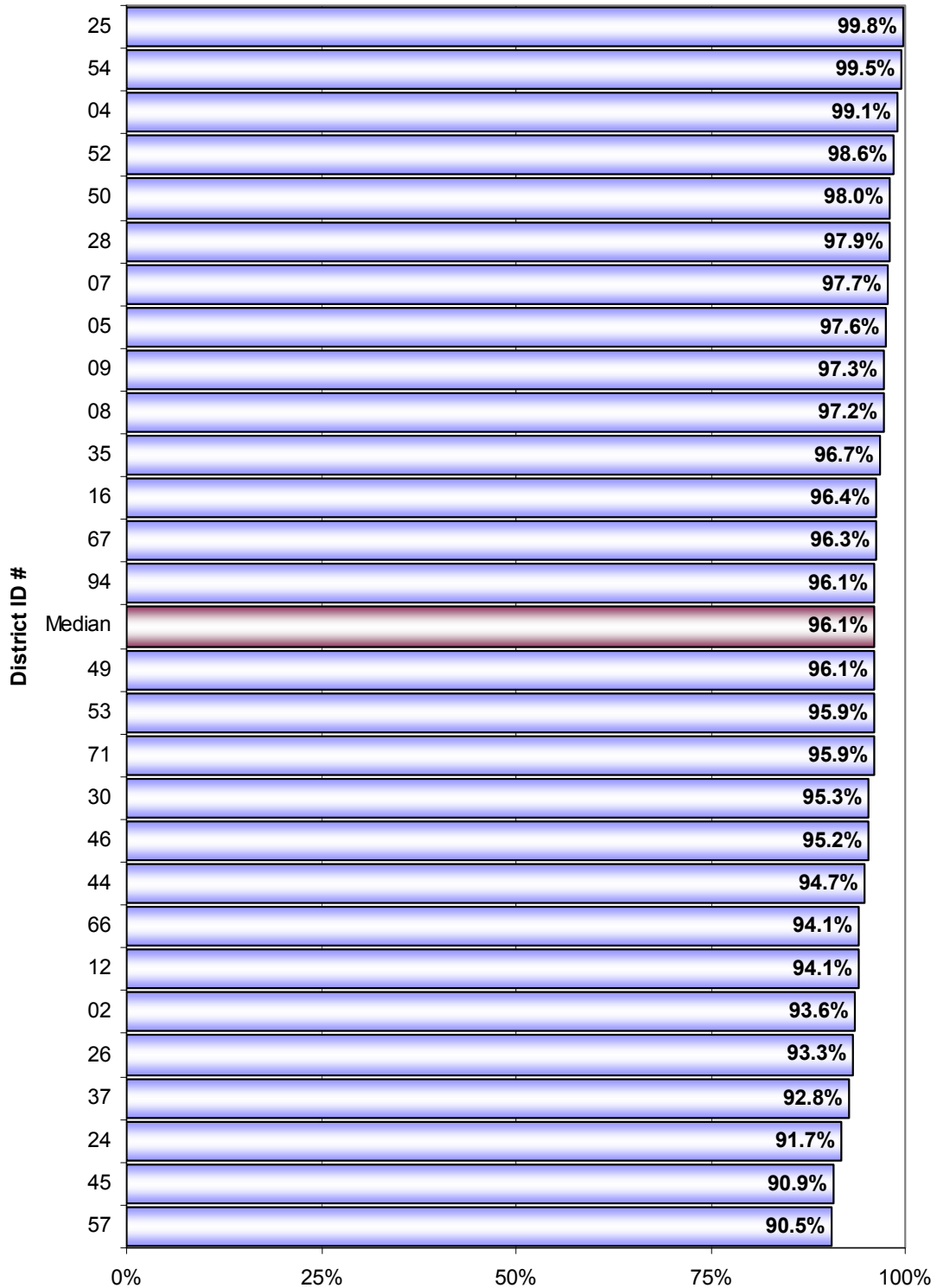
- District vehicle maintenance program
- Mechanic to bus ratio
- District managed vs. contractor operated
- Age of fleet
- Contract language requiring vendors to maintain minimum in-service ratios

Analysis of the Data

- FY 08 > 28 districts responded
- FY 08 > High = 99.8%; Low = 90.5%; Median = 96.1%
- Range between high and low = 9.3%; Mean = 95.8%

Performance Measurement & Benchmarking for K12 Operations

Fleet In-Service



Key Performance Indicator

Live Miles per Bus

Annual live miles for buses – district and contract *divided by* number of daily buses – district and contract.

Why This Measure Is Important

This measure captures the productive use of buses – that is when students are on the bus. Efficiencies can be gained by maximizing productive time while minimizing non-productive time. The ratio between the two can be measured each year to evaluate routing effectiveness.

Factors That Influence This Measure

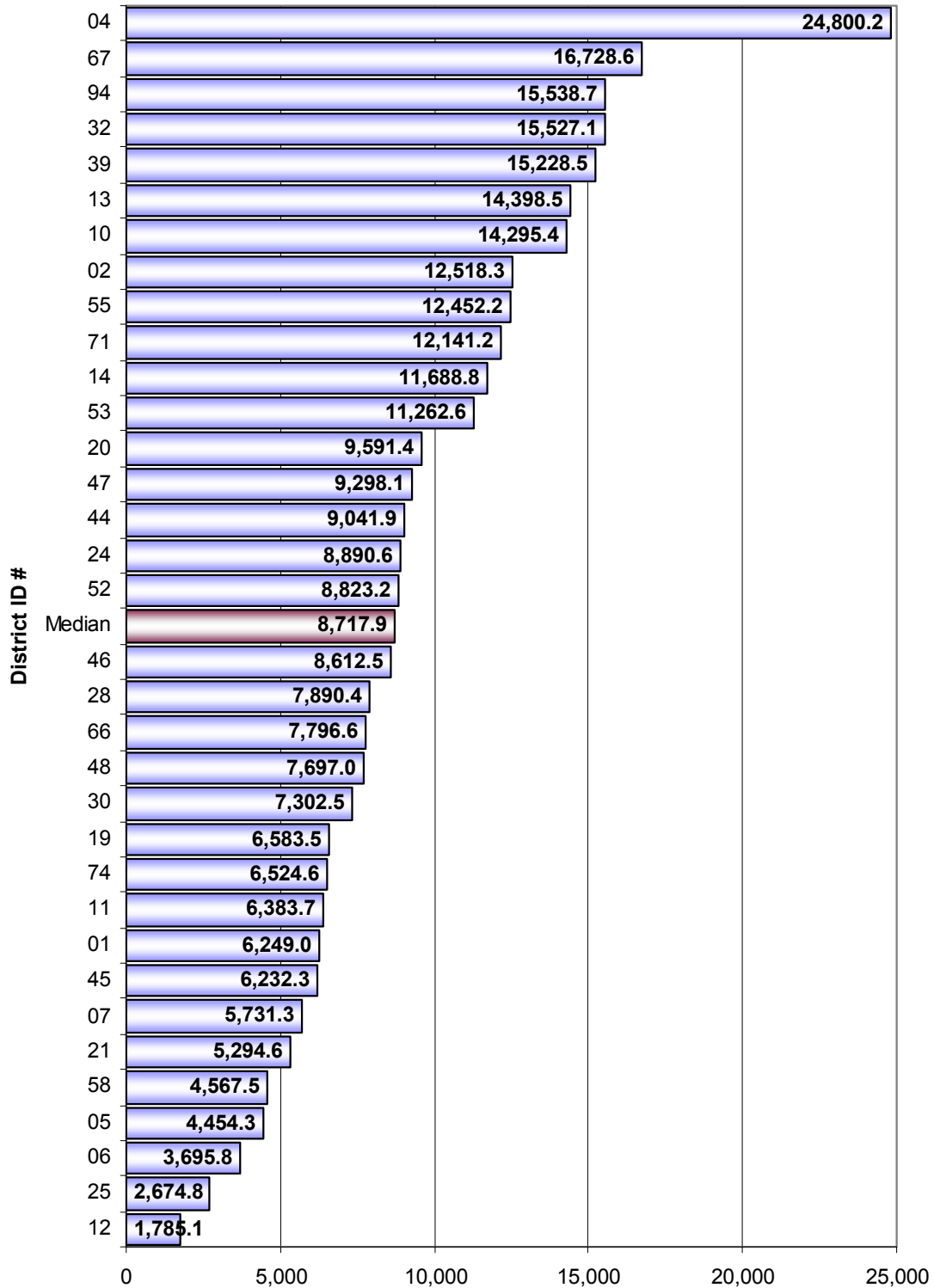
- Routing system
- Types of transportation programs served
- Size of service area
- Capacity of buses
- District guidelines on maximum ride time and earliest pickup time
- District-labor agreements
- Service level agreements with contractors

Analysis of the Data

- FY 08 > 34 districts responded
- FY 08 > High = 24,800.2; Low = 1,785.1; Median = 8,717.9
- Range between high and low = 23,015.1; Mean = 9,461.8

Performance Measurement & Benchmarking for K12 Operations

Live Miles per Bus



Key Performance Indicator

Mechanics per Bus

Total number of mechanics and mechanic helpers whose primary responsibility is to service the yellow bus fleet *divided by* total number of buses – district and contract.

Why This Measure Is Important

This measure provides an indication of the level of staffing needed for bus maintenance. It allows districts to compare their staffing patterns to other similar operations.

Factors That Influence This Measure

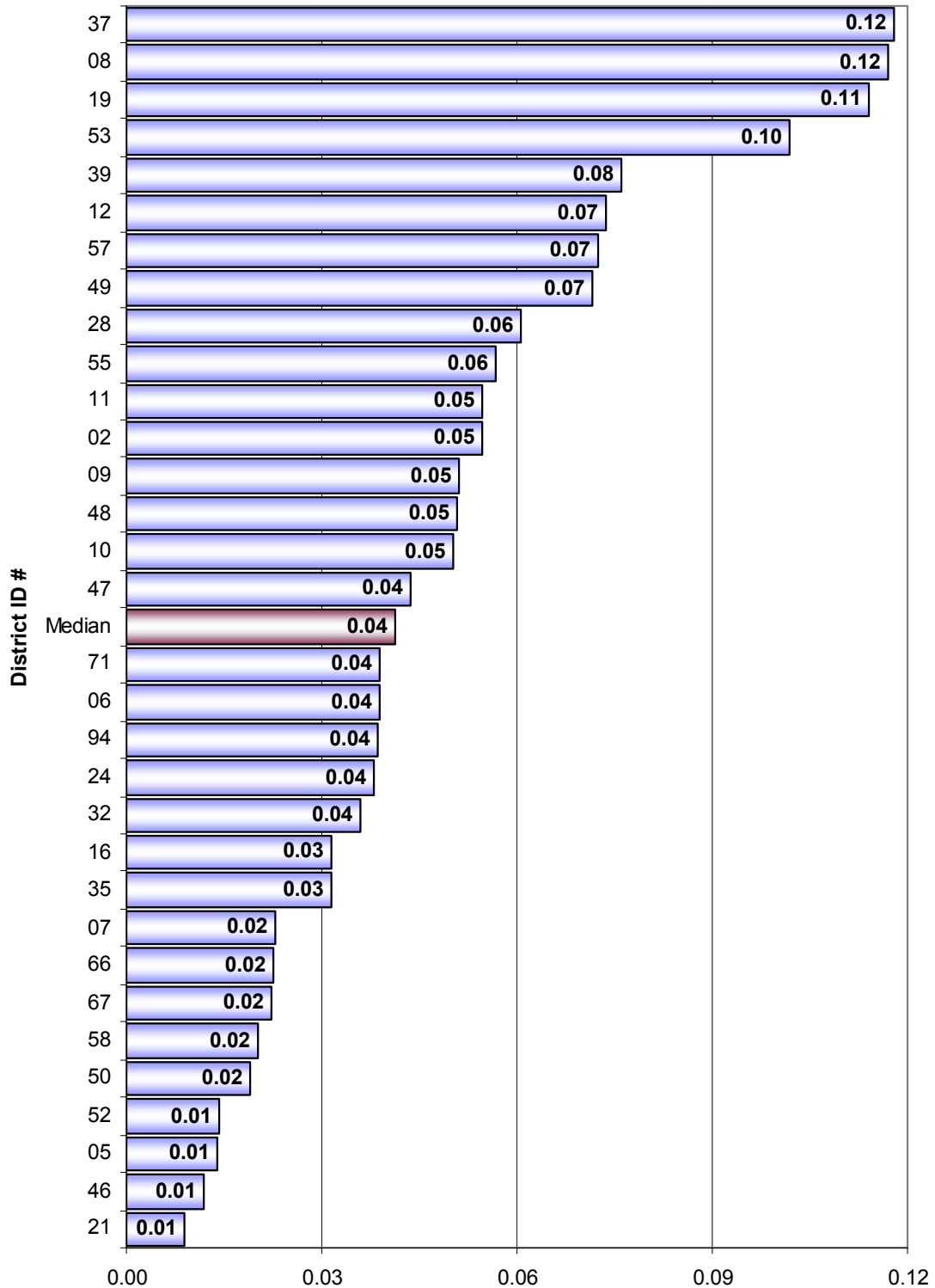
- Funds available to staff bus maintenance
- Level of in-house vs. contract maintenance
- Classification of individuals who perform various maintenance functions
- State inspection regulations for school buses

Analysis of the Data

- FY 08 > 32 districts responded
- FY 08 > High = 0.12; Low = 0.01; Median = 0.04
- Range between high and low = 0.11; Mean = 0.05

Performance Measurement & Benchmarking for K12 Operations

Mechanics per Bus



Key Performance Indicator

Miles Between Accidents

Total number of annual miles *divided by* number of annual accidents.

Why This Measure Is Important

- It provides an overall measure of safety and trust parents can have in student safety.
- The National Highway Traffic Safety Administration, School Bus Crashworthiness Research Report - April 2002 reports, “American students are nearly eight times safer riding in a school bus than with their own parents and guardians in cars. The fatality rate for school buses is only 0.2 fatalities per 100 million vehicle miles traveled (VMT) compared to 1.5 fatalities per 100 million VMT for cars.”
- Tracking accidents by type allows for trending and designing training programs to reduce/prevent trends noted
- Accident awareness and prevention can reduce liability exposure to a district.

Factors That Influence This Measure

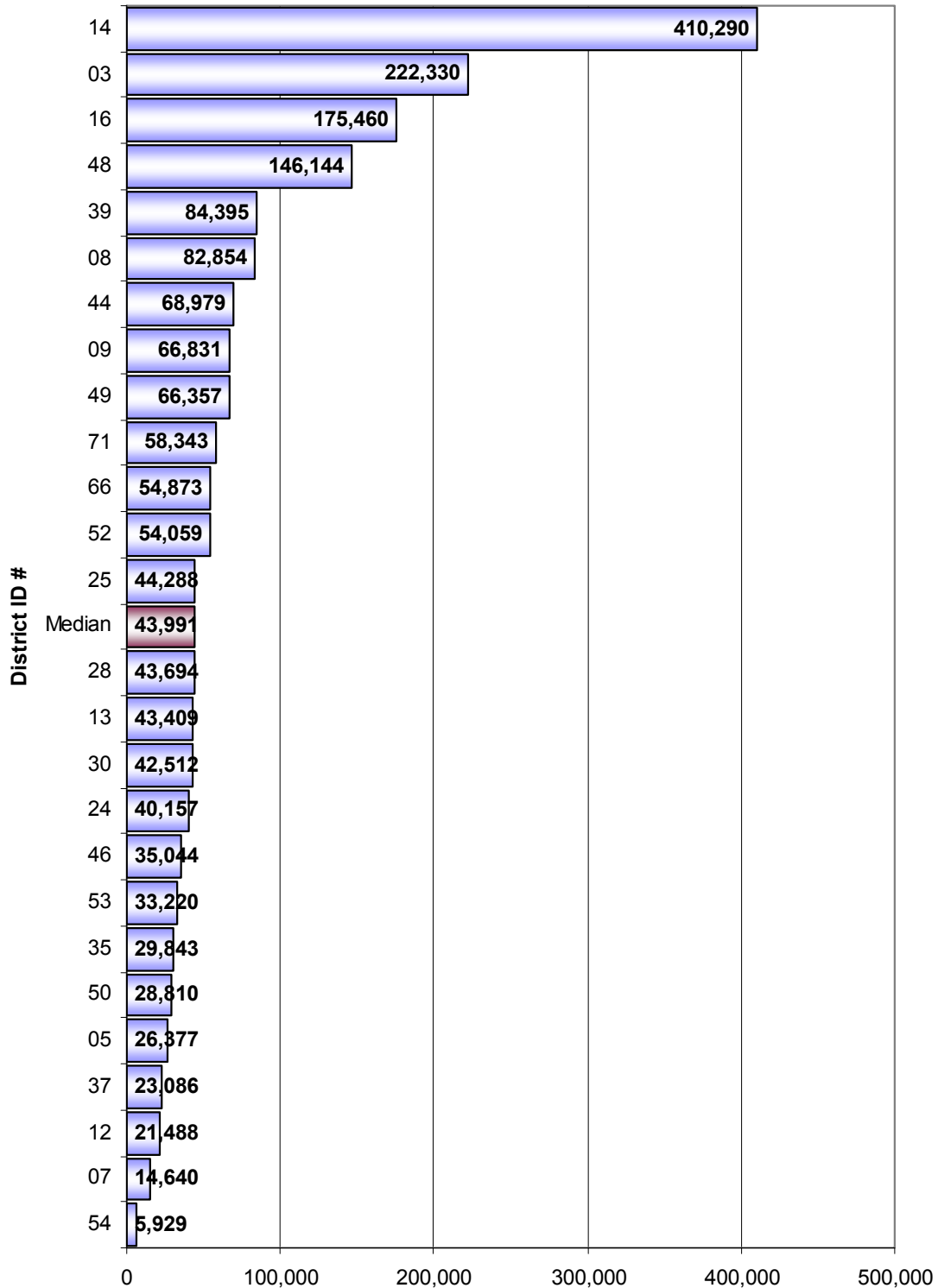
- Definition of accident and injury as defined by the survey vs. district definition
- Preventative accident training programs
- Experience of driving force

Analysis of the Data

- FY 08 > 26 districts responded
- FY 08 > High = 410,290 miles; Low = 5,929 miles; Median = 43,991 miles
- Range between high and low = 404,361 miles; Mean = 73,977 miles
- Note: The data present a qualified result because the data collection methodology that was used is probably new to most districts. The purpose of this project in the future will be to standardize the definition so districts report in a more consistent manner.

Performance Measurement & Benchmarking for K12 Operations

Miles Between Accidents



Key Performance Indicator

Miles Between Preventable Accidents

Total annual miles – district and contract *divided by* number of preventable accidents

Why This Measure Is Important

Parents place their trust in a school district to keep their children safe overall and especially while being transported to and from school. The pupil transportation industry accepts this responsibility and is proud of its record of providing safe transportation.

- It provides an overall measure of safety and trust parents can have in student safety.
- The National Highway Traffic Safety Administration, School Bus Crashworthiness Research Report - April 2002 reports, “American students are nearly eight times safer riding in a school bus than with their own parents and guardians in cars. The fatality rate for school buses is only 0.2 fatalities per 100 million vehicle miles traveled (VMT) compared to 1.5 fatalities per 100 million VMT for cars.”
- Tracking accidents by type allows for trending and designing training programs to reduce/prevent trends noted
- Accident awareness and prevention can reduce liability exposure to a district

Factors That Influence This Measure

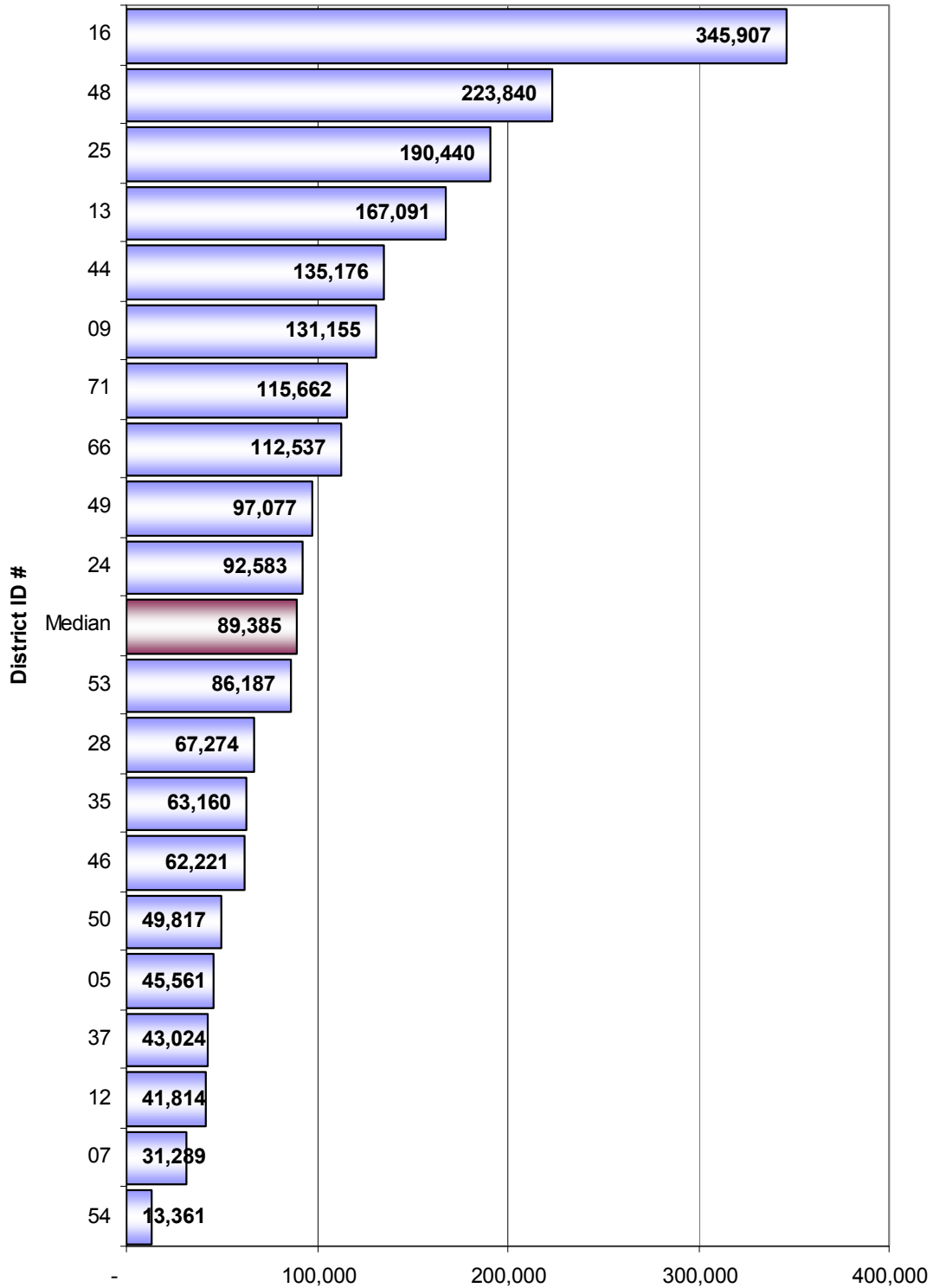
- Definition of accident and injury as defined by the survey vs. district definition
- Definition of a preventable accident
- Preventive accident training programs
- Experience of driving force

Analysis of the Data

- FY 08 > 20 districts responded
- FY 08 > High = 345,907; Low = 13,361; Median = 89,385
- Range between high and low = 332,546; Mean = 105,759
- Note: The data present a qualified result because the data collection methodology that was used is probably new to most districts. The purpose of this project in the future will be to standardize the definition so districts report in a more consistent manner.

Performance Measurement & Benchmarking for K12 Operations

Miles Between Preventable Accidents



Key Performance Indicator

Total Miles per Bus

Annual total miles for buses – district and contract *divided by* number of daily buses – district and contract.

Why This Measure Is Important

This measure is essentially an efficiency indicator for transportation services by equating miles costs. Generally, reducing miles reduces fuel, vehicle maintenance, and other costs of operation. Year-to-year trending allows staff members to project fuel and other maintenance budget needs. Contracted services may have mileage limit requirements. This measure may also be used as a component of a bus replacement plan.

Factors That Influence This Measure

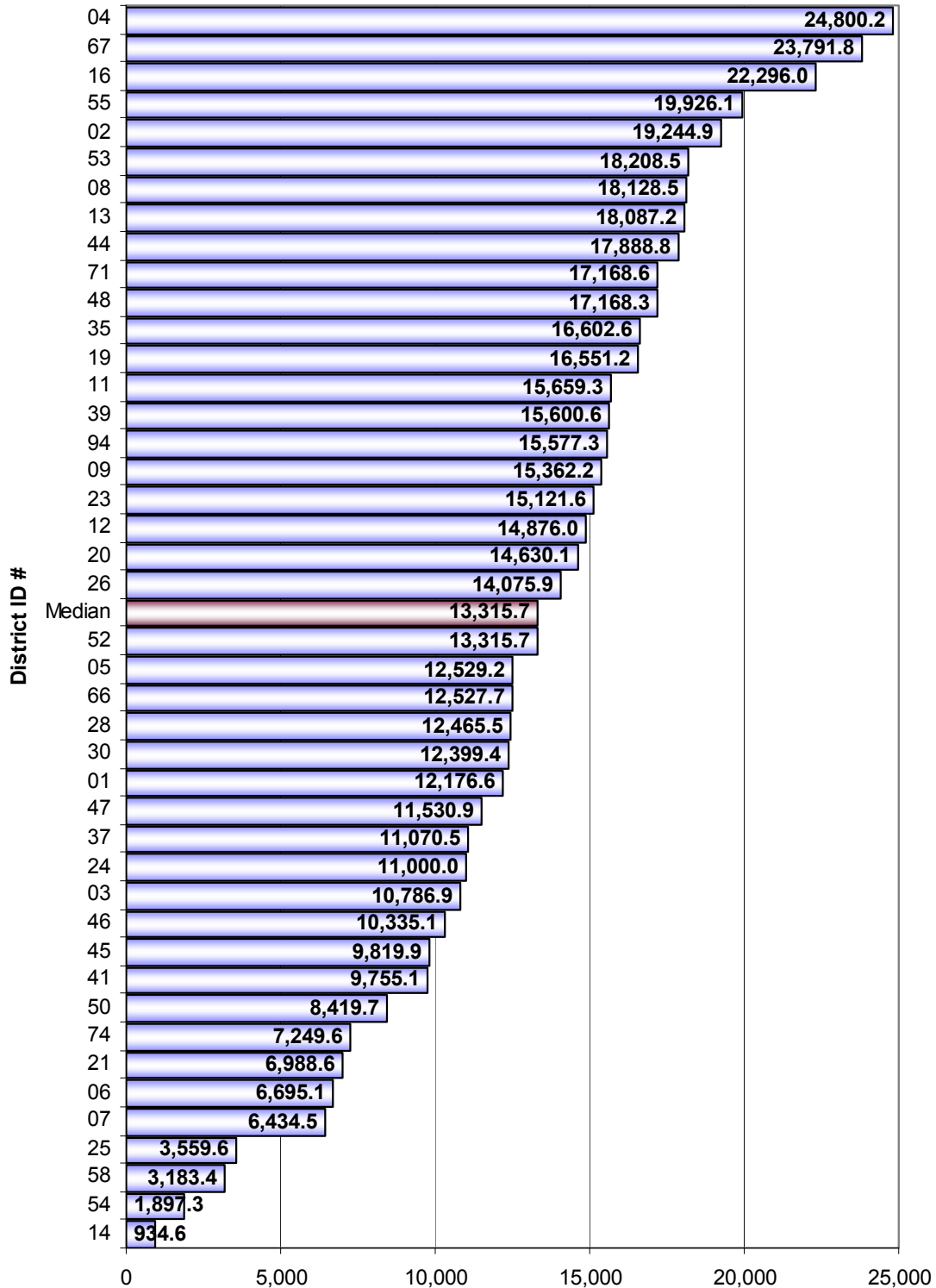
- Routing system
- Types of transportation programs served
- Size of service area
- School bus vendor contract language
- District-labor agreements
- Location of bus depots

Analysis of the Data

- FY 08 > 43 districts responded
- FY 08 > High = 24,800.2; Low = 934.6; Median = 13,315.7
- Range between high and low = 23,866; Mean = 13,159
- 10 of the 13 lowest mile districts operate in winter snow states.

Performance Measurement & Benchmarking for K12 Operations

Total Miles per Bus



Key Performance Indicator

On-Time Performance (10 Minutes)

Average number of buses arriving within 10 minutes of scheduled arrival time – district and contract *divided by* total number of daily scheduled runs.

Why This Measure Is Important

This measure refers to the level of success that transportation services have in staying on the published arrival schedule. Late arrival of students at schools causes disruption in classrooms and may preclude some students from having school-provided breakfast.

Factors That Influence This Measure

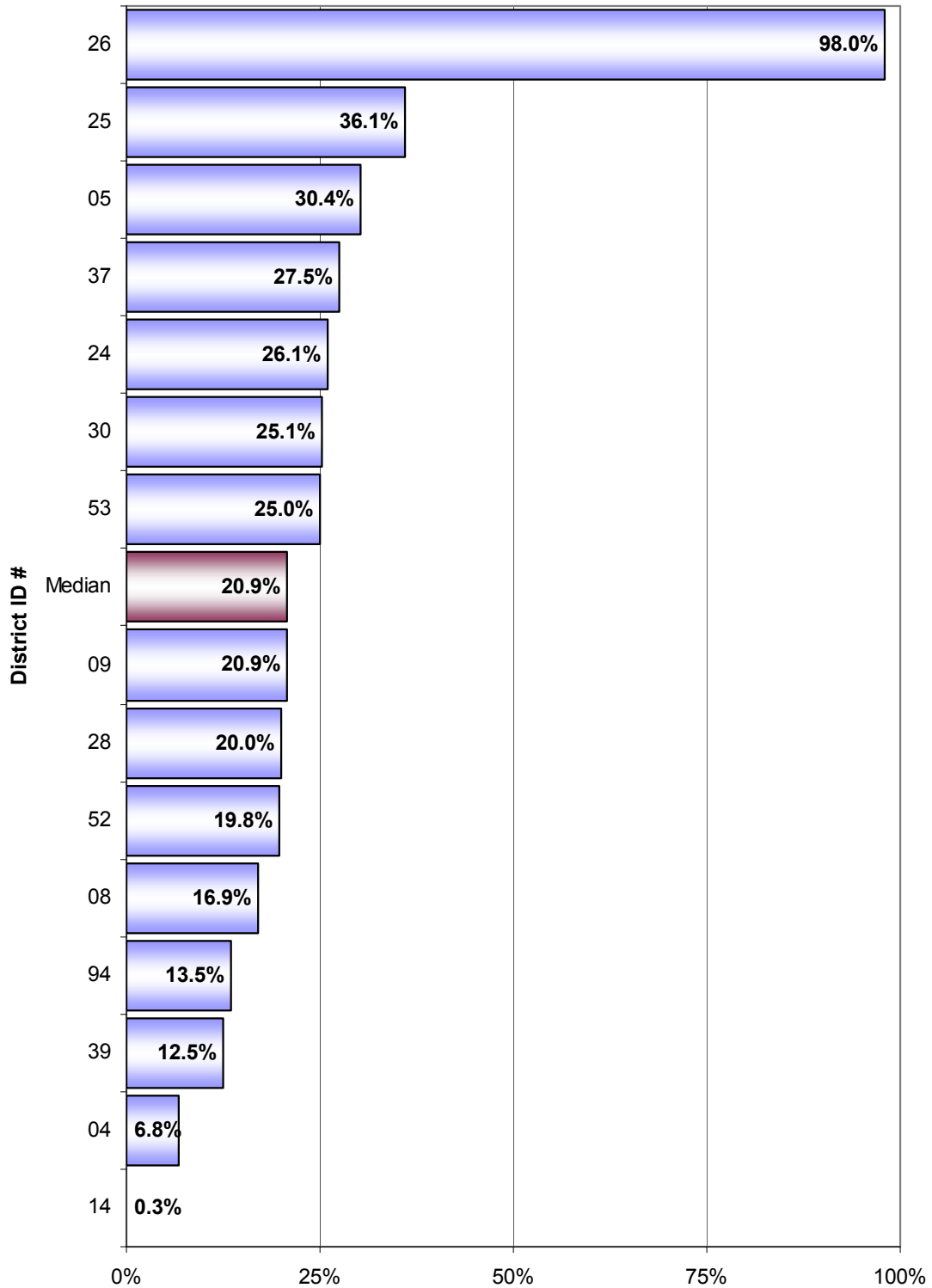
- Automobile traffic
- Accident
- Detour
- Weather
- Increased ridership
- Mechanical breakdown
- Unrealistic scheduling

Analysis of the Data

- FY 08 > 15 districts responded
- FY 08 > High = 98.0%; Low = 0.3%; Median = 20.9%
- Range between high and low = 77.1%
- The integrity of these data appears questionable. To ensure consistency, the methodology used to calculate this KPI will be refined in future surveys

Performance Measurement & Benchmarking for K12 Operations

On-Time Performance (10 Minutes)



Key Performance Indicator

On-Time Performance (Other Means)

Average number of buses arriving on time using another method – district and contract *divided by* total number of daily scheduled runs.

Why This Measure Is Important

This measure refers to the level of success that transportation services have in staying on the published arrival schedule. Late arrival of students at schools causes disruption in classrooms and may preclude some students from having school-provided breakfast.

Factors That Influence This Measure

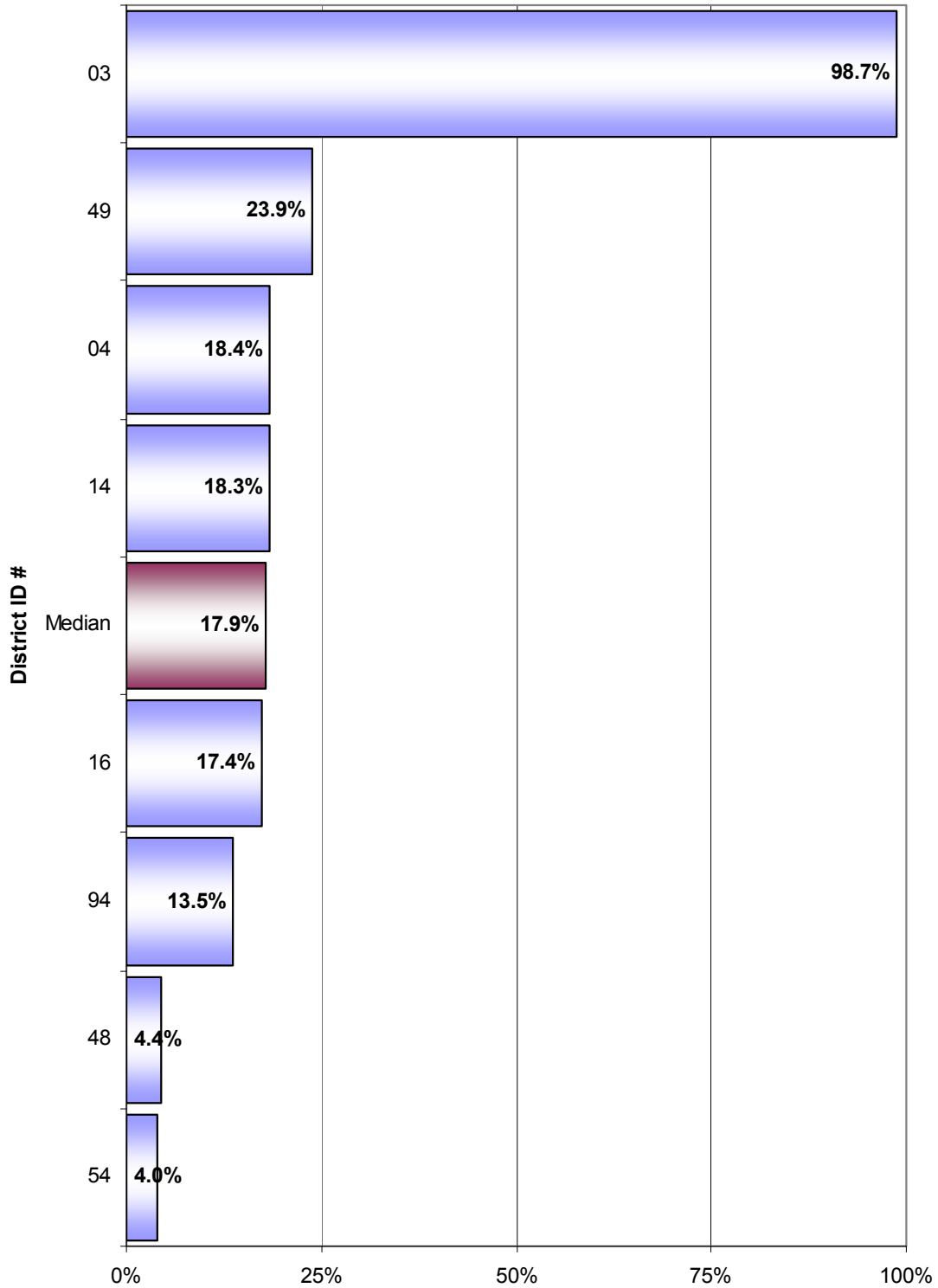
- Automobile traffic
- Accident
- Detour
- Weather
- Increased ridership
- Mechanical Breakdown
- Unrealistic scheduling

Analysis of the Data

- FY 08 > 8 districts responded
- FY 08 > High = 98.7%; Low = 4.0%; Median = 17.9%
- Range between high and low = 80.8%
- The integrity of these data appears questionable. To ensure consistency, the methodology used to calculate this KPI will be refined in future surveys

Performance Measurement & Benchmarking for K12 Operations

On-Time Performance (Other Means)



Key Performance Indicator

Runs per Day

Total number of daily scheduled runs *divided by* total number of buses – district and contract

Why This Measure Is Important

This measure captures how well districts are using their buses. There is a positive correlation between the number of daily runs a bus makes and operating costs. Efficiencies are gained when one bus is used multiple times in the morning and again in the afternoon. Using one bus to do the work of two buses saves dollars.

Factors That Influence This Measure

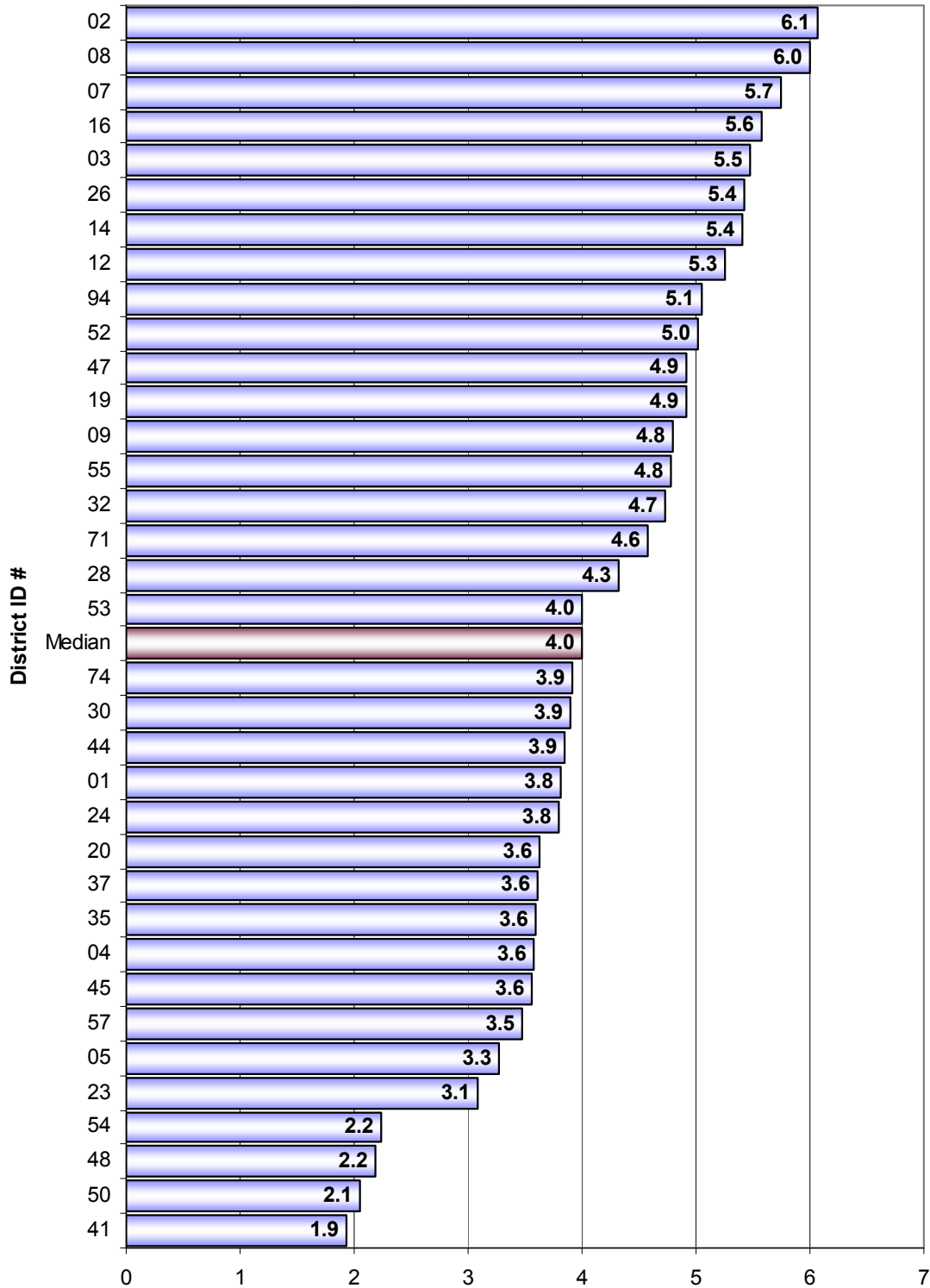
- District-managed or contractor transportation
- Tiered school bell times
- Transportation department input in proposed bell schedule changes
- Bus capacities
- District guidelines on maximum ride time
- District geography
- Minimum/shortened/staff development day scheduling
- Effectiveness of the routing plan
- Types of transported programs served

Analysis of the Data

- FY 08 > 35 districts responded
- FY 08 > High = 6.1; Low = 1.9; Median = 4.0
- Range between high and low = 4.1; Mean = 4.2

Performance Measurement & Benchmarking for K12 Operations

Runs per Bus



Key Performance Indicator

Average Number of Students per Bus

Number of expected riders on a daily basis *divided by* total number of buses – district and contracted services

Why This Measure Is Important

This is a basic measurement of the cost efficiency of a pupil transportation program. Maximizing seat utilization reduces the number of buses needed. These data provide a baseline comparison across districts that should lead to further analysis based on a district's placement.

Factors That Influence This Measure

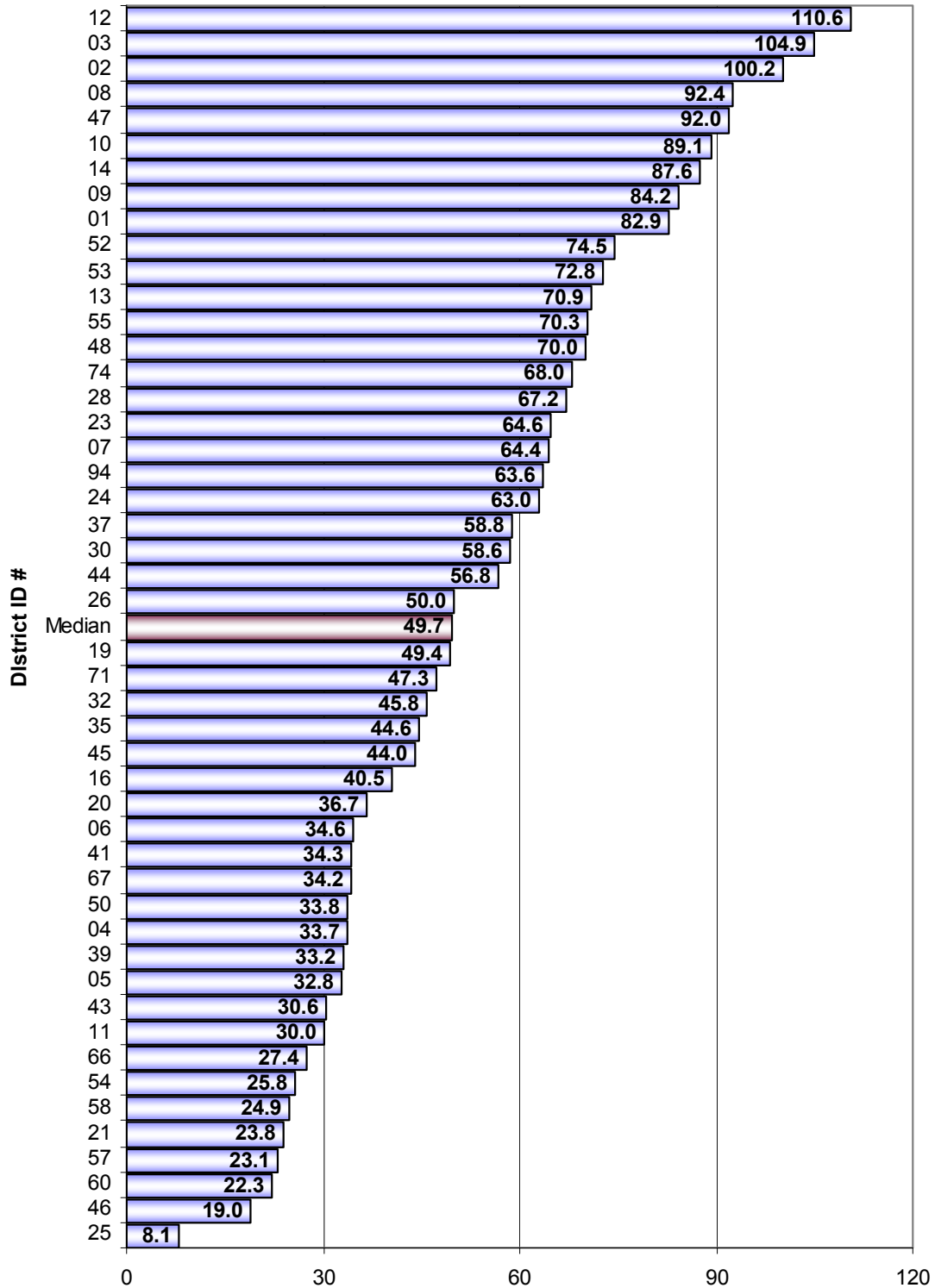
- Effectiveness of the routing plan
- Ability to use each bus for more than one run each morning and each afternoon
- Bell schedule
- Type of programs served
- Strategic procurement of buses leveraging seating capacity
- District guidelines on maximum ride time

Analysis of the Data

- FY 08 > 48 districts responded
- FY 08 > High = 110.6; Low = 8.1; Median = 49.7
- Range between high and low = 102.49; Mean = 54.11

Performance Measurement & Benchmarking for K12 Operations

Average Number of Students per Bus



Key Performance Indicator

Students with IEP Transported on Dedicated Buses

Total number of students with an IEP transported by yellow bus *minus* number of students with an IEP transported on a run/route with non-IEP students *divided by* total number of students with an IEP transported by yellow bus.

Why This Measure Is Important

Transporting students with Individual Education Plans tends to be more expensive than transporting general education students. This measure allows districts to benchmark themselves against other districts and consider exchanging best practices in business practices related to transporting IEP students.

Factors That Influence This Measure

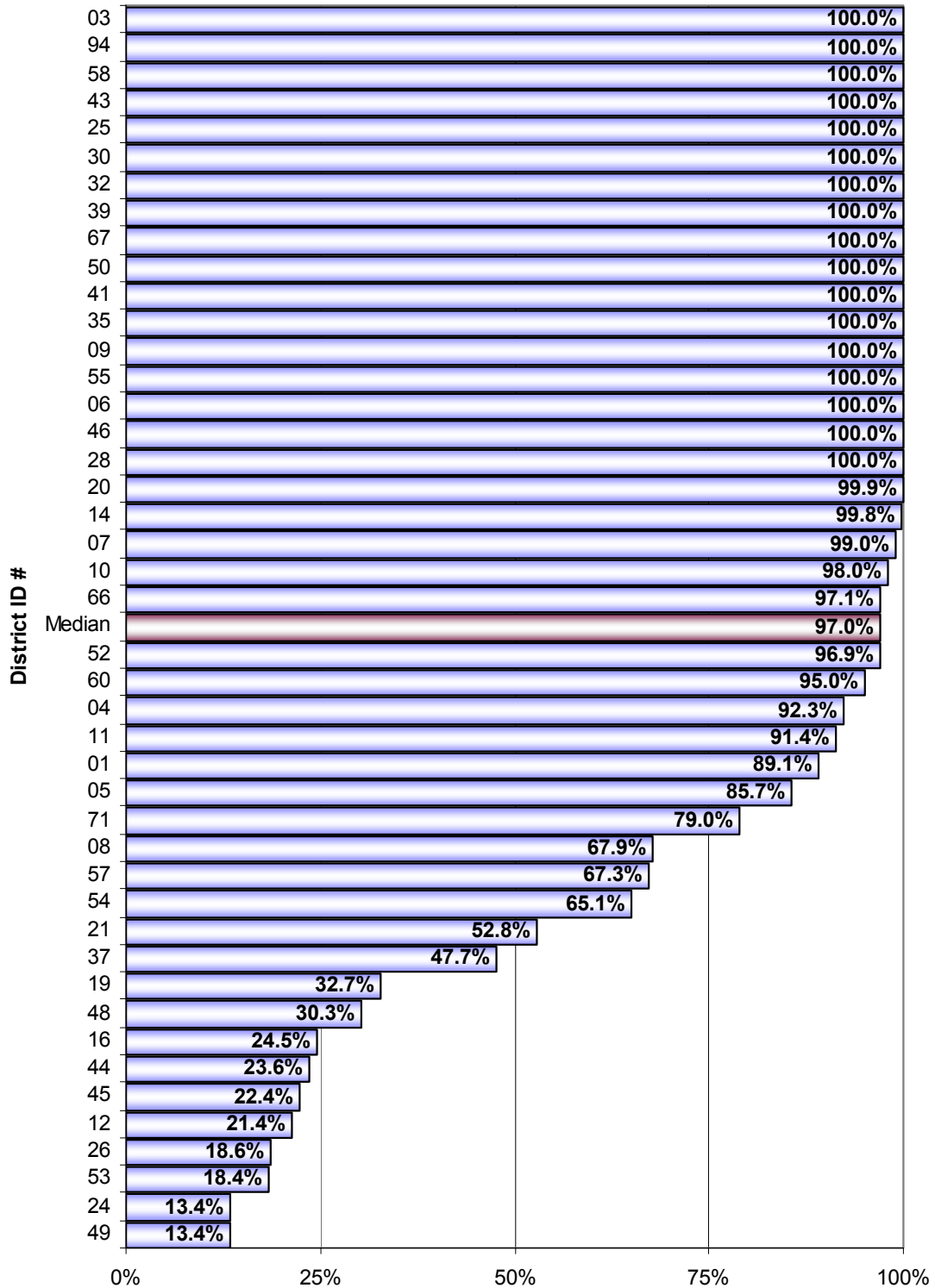
- Contractor or district-managed transportation
- Availability of alternative modes of transportation
- Partnerships with public transportation agencies
- District’s mainstreaming and *Least Restrictive Environment* policies

Analysis of the Data

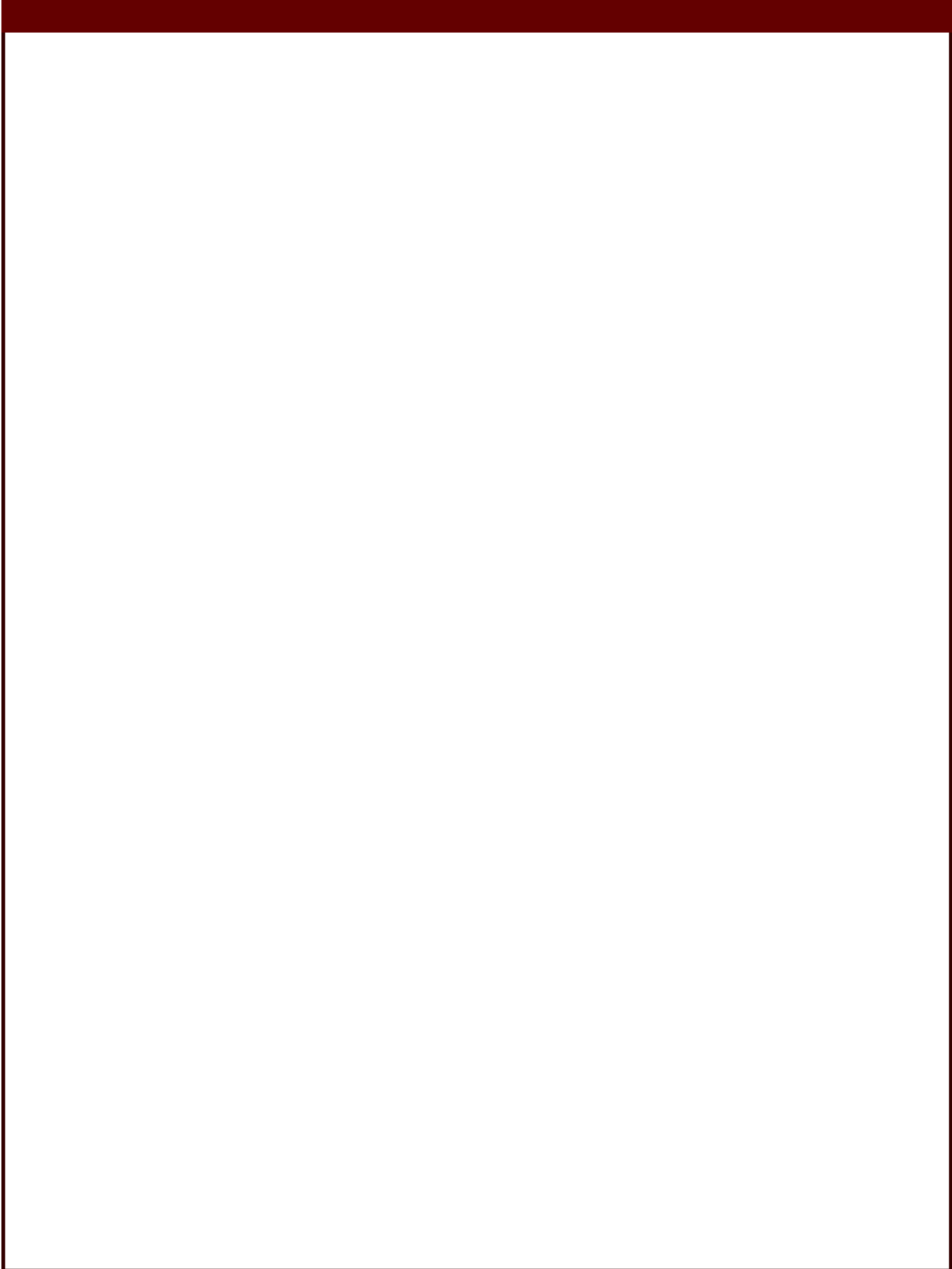
- FY 08 > 44 districts responded
- FY 08 > High = 100.0%; Low = 13.4%; Median = 97.0%
- Range between high and low = 86.64%; Mean = 75.97%
- The vast majority of respondent districts are dedicating buses that transport only students with IEPs.

Performance Measurement & Benchmarking for K12 Operations

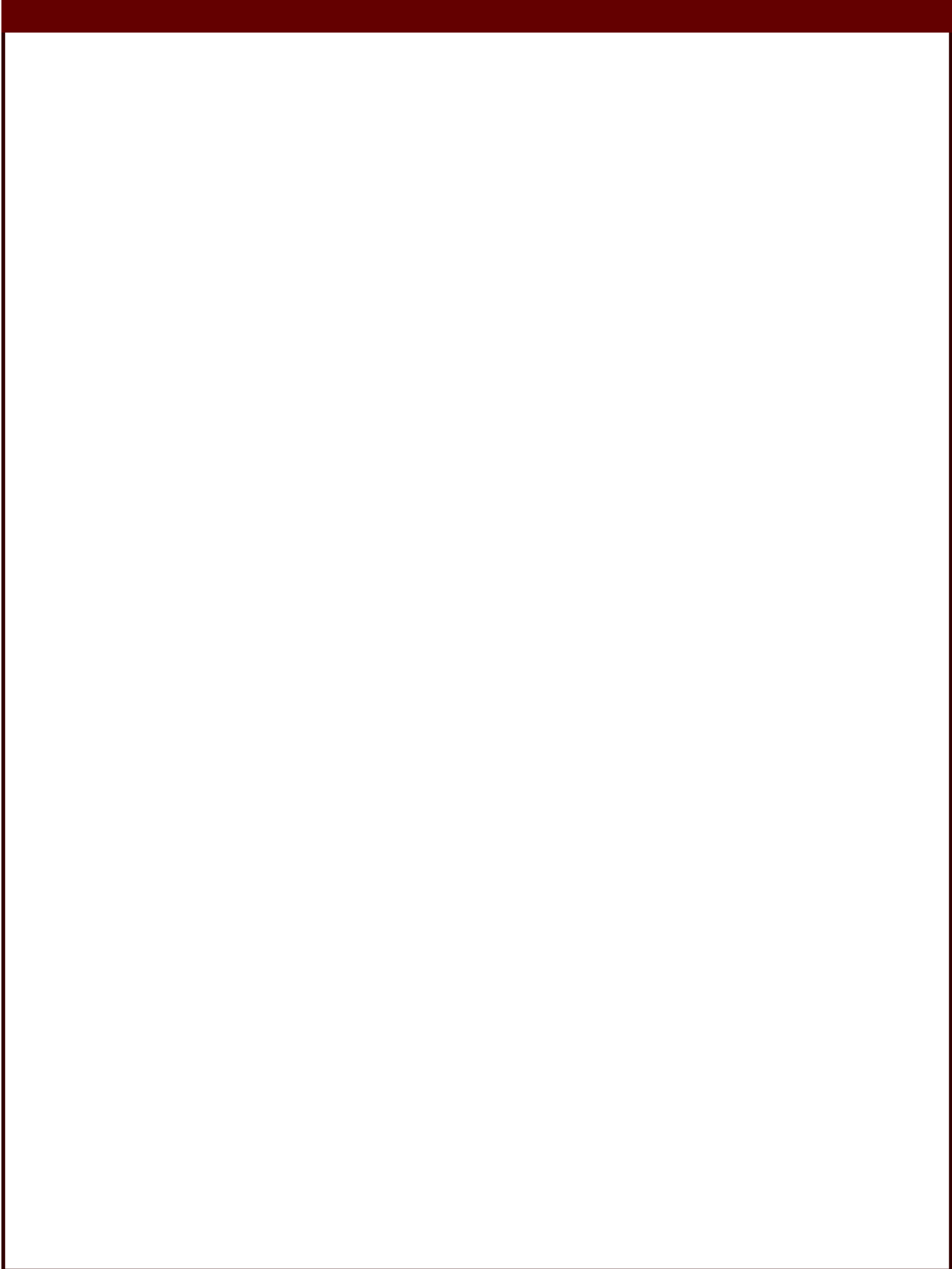
Students with IEP Transported on Dedicated Trips



Key Performance Indicator



Finance



Accounts Payable

Cost per Invoice (ACCRA adjusted¹²)

Total Budget of the Accounts Payable (AP) Department (not including overhead) *divided by* the total number of invoices processed.

Why This Measure Is Important

The measure determines the average cost to process an invoice. According to the Institute of Management the cost to handle an invoice is the second most used metric in benchmarking AP operations.

Factors That Influence This Measure

- Administrative policies and procedures
- Administrative organizational structure
- Administrative leadership style, decision making process and distribution of organizational authority
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring, and reporting systems
- Number of FTEs in the Accounts Payable Department
- The number of invoices paid annually
- Level of Automation
- Regional salary differentials and different processing approaches

Analysis of the Data

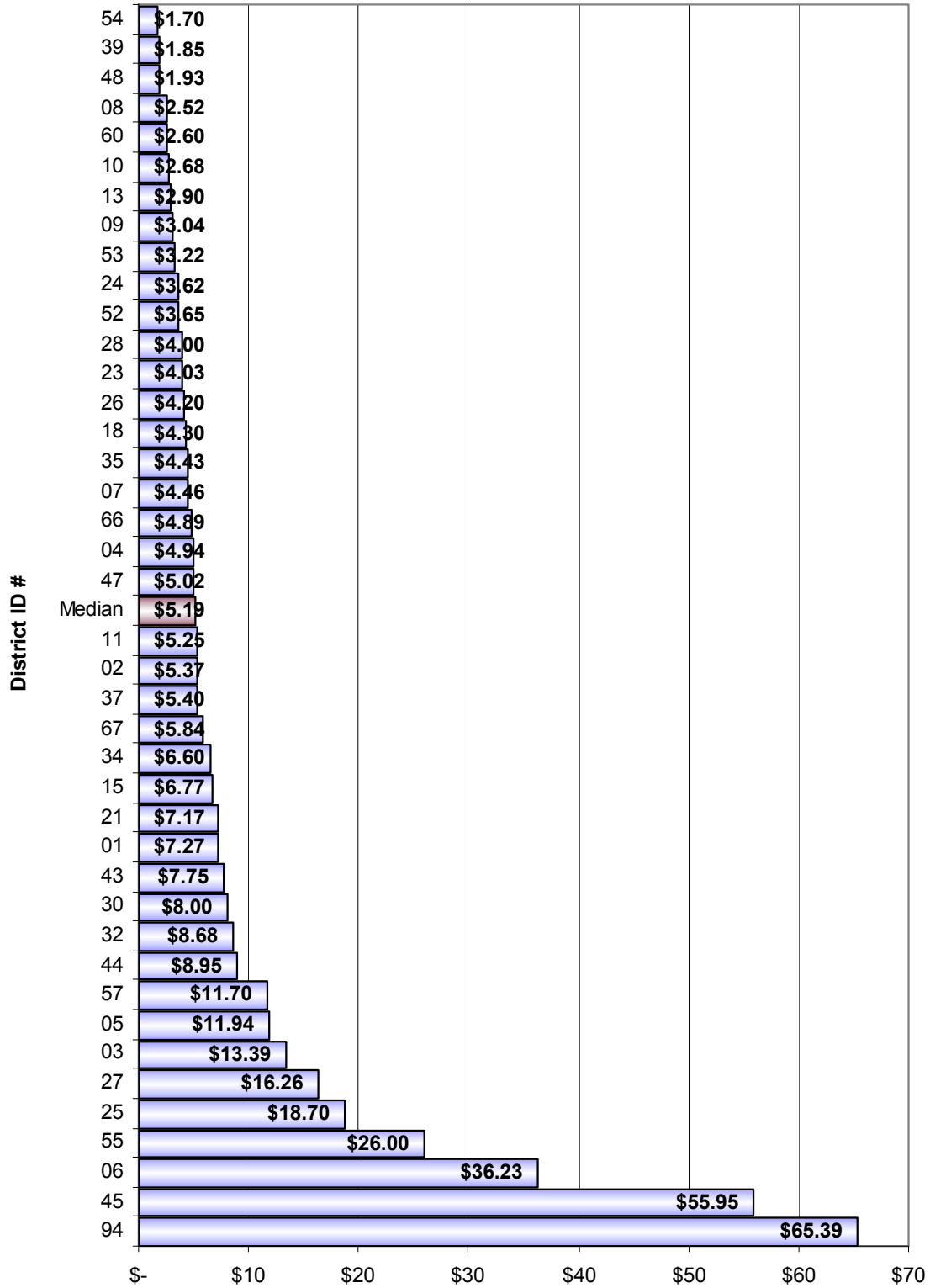
- FY 08 > 41 districts responded
- FY 08 > Low = \$1.70; High = \$65.39; Median = \$5.19
- 20 districts (49%) reported that they were near or below the \$5.19 median cost per invoice; with the remaining 21 districts exceeding the median with costs ranging from \$5.25 to \$65.39 per invoice.

¹² ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Cost per Invoice (ACCRA Adjusted)



Non-PO (Purchase Order) Invoices Processed per FTE per Month

Total number of non-PO invoices paid annually *divided by* the number of FTEs in the Accounts Payable Department *divided by* 12 months

Why This Measure Is Important

This measure assesses the effectiveness of an Accounts Payable (AP) Department. The Institute of Management reported in 2005 that the average number of non-PO invoice payments made by a full time AP staff member per month (and one of two measures that drive costs) is 2,331 invoices per month. Companies in the top 10% report a processing volume of 4,578 per FTE.

While moving to a high level of automation can significantly improve cost efficiency, studies have shown that world class performance requires a mix of high tech and low tech strategies. For example, a district could require vendors to use Electronic Data Interchange (EDI) or Internet file transfer applications to automate the workflow of electronic or imaged invoices. At the same time, districts could implement a centralized control of the vendor master file that would eliminate multiple vendor masters duplication of disbursements and utilize procurement cards for high volume small purchases.

Factors That Influence This Measure

- Administrative policies and procedures
- Administrative organizational structure
- Administrative leadership style, decision making process and distribution of organizational authority
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring, and reporting systems
- Number of FTEs in the Accounts Payable Department
- The number of non-purchase order invoices paid annually
- Level of automation

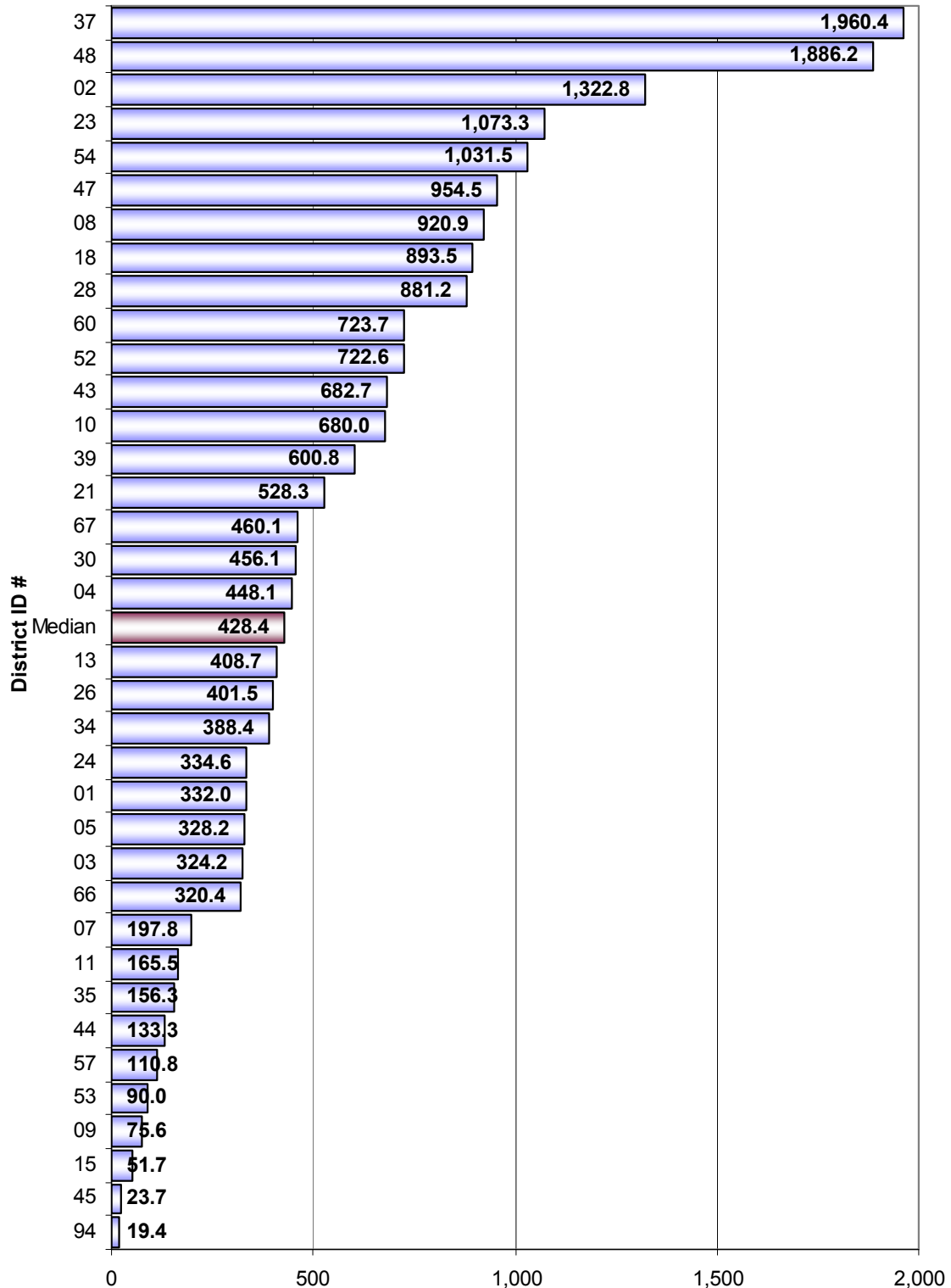
Analysis of the Data

- FY 08 > 36 districts responded
- FY 08 > High = 1,960.4; Low = 19.4; Median = 428.4
- 18 districts (50%) reported that they exceeded the median of 428.4 Non-PO invoices processed per month; with 1 of these districts more than tripling the median by processing 1,960.4 per month.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Non-PO Invoices Process per FTE per Month



Number of Days to Process a Vendor Payment

Total number of days from date of invoice receipt within the Accounts Payable Department to the date of invoice payment to the vendor

Why This Measure Is Important

This measure is important because it is time sensitive. Many vendors offer discounts for early payments and impose penalties for late ones. Failure to manage this function effectively results in real costs (penalties) as well as opportunity costs (failure to obtain discounts) that can substantially alter the financial picture of a district, large or small. The challenges in this area involve—

- Improving the accuracy of cash forecasting
- Aligning payables to receivables
- Reducing paper handling and implementing document imaging
- Reducing time spent on clerical functions such as sorting, routing, retrieving and rather than manual approval of invoices implement a push of invoices through a user defined approval process
- Improving document and process flow control
- Maintaining documentation of process flows and allowing vendors secure, real-time, on-line access to their payment information

Factors That Influence This Measure

- Administrative policies and procedures
- Organizational structures and authority, and decision making processes
- Lack of Standardization
- Duplication of Activities
- Level of Automation
- Level of Training

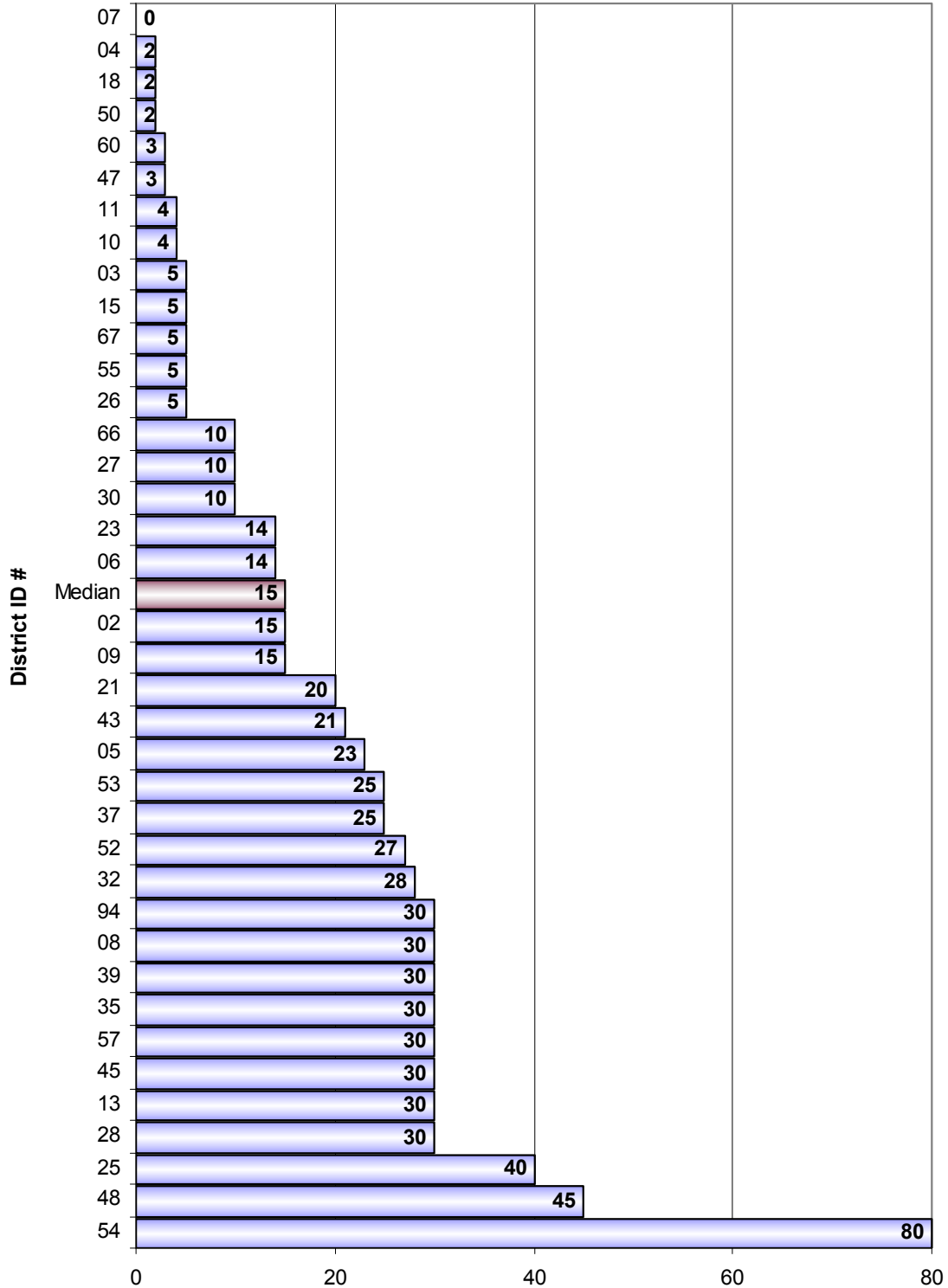
Analysis of the Data

- FY 08 > 38 districts responded
- FY 08 > Low = 0 days; High = 80 days; Median = 15 days
- 18 districts (47%) take less than the median of 15 days to process a vendor payment; with one district that does not pay by invoice but by receiver causing the metric for this district to be zero.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Number of Days to Process Vendor Payments



PO Invoices Processed per FTE per Month

Total number of PO invoices paid annually *divided by* the number of FTEs in the Accounts Payable Department *divided by* twelve (12) months.

Why This Measure Is Important

This measure assesses the effectiveness of an Accounts Payable (AP) Department. According to the Institute of Management the average number of PO invoices paid per month per AP staff member (the second measure that drives costs) is 2,310, with the median being 1,000.

Lower processing rates may be the result of handling vendor invoices for small quantities of non-repetitive purchases. Higher processing rates may be the result of increased technology using online purchasing and invoice systems to purchase and pay for large quantities of items from the same or various vendors.

Factors That Influence This Measure

- Administrative policies and procedures
- Administrative organizational structure
- Administrative leadership style, decision making process and distribution of organizational authority
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring, and reporting systems
- Number of FTEs in the Accounts Payable Department
- The number of invoices paid annually
- Level of automation

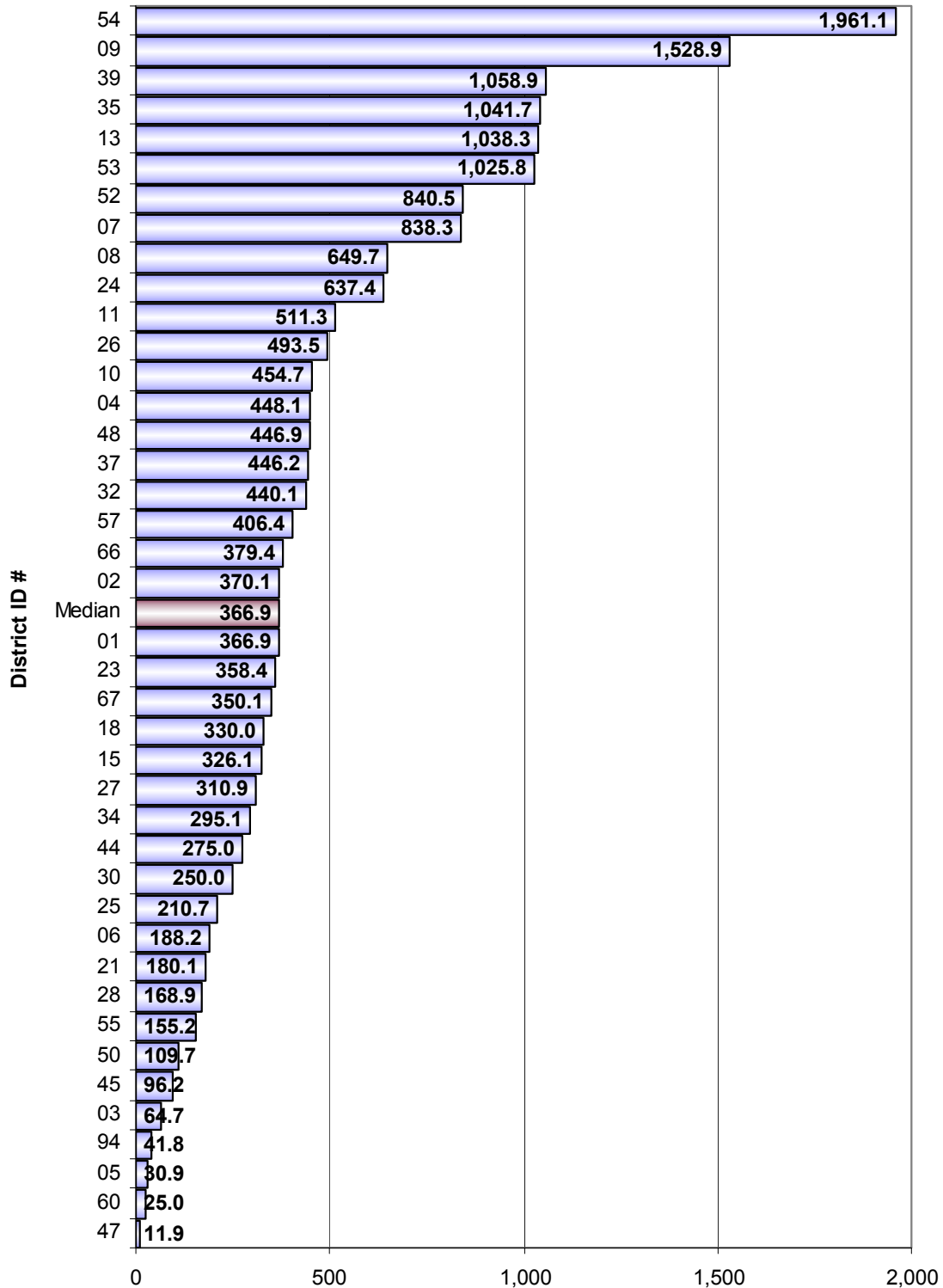
Analysis of the Data

- FY 08 > 41 districts responded
- FY 08 > High = 1,961.1; Low = 11.9; Median = 366.9
- 20 districts (49%) reported that they exceed the median of 366.9 PO invoices processed per month per AP staff member; with one districts processing over 1,900 monthly PO invoices.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

PO Invoices Processed per FTE per Month



Total Invoices Processed per Full Time Employee (FTE) per Month

Total number of invoices paid annually *divided by* the number of Full Time Employees (FTEs) in the Accounts Payable Department *divided by* 12 months

Why This Measure Is Important

This measure assesses the effectiveness of an Accounts Payable (AP) Department. According to the Institute of Management, total invoices (including both non-purchase orders and PO invoices) processed per FTE per month are cost drivers and, consequently, have become prime tools for benchmarking AP operations. Moving to a high level of automation can significantly boost the number of payments made per month per staff member which improves cost efficiency.

Factors That Influence This Measure

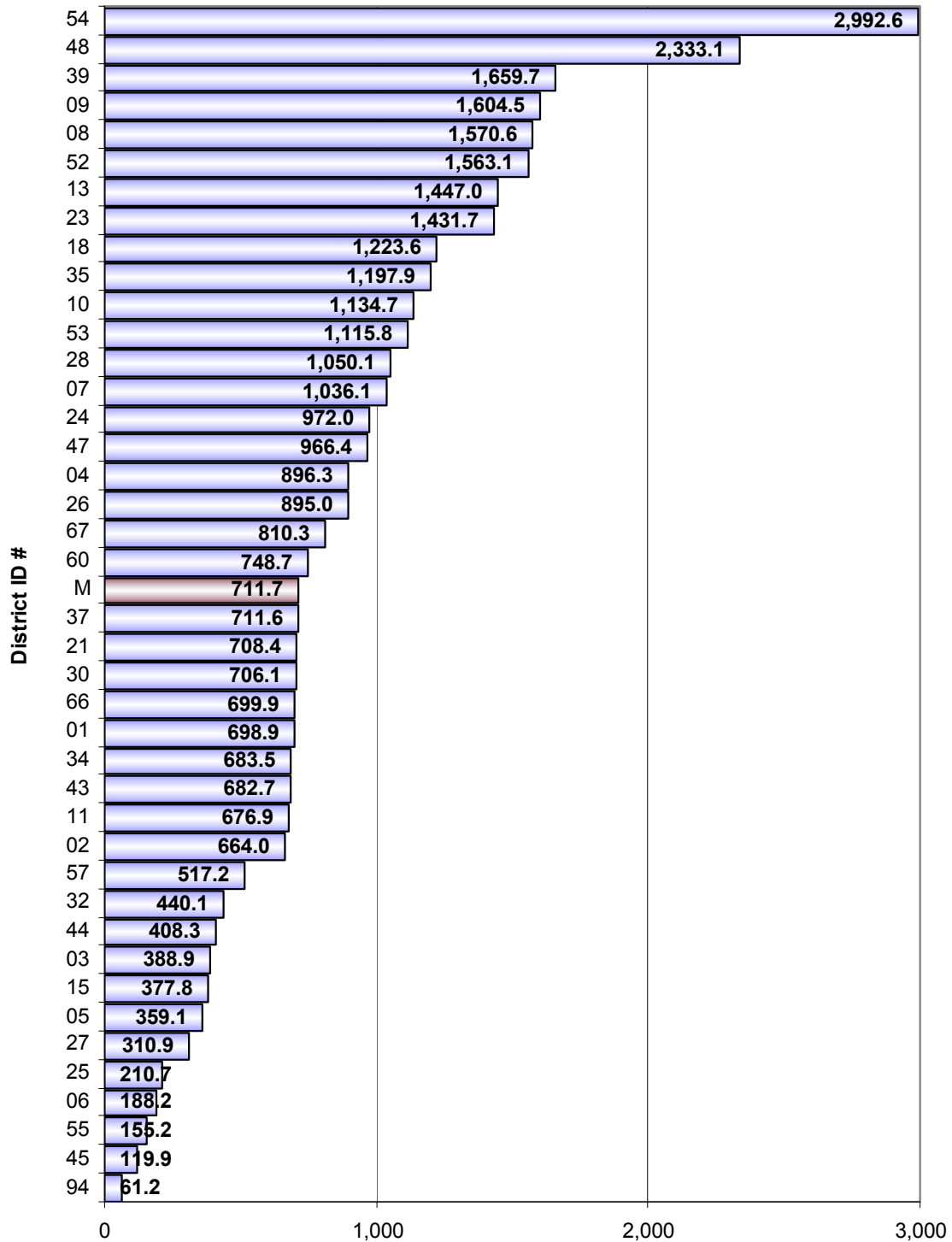
- Administrative policies and procedures
- Administrative organizational structure
- Administrative leadership style, decision making process and distribution of organizational authority
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring, and reporting systems
- Number of FTEs in the Accounts Payable Department
- The number of the invoices paid annually
- Level of automation
- Type of invoice. i.e., whether it has a purchase order (PO) or not, or whether it's an employee expense report, direct payment etc.

Analysis of the Data

- FY 08 > 41 districts responded
- FY 08 > High = 2992.6; Low = 61.2; Median = 711.7
- 21 districts (50%) reported that they were close to or exceeded the median of 711.65 invoices processed per month with 8 of these districts nearly doubling the median, including one district that processed 2,992 invoices per month.
- Even though data related to the use of electronic invoicing, imaging and automated workflows to increase productivity was collected from each respondent, there was no perceptible correlation between district level of automation and productivity.

Performance Measurement & Benchmarking for K12 Operations

Total Invoices Processed per FTE per Month



Voided Checks to Total Checks

The total number of non-salary checks voided or reversed *divided by* the total number of non-salary checks processed

Why This Measure Is Important

The measure assesses efficiencies and accuracy. Voided checks usually result from duplicate payments or errors. A high percentage of duplicate payments typically indicate a lack of control or master vendor files that are in need of cleaning and create the potential for fraud.

Factors That Influence This Measure

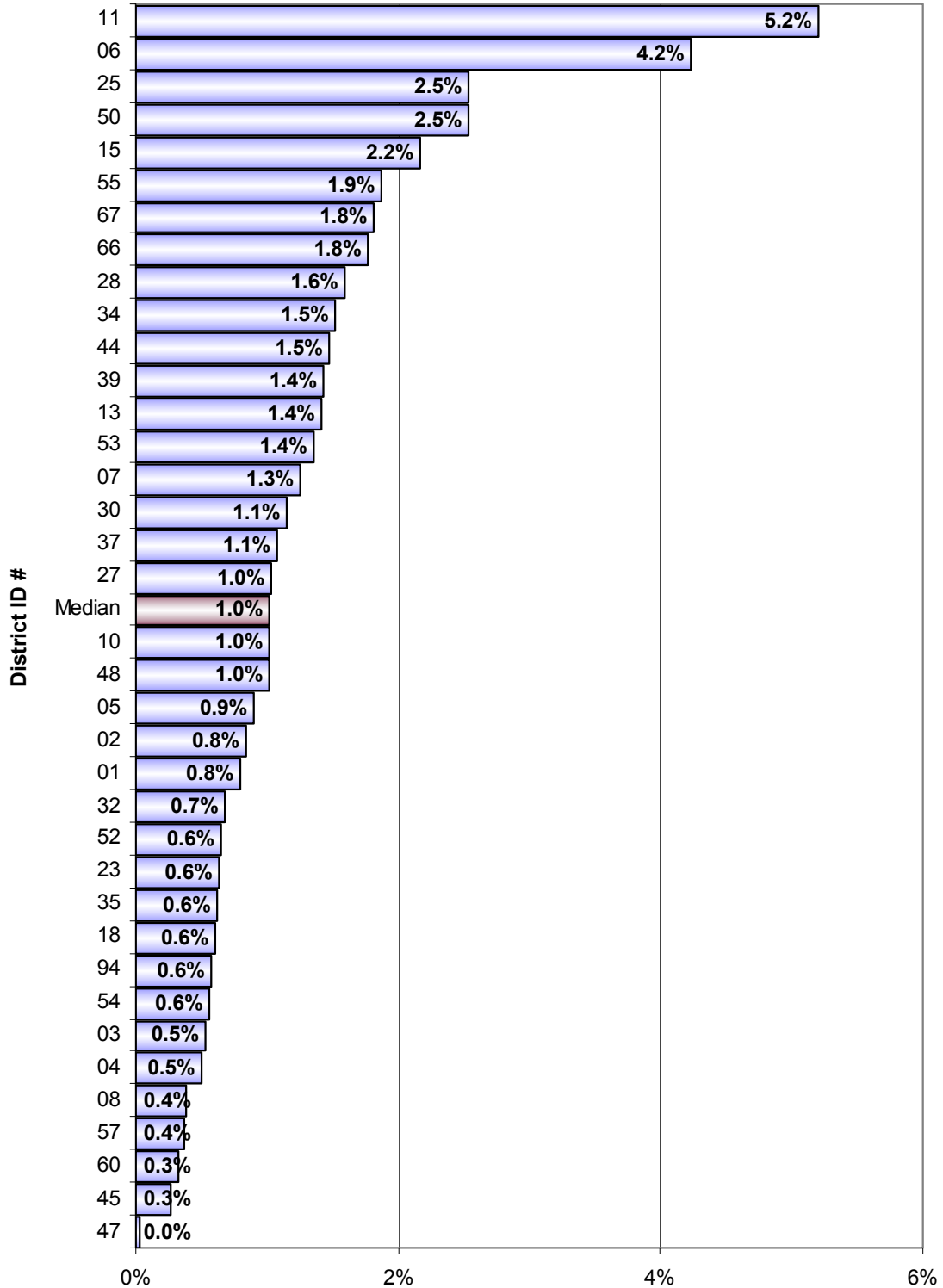
- Administrative policies and procedures
- Organizational structures and authority, and decision making processes
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring, and reporting systems
- Number of FTEs in the Accounts Payable Department
- The total number of checks written annually
- Level of automation

Analysis of the Data

- FY 08 > 37 districts responded
- FY 08 > High = 5.2%; Low = 0.0%; Median = 1.0%
- The total numbers of voided non-salary checks have remained relatively unchanged for the three years that data have been collected.
- If a district is experiencing duplicate payments at the rate of more than 0.5% (half of one percent), it typically indicates a lack of controls, a master vendor file that's in need of cleaning, and the potential of fraud.
- 70% of the respondents providing this type of error reported a duplicate payment rate of less than 0.1%. No district indicated that they have a duplicate payment rate of more than 0.5%.
- Based on the data, payment errors are a fact of AP life – regardless of district size, type, or level of automation – and the error rates appear not able to be “automated away.”

Performance Measurement & Benchmarking for K12 Operations

Voided Checks per Total Checks



District Level of Automation for Accounts Payable

Accounts Payable in the district has a high, medium, or low level of automation (Select One)

Why This Measure Is Important

The analysis of AP metrics involves consideration of automation levels when drawing conclusions. This is important because across the board, automation has a proven track record of improving an AP department's metrics, whether it involves costs, error rates, or productivity.

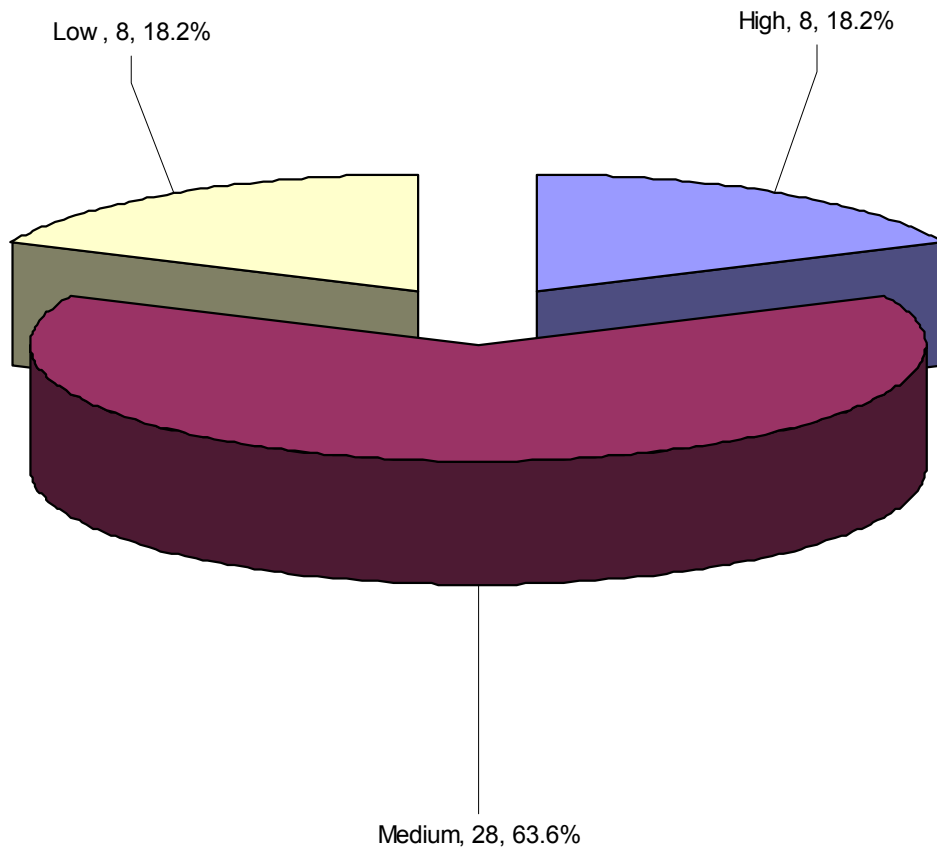
Factors That Influence This Measure

- Administrative policies and procedures
- Administrative organizational structure
- Administrative leadership style, decision making process and distribution of organizational authority
- Management of business processes
- Strategic shift from transaction processing to analytical and proactive processing

Analysis of the Data

- FY 08 > 44 districts responded
- FY 08 > High = 18.2%; Medium = 63.6%; Low = 18.2%
- Responses were subjective since each district was asked to rate the level of automation based on their perceptions. No scientific methodology was applied.
- On average, the metrics have shown an improvement when moving from a low to high level of automation, i.e., the number of days to process a vendor payment, the number of PO and Non-PO invoices processed per month per AP staff, and the total number of invoices processed per month per AP staff. These average improvements can be invaluable in building a case for implementing new or improved technology in the AP department.

District Level of Automation for Accounts Payable



IRS TIN Matching Program

Total number of “Yes” and “No” responses *divided by* the total number of districts responding.

Why This Measure Is Important

This measure is important because the process eliminates possible penalties associated with 1099-reportable vendors. The Internal Revenue Service’s Taxpayer Identification Number Matching program allows districts to prescreen taxpayer identification numbers and name combinations to see if they match the government’s.

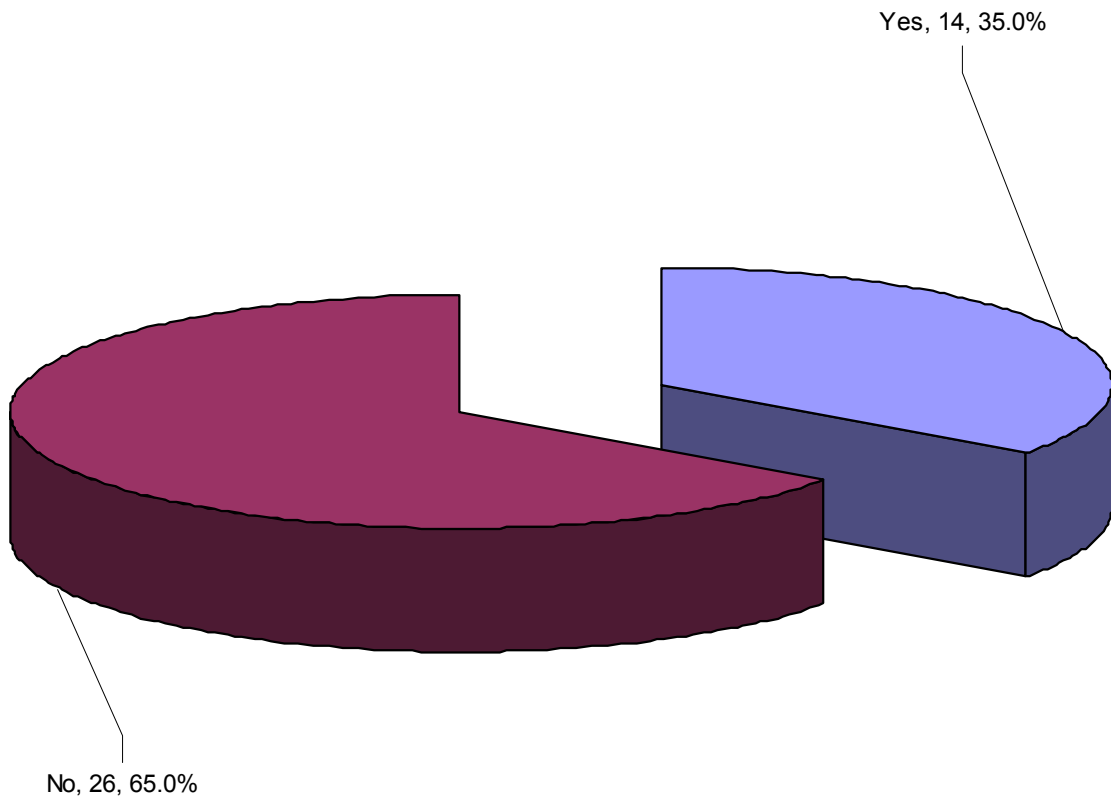
Factors That Influence This Measure

- Administrative policies and procedures
- Administrative leadership style
- Monitoring and reporting systems
- Level of automation

Analysis of the Data

- FY 08 > 40 districts responded
- FY 08 > Yes = 35.0%; No = 65.0%

District Matches IRS TIN



Positive Pay Usage

The number of “Yes” and “No” responses *divided by* the total number of districts responding.

Why This Measure Is Important

This measure is important because positive pay is a daily process of reconciling checks issued by a district to checks presented for payment to a bank. The process is useful for identifying potentially fraudulent checks.

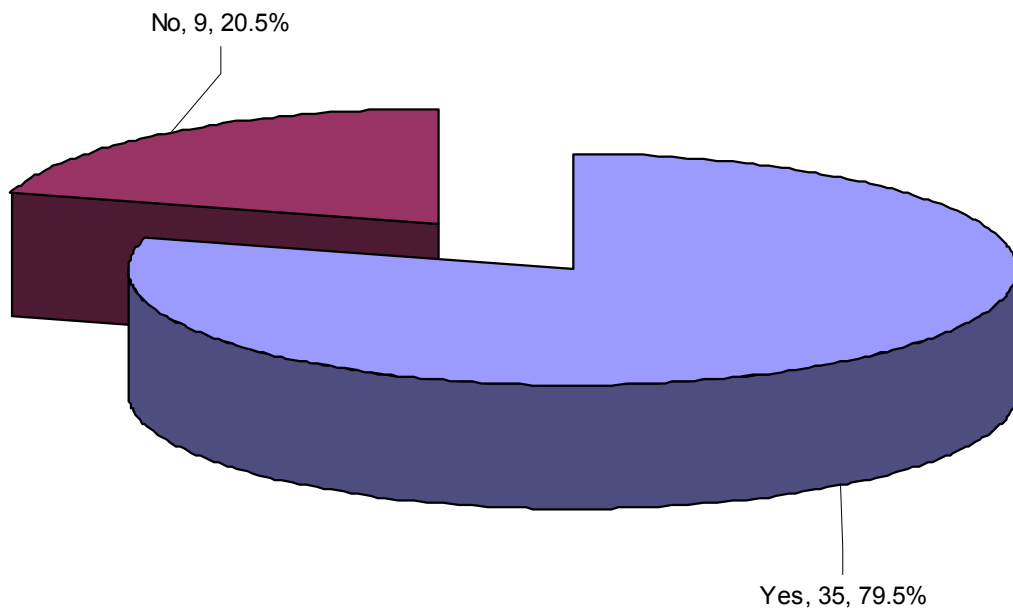
Factors That Influence This Measure

- Administrative policies and procedures
- Administrative leadership style

Analysis of the Data

- FY 08 > 35 districts responded
- FY 08 > Yes = 79.5%; No = 20.5%

District Uses Positive Pay



Frequency of Check Runs

The number of categorical responses *divided by* the total number of districts responding.

Why This Measure Is Important

This measure was gathered to gain insight into the districts' current business processes and to determine which ones have an impact on the productivity metrics.

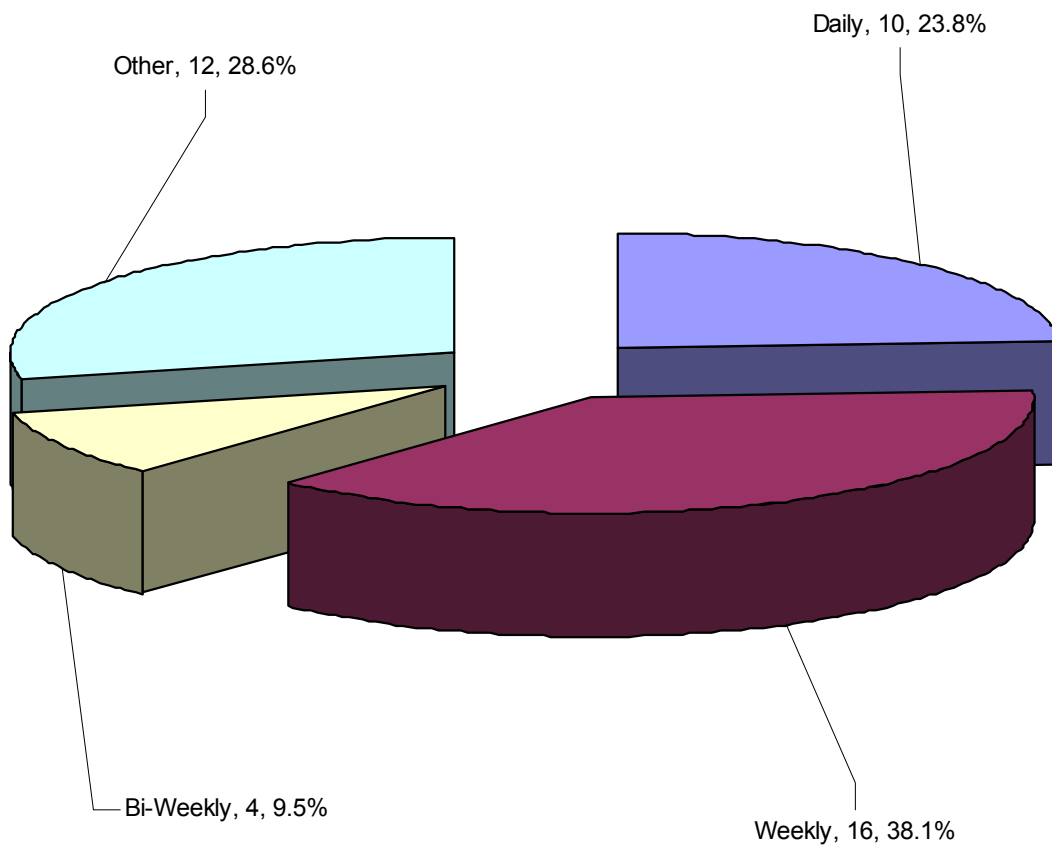
Factors That Influence This Measure

- Administrative policies and procedures
- Administrative organizational structure
- Administrative leadership style, decision making process and distribution of organizational authority

Analysis of the Data

- FY 08 > 42 districts responded
- FY 08 > Daily = 23.8%; Weekly = 38.1%; Bi-Weekly = 9.5%; Other = 28.6%

Frequency of Check Runs



Invoice Payment Methods

- Number of checks *divided by* the total number of payments
- Number of automated clearing house (ACH) transactions *divided by* the total number of payments
- Number of wire transactions *divided by* the total number of payments
- Number of direct-debit transactions *divided by* the total number of payments
- Number of Purchasing Card (P Card) transactions *divided by* the total number of payments
- Number of Pay Card transactions *divided by* the total number of payments

Why This Measure Is Important

This measure identifies the methods used by districts to make payments, which are factors that can impact the cost and efficiency of accounts payable departments. The overwhelming majorities of districts are making payments via paper check either as part of regular check runs, or via manual, rush checks. Because of the growing trend towards electronic payments and automation, the results impact cost and efficiency.

Factors That Influence This Measure

- Administrative policies and procedures
- Administrative organizational structure
- Administrative leadership style, decision making process and distribution of organizational authority
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring and reporting systems
- The total number of checks written annually
- Level of automation

Analysis of the Data

- FY 08 > 43 districts responded
- FY 08 > Median = 98.63% for invoice payment via checks; Median = 07% for all others
- An important consideration in this metric would be the elimination of paper checks through electronic processing. Establishing an automated link with a bank allows the accounts payable department, which is issuing manual checks, to initiate an electronic file from its computer system to a bank's computer system with information for paying vendors transmitted electronically. This produces much greater efficiency.

Performance Measurement & Benchmarking for K12 Operations

| Invoice Payment Methods | | | | | | |
|-------------------------|--------|-------|-------|--------------|--------|----------|
| District ID | Checks | ACH | Wires | Direct Debit | P-Card | Pay Card |
| 1 | 99.9% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% |
| 2 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 3 | 60.3% | 0.1% | 3.1% | 0.1% | 36.5% | 0.0% |
| 4 | 83.6% | 12.8% | 3.6% | 0.0% | 0.0% | 0.0% |
| 5 | 98.3% | 0.3% | 0.6% | 0.8% | 0.0% | 0.0% |
| 6 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 7 | 99.1% | 0.8% | 0.0% | 0.0% | 0.0% | 0.0% |
| 8 | 99.9% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% |
| 9 | 17.6% | 2.7% | 0.0% | 0.0% | 79.7% | 0.0% |
| 10 | 35.7% | 8.8% | 0.1% | 0.0% | 55.3% | 0.1% |
| 11 | 99.8% | 0.2% | 0.0% | 0.0% | 0.0% | 0.0% |
| 13 | 54.5% | 8.4% | 0.3% | 0.0% | 36.8% | 0.0% |
| 15 | 99.6% | 0.0% | 0.2% | 0.0% | 0.1% | 0.0% |
| 18 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 21 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 23 | 87.6% | 12.1% | 0.3% | 0.0% | 0.0% | 0.0% |
| 24 | 99.6% | 0.1% | 0.0% | 0.3% | 0.0% | 0.0% |
| 25 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 26 | 99.0% | 0.0% | 1.0% | 0.0% | 0.0% | 0.0% |
| 27 | 99.5% | 0.0% | 0.2% | 0.3% | 0.0% | 0.0% |
| 28 | 96.8% | 0.0% | 3.2% | 0.0% | 0.0% | 0.0% |
| 30 | 98.8% | 0.9% | 0.2% | 0.0% | 0.1% | 0.0% |
| 32 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 33 | 99.5% | 0.3% | 0.2% | 0.0% | 0.0% | 0.0% |
| 34 | 17.8% | 4.1% | 0.0% | 0.0% | 78.1% | 0.0% |
| 35 | 98.6% | 1.4% | 0.0% | 0.0% | 0.0% | 0.0% |
| 37 | 98.4% | 0.0% | 0.0% | 0.0% | 1.6% | 0.0% |
| 39 | 36.6% | 0.0% | 0.2% | 0.0% | 63.2% | 0.0% |
| 43 | 54.0% | 0.3% | 1.8% | 0.0% | 43.9% | 0.0% |
| 44 | 67.3% | 0.0% | 0.6% | 0.1% | 23.3% | 8.6% |
| 45 | 99.9% | 0.0% | 0.1% | 0.0% | 0.0% | 0.0% |
| 47 | 69.6% | 11.3% | 0.0% | 0.0% | 19.2% | 0.0% |
| 48 | 47.2% | 0.0% | 0.0% | 52.8% | 0.0% | 0.0% |
| 50 | 92.3% | 0.0% | 0.8% | 0.0% | 6.9% | 0.0% |
| 52 | 69.3% | 0.2% | 0.0% | 0.0% | 30.5% | 0.0% |
| 53 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 54 | 21.2% | 14.2% | 0.0% | 3.9% | 10.7% | 50.0% |
| 55 | 99.9% | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% |
| 57 | 92.7% | 0.0% | 0.1% | 0.0% | 0.0% | 7.2% |
| 60 | 50.7% | 46.8% | 0.0% | 0.0% | 2.5% | 0.0% |
| 66 | 99.1% | 0.9% | 0.0% | 0.0% | 0.0% | 0.0% |
| 67 | 99.5% | 0.0% | 0.5% | 0.0% | 0.0% | 0.0% |
| 94 | 39.8% | 0.0% | 0.0% | 0.0% | 60.2% | 0.0% |
| Median | 98.63% | 0.03% | 0.04% | 0.00% | 0.00% | 0.00% |
| Average | 81.00% | 2.95% | 0.41% | 1.35% | 12.76% | 1.53% |

Key Performance Indicator

Invoices by Type

- Invoices processed attached to a Purchase Order *divided by* total number of invoices
- Invoices processed as Direct Pays *divided by* total number of invoices
- Invoices/payments processed as reimbursements *divided by* total number of invoices
- Invoices/payments processed as travel reimbursements *divided by* total number of invoices
- Invoices/payments processed as reimbursements *divided by* total number of invoices
- Invoices/payments processed as benefit payments *divided by* total number of invoices
- Invoices/payments processed as withholding payments *divided by* total number of invoices
- Invoices/payments processed as garnishments *divided by* total number of invoices
- Invoices/payments processed as contracts *divided by* total number of invoices
- Invoices/payments processed as debt *divided by* total number of invoices
- Invoices/payments processed as other *divided by* total number of invoices

Why This Measure Is Important

This measure indicates the percentage of invoices/payments associated with various payment types. Streamlining processes and communications between departments such as accounts payable and procurement leads to improved efficiencies.

Factors That Influence This Measure

- Administrative policies and procedures, organizational structure, leadership style, decision making process and distribution of organizational style
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring, and reporting systems
- Number of FTEs in the Accounts Payable Department
- The total dollar amount of invoices paid annually
- Level of automation
- Whether the invoice has a PO or not, or whether it's an employee expense report, direct payment etc.

Analysis of the Data

- FY 08 > 41 districts responded
- FY 08 > Median = 56% for invoices associated with purchase orders; Median = 20% invoices associated with non-purchase orders

Performance Measurement & Benchmarking for K12 Operations

| Invoices by Type | | | | | | | | | | |
|------------------|--------|-------------|----------------|-----------------------|-------------------|----------------------|--------------|-----------|------|-------|
| District ID | PO | Direct Pays | Reimbursements | Travel Reimbursements | Benefits Payments | Withholding Payments | Garnishments | Contracts | Debt | Other |
| 1 | 52.5% | 23.5% | 9.6% | 5.9% | 0.2% | 0.4% | 0.0% | 7.0% | 0.0% | 1.0% |
| 2 | 55.7% | 44.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 3 | 16.6% | 55.0% | 18.4% | 1.9% | 2.4% | 2.3% | 3.2% | 0.0% | 0.0% | 0.0% |
| 4 | 50.0% | 42.0% | 0.4% | 0.6% | 0.0% | 5.3% | 1.7% | 0.0% | 0.0% | 0.0% |
| 5 | 8.6% | 38.3% | 33.7% | 1.8% | 1.9% | 3.4% | 1.5% | 8.5% | 0.0% | 2.3% |
| 6 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 7 | 80.9% | 11.2% | 0.2% | 1.9% | 0.2% | 2.8% | 1.0% | 1.9% | 0.0% | 0.0% |
| 8 | 41.4% | 28.7% | 0.0% | 3.9% | 0.0% | 0.0% | 0.9% | 0.0% | 0.0% | 25.0% |
| 9 | 95.3% | 0.6% | 0.0% | 4.2% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 10 | 40.1% | 38.3% | 1.0% | 4.6% | 0.1% | 0.0% | 0.9% | 4.0% | 0.0% | 11.1% |
| 11 | 75.5% | 12.6% | 4.1% | 0.7% | 0.3% | 0.0% | 6.1% | 0.0% | 0.0% | 0.6% |
| 13 | 71.8% | 19.0% | 7.7% | 0.0% | 0.5% | 0.0% | 0.0% | 0.0% | 0.0% | 1.0% |
| 15 | 86.3% | 0.0% | 6.8% | 4.3% | 0.0% | 0.0% | 0.0% | 2.6% | 0.1% | 0.0% |
| 18 | 27.0% | 45.9% | 11.3% | 10.8% | 0.0% | 2.9% | 2.1% | 0.0% | 0.0% | 0.0% |
| 21 | 25.4% | 48.7% | 0.0% | 8.8% | 0.0% | 0.0% | 0.0% | 17.1% | 0.0% | 0.0% |
| 23 | 25.0% | 54.6% | 7.9% | 2.0% | 2.1% | 1.8% | 0.7% | 5.8% | 0.0% | 0.0% |
| 24 | 65.6% | 34.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 25 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 26 | 55.1% | 0.0% | 44.3% | 0.6% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 27 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 28 | 16.1% | 47.5% | 1.4% | 5.7% | 0.0% | 0.0% | 8.4% | 0.5% | 0.0% | 20.4% |
| 30 | 35.4% | 29.5% | 7.1% | 4.5% | 0.0% | 0.0% | 4.3% | 19.2% | 0.0% | 0.0% |
| 32 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 34 | 43.2% | 56.8% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 35 | 87.0% | 13.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 37 | 62.7% | 15.7% | 8.3% | 2.6% | 0.4% | 0.4% | 2.2% | 4.5% | 0.0% | 3.3% |
| 39 | 63.8% | 31.4% | 2.0% | 2.2% | 0.0% | 0.0% | 0.7% | 0.0% | 0.0% | 0.0% |
| 43 | 0.0% | 0.0% | 2.8% | 1.7% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 95.4% |
| 44 | 67.4% | 8.0% | 8.0% | 0.0% | 0.0% | 4.5% | 0.0% | 0.0% | 0.0% | 12.2% |
| 45 | 80.2% | 12.0% | 0.0% | 6.9% | 0.0% | 0.9% | 0.0% | 0.0% | 0.0% | 0.0% |
| 47 | 1.2% | 94.4% | 1.9% | 2.0% | 0.1% | 0.0% | 0.4% | 0.0% | 0.0% | 0.0% |
| 48 | 19.2% | 58.5% | 0.0% | 1.9% | 0.1% | 0.0% | 0.5% | 0.0% | 0.0% | 19.8% |
| 50 | 0.3% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 99.7% | 0.0% | 0.0% | 0.0% |
| 52 | 53.8% | 30.5% | 0.0% | 0.0% | 0.0% | 5.6% | 10.1% | 0.0% | 0.0% | 0.0% |
| 53 | 91.9% | 0.0% | 8.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 54 | 65.5% | 15.4% | 8.1% | 0.8% | 0.1% | 0.1% | 7.9% | 2.0% | 0.0% | 0.0% |
| 55 | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 57 | 78.6% | 0.0% | 2.1% | 2.7% | 0.2% | 1.3% | 1.6% | 0.0% | 0.0% | 13.5% |
| 60 | 3.3% | 33.7% | 14.3% | 0.0% | 0.0% | 0.0% | 0.0% | 48.6% | 0.0% | 0.0% |
| 66 | 54.2% | 7.7% | 8.6% | 5.0% | 0.3% | 1.4% | 6.6% | 16.2% | 0.0% | 0.0% |
| 67 | 43.2% | 3.3% | 0.3% | 5.4% | 43.1% | 2.0% | 0.5% | 2.2% | 0.0% | 0.0% |
| 94 | 68.4% | 0.0% | 31.6% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Median | 55.4% | 15.6% | 1.7% | 1.8% | 0.0% | 0.0% | 0.2% | 0.0% | 0.0% | 0.0% |

Key Performance Indicator

Total Number of Vendors

Total number of vendors.

Why This Measure Is Important

This measure is important because a master vendor file, if left unchecked, can become bloated with duplicate vendors, inactive vendors, and different addresses and can lead to possible fraud and duplicate payments.

Factors That Influence This Measure

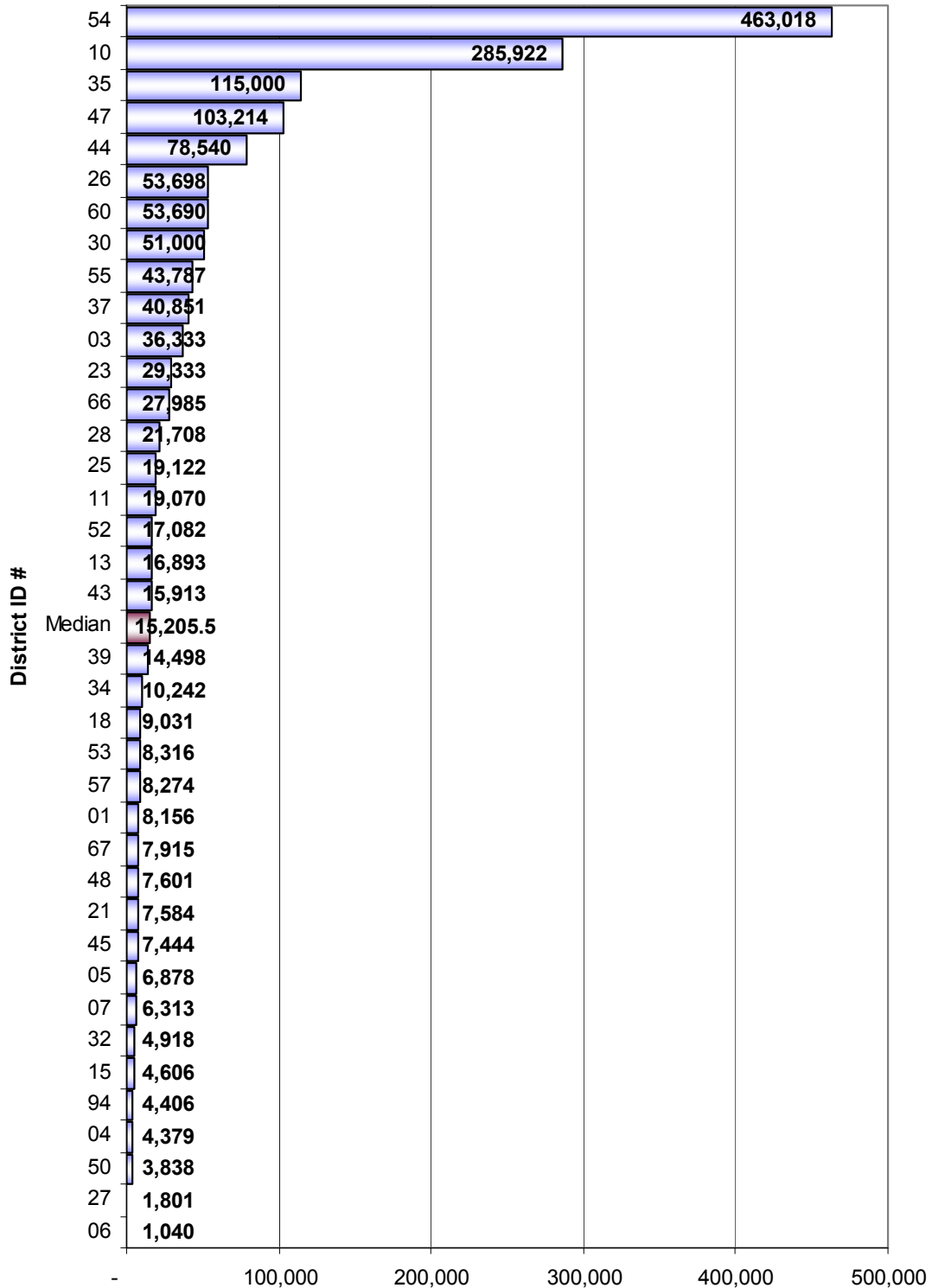
- Administrative policies and procedures
- Administrative leadership style
- Administrative policies and procedures
- Administrative organizational structure
- The size of the district is likely to influence the number of vendors

Analysis of the Data

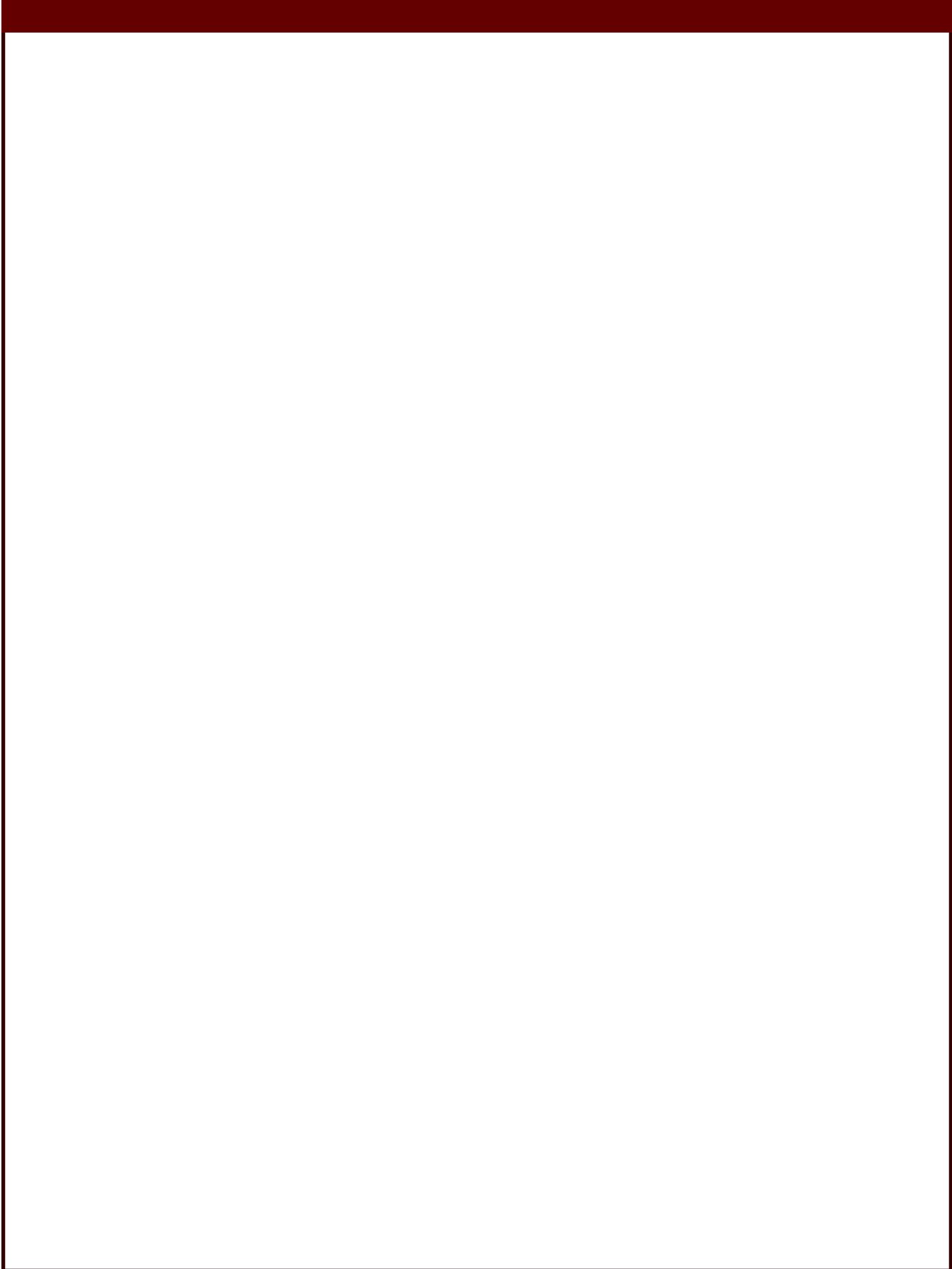
- FY 08 > 38 districts responded
- FY 08 > High = 463,018; Low = 1,040; Median = 15,205.5
- How do you know if your master vendor file is too big? One rule of thumb is that the number of vendors should be no larger than the number of invoices processed monthly. Eliminating employees from the file, segregating one-time vendors, and increasing the use of purchasing cards are some of the ways to limit the size of vendor master files.

Performance Measurement & Benchmarking for K12 Operations

Total Number of Vendors



Key Performance Indicator



Cash Management

Investment Policy

- Does your district have an investment policy (Yes/No)?
- Does your state have an investment policy (Yes/No)?
- Is your district policy more or less restrictive than the state policy (Yes/No)?

Why This Measure Is Important

This measure is important because almost all the monies school districts receive are public funds, whether from property taxes, state appropriations, or federal grants. Proper safekeeping and prudent fiscal management are required responsibilities of the districts. Handling money is also subject to intense public scrutiny. A documented cash and investment policy helps demonstrate a district's commitment to sound financial management. Investment restrictions on public funds are typically required by state statute.

Factors That Influence This Measure

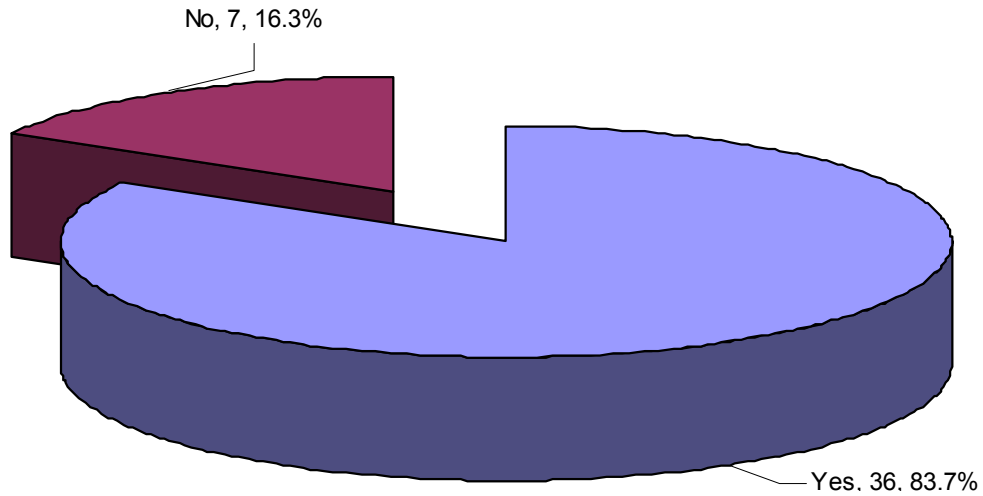
- School Board policies on cash and investments
- State laws and regulations
- Administrative policies

Analysis of the Data

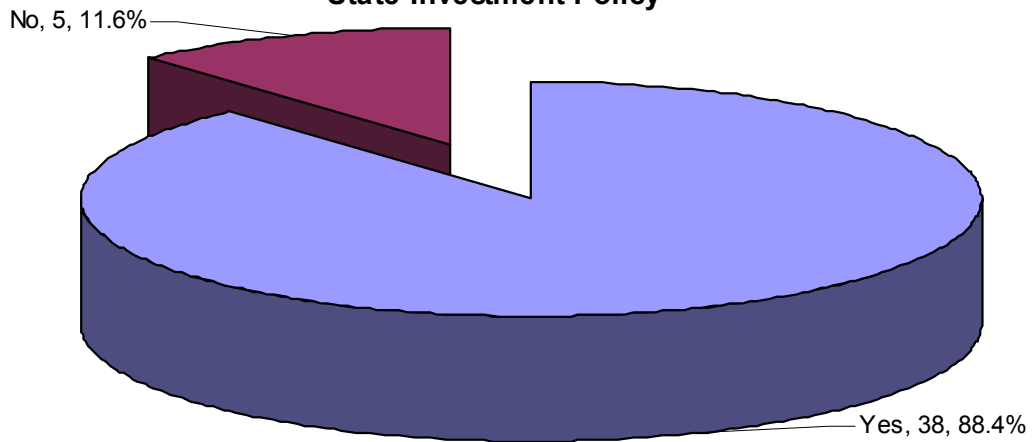
- FY 08 > 36 (83.7%) of 43 districts indicated they had a district investment policy; 7 districts (16.3%) indicated that they did not.
- FY 08 > 38 (88.4%) of 43 districts indicated that they had a state investment policy; 5 districts (11.6%) indicated that they did not.
- FY 08 > 37 districts provided reasonable responses regarding whether their district or state investment policies were more restrictive.
- 21 districts (56.8%) indicated their district investment policies were more restrictive.
- 3 districts (8.1%) indicated their state investment policies were more restrictive.
- 13 districts (35.1%) indicated their district and state investment policies were equally restrictive.

Performance Measurement & Benchmarking for K12 Operations

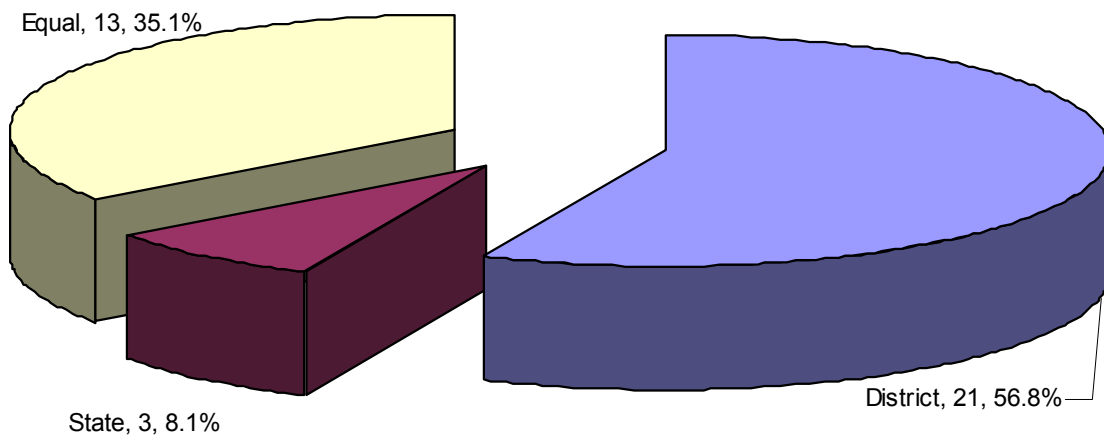
District Investment Policy



State Investment Policy



District or State Investment Policy More Restrictive



Key Performance Indicator

District Bids Banking Contracts & Frequency of Banking Contract Rebid

- Does your district go out for bid for the banking services (Yes/No)?
- How often are the district's banking contracts rebid?

Why This Measure Is Important

This measure is important because the nature of the banking relationship typically has a direct impact on cash management methods available to school districts. Changing the banking relationship may have a significant cost impact, not only as measured in dollars, but also in time and productivity of district personnel.

Factors That Influence This Measure

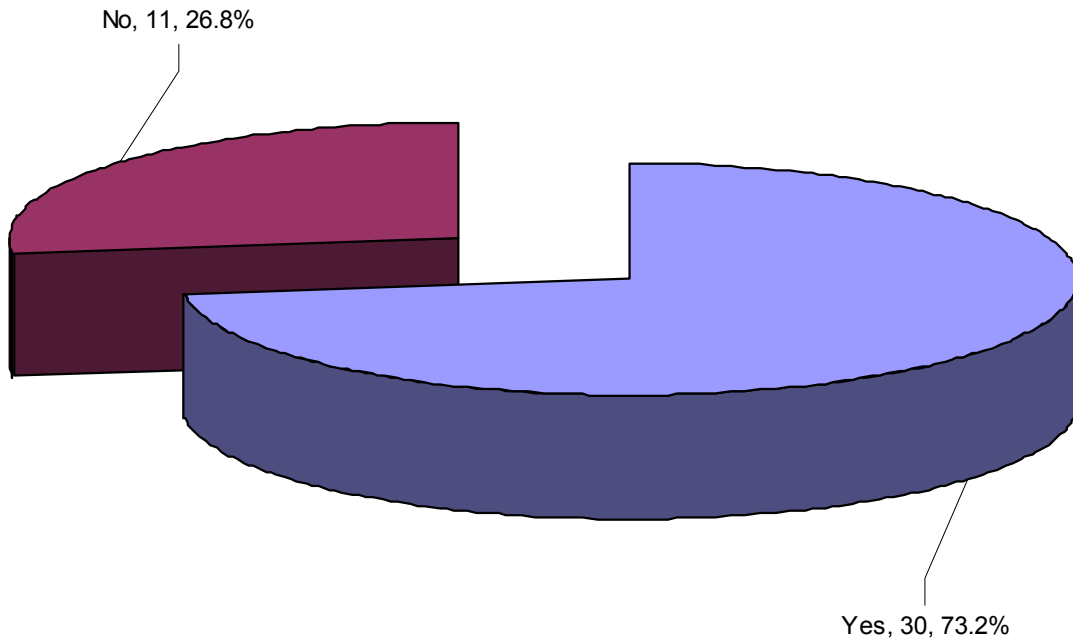
- Size of the district
- Cash and investment policies
- School board and administrative policies
- State procurement laws and regulations
- Market competitive factors among banks

Analysis of the Data

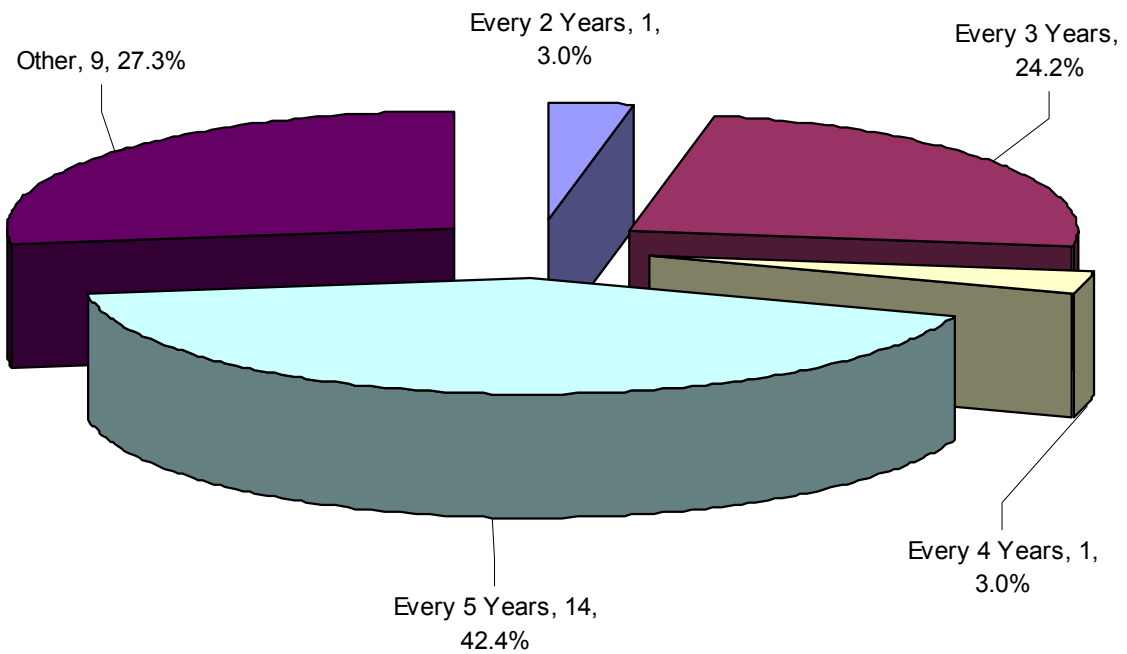
- FY 08 > 30 (73.2%) of 41 districts indicated that they bid out their banking services; 11 (26.8%) of the districts do not.
- FY 08 > 33 districts provided reasonable responses regarding the bidding of their banking contracts.
- 1 district (3.0%) of the 33 districts rebids its banking contracts every two years.
- 8 districts (24.2%) rebid their banking contracts every three years.
- 1 district (3.0%) rebids its banking contracts every four years.
- 14 districts (42.4%) rebid their banking contracts every five years.
- 9 districts (27.3%) have other options.

Performance Measurement & Benchmarking for K12 Operations

District Bids Banking Contracts



Frequency of Banking Contract Rebid



Key Performance Indicator

Investments Measured Against External Benchmarks

Does your district measure its return on investments against external benchmarks (Yes/No)?

Why This Measure Is Important

This measure is important because almost all the monies school districts receive are public funds, whether from property taxes, state appropriations, or federal grants. Proper safekeeping and prudent fiscal management are required responsibilities of school districts. Handling money is also subject to intense public scrutiny. By comparing investment results to an outside benchmark a district can determine if they are choosing the best investment vehicles.

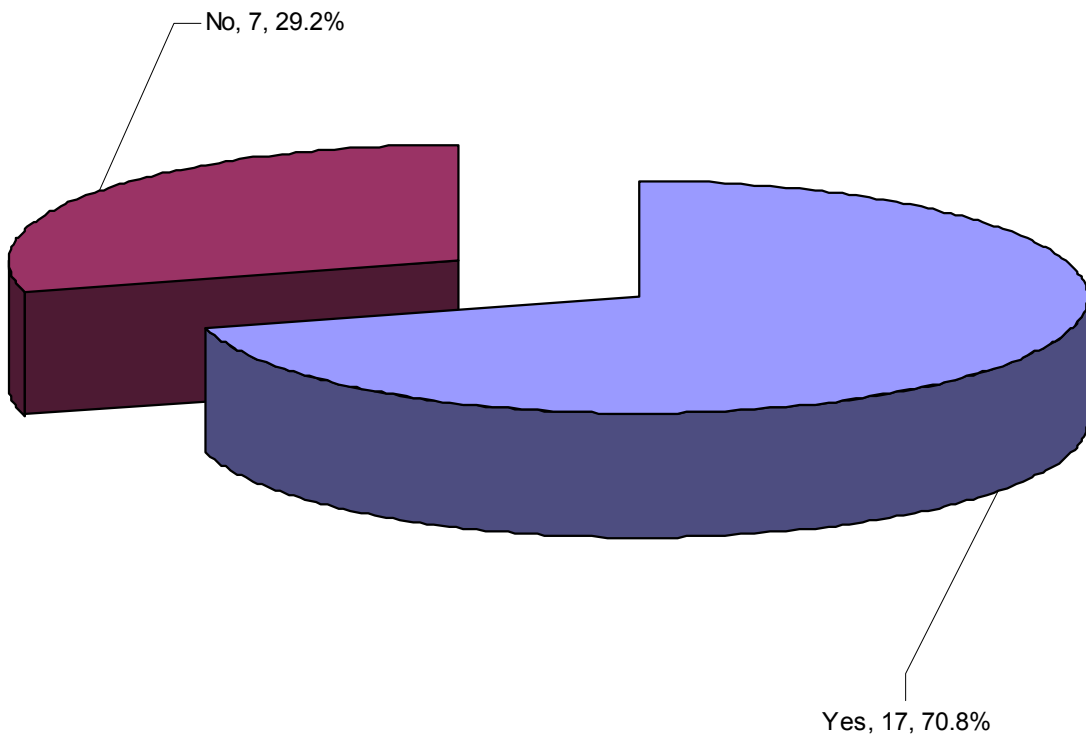
Factors That Influence This Measure

- School board policies on cash and investments
- State laws and regulations
- Administrative policies

Analysis of Data

- FY 08 > 17 of 24 (70.8%) districts indicated they measure their returns on investments against external benchmarks; 7 districts (29.2%) do not.

Investments Measured Against External Benchmarks



Cash Management Department – Number and Type of Staff

What are the number (FTEs) and types of staffing in the districts Cash Management Department?

Why This Measure Is Important

This measure is a key indicator of the focus a district gives to managing its cash to maximize investment earnings. It is helpful to know which districts have accounting staff, CPAs, and other professionals in their cash management departments, including supervisors.

Factors That Influence This Measure

- Independence of school district versus district as division of the city or county government
- Size of district measured in dollars
- Timing of cash flows
- Who in the school district bears responsibility for the treasury functions

Analysis of the Data

- FY 08 > 2.5 FTEs is the average number of staff in a Cash Management Department among the 31 districts that responded; with 18 of the districts (58.1%) reporting that they have at least one professional FTE (CPA, Accountant or other), including one district that is comprised of 6 professionals.

Performance Measurement & Benchmarking for K12 Operations

| Cash Management Department – Number and Type of Staff | | | | | | | | |
|---|------|-------------|---------------------|-------------|---------------------|------------------------------------|-------|-------|
| District ID | CPAs | Accountants | Other Professionals | Supervisors | Clerical/Processors | Administrative Support/Secretarial | Other | Total |
| 1 | | | | | 1.0 | | | 1.0 |
| 3 | | | | 1.0 | 1.0 | | | 2.0 |
| 4 | | 1.0 | | | | | | 1.0 |
| 5 | | 1.0 | | | | | | 1.0 |
| 7 | | | 0.8 | 0.2 | 1.0 | | | 2.0 |
| 8 | | 1.0 | 1.0 | 1.0 | | 1.0 | | 4.0 |
| 9 | | 1.0 | 1.0 | 1.0 | | | | 3.0 |
| 10 | 0.0 | 0.0 | 0.0 | 1.0 | 0.0 | 3.0 | 0.0 | 4.0 |
| 11 | | | 1.0 | | | | | 1.0 |
| 13 | | 2.0 | 1.0 | | 3.0 | 1.0 | | 7.0 |
| 23 | | 2.0 | | 2.0 | | | | 4.0 |
| 28 | | 1.0 | | 1.0 | 1.0 | | | 3.0 |
| 30 | 0.2 | | | | | | | 0.2 |
| 33 | | | | 2.0 | 2.0 | 1.0 | | 5.0 |
| 34 | | | | 1.0 | 1.0 | | | 2.0 |
| 35 | | 1.0 | | | | | | 1.0 |
| 39 | | 2.0 | 1.0 | 2.0 | 2.0 | | | 7.0 |
| 43 | 2.0 | 1.0 | | | | | | 3.0 |
| 44 | | 2.0 | | 1.0 | 1.0 | | 1.0 | 5.0 |
| 47 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 48 | | 1.0 | | | 1.0 | | | 2.0 |
| 50 | | | 3.0 | | 1.0 | | | 4.0 |
| 52 | | 0.5 | | 0.1 | 0.1 | | | 0.6 |
| 53 | 0.1 | | | | | | | 0.1 |
| 54 | | | 6.0 | 3.0 | | 1.0 | | 10.0 |
| 55 | | 1.0 | | | | | | 1.0 |
| 57 | 1.0 | 1.0 | 1.0 | 0.0 | 0.0 | 0.0 | 0.0 | 3.0 |
| 60 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 66 | | | | | | | | 0.0 |
| 67 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| 94 | | 1.0 | | | | | | 1.0 |

Key Performance Indicator

Percentage of the Amount of Cash Receipts by Type

Dollar – all types of cash receipts *divided by* dollar - total cash receipts

Why This Measure Is Important

This measure is a key indicator of workload efficiency, based on the assumption that electronic receipts of money, such as wire or ACH transfers, is more efficient than handling cash or checks.¹³

Factors That Influence This Measure

- Size of district measured in dollars
- Independent school district versus a district that is a division of a city or county
- Timing of cash flows
- Extent of automation and system integration
- Types of revenue
- Banking structures

Analysis of the Data

- FY 08 > 33 of the 39 districts (84.6%) indicated that at least 60% of their transactions are processed through wire or ACH (electronic) transfers.

¹³ Wire transfers and ACH (Automated Check Handling or Automated Clearinghouse) transactions and wire transfers are often confused with each other. They are both electronic transfers of money, but they are not the same types of transactions. Wire transfers are typically used for transferring large dollar amounts of funds between banks very quickly. ACH transactions are electronic checks, and are used for processing lower dollar amount payments.

Performance Measurement & Benchmarking for K12 Operations

| Percentage of the Amount of Cash Receipts by Type | | | | |
|---|--------------|-------|-------|-------|
| District ID | Cash, Checks | Wires | ACH | Other |
| 1 | 7.2% | 0.0% | 92.8% | 0.0% |
| 3 | 2.5% | 10.9% | 85.6% | 1.0% |
| 4 | 3.6% | 96.4% | 0.0% | 0.0% |
| 5 | 19.8% | 79.1% | 0.6% | 0.5% |
| 6 | 26.1% | 73.9% | 0.0% | 0.0% |
| 7 | 3.4% | 0.0% | 96.6% | 0.0% |
| 8 | 4.3% | 4.7% | 91.0% | 0.0% |
| 9 | 2.3% | 97.4% | 0.3% | 0.0% |
| 10 | 7.3% | 92.7% | 0.0% | 0.0% |
| 11 | 97.0% | 3.0% | 0.0% | 0.0% |
| 13 | 55.0% | 33.8% | 11.3% | 0.0% |
| 14 | 4.8% | 91.8% | 3.3% | 0.1% |
| 15 | 30.0% | 0.1% | 60.0% | 10.0% |
| 18 | 4.3% | 57.3% | 35.6% | 2.8% |
| 23 | 10.8% | 86.1% | 3.1% | 0.0% |
| 25 | 61.7% | 37.0% | 1.2% | 0.0% |
| 26 | 11.5% | 88.5% | 0.0% | 0.0% |
| 27 | 14.2% | 62.2% | 23.6% | 0.0% |
| 28 | 23.1% | 12.2% | 64.7% | 0.0% |
| 30 | 7.7% | 92.3% | 0.0% | 0.0% |
| 32 | 2.8% | 15.3% | 81.9% | 0.0% |
| 34 | 2.0% | 17.1% | 80.9% | 0.0% |
| 35 | 5.6% | 0.0% | 94.4% | 0.0% |
| 37 | 9.9% | 37.2% | 52.9% | 0.0% |
| 39 | 0.4% | 44.3% | 36.2% | 19.1% |
| 43 | 1.8% | 93.1% | 3.7% | 1.4% |
| 44 | 35.8% | 14.4% | 49.8% | 0.0% |
| 45 | 3.3% | 2.3% | 86.6% | 7.7% |
| 47 | 10.9% | 89.1% | 0.0% | 0.0% |
| 48 | 3.4% | 7.6% | 88.8% | 0.2% |
| 50 | 6.7% | 76.4% | 16.9% | 0.0% |
| 52 | 3.2% | 4.7% | 92.1% | 0.0% |
| 53 | 27.5% | 72.4% | 0.0% | 0.0% |
| 54 | 0.0% | 90.0% | 10.0% | 0.0% |
| 55 | 100.0% | 0.0% | 0.0% | 0.0% |
| 57 | 5.7% | 0.0% | 94.3% | 0.0% |
| 60 | 99.6% | 0.0% | 0.4% | 0.0% |
| 66 | 0.7% | 0.0% | 99.3% | 0.0% |
| 67 | 30.1% | 0.3% | 0.0% | 69.6% |

Percentage of Investment Funds by Type

Dollar Amount – all investment types *divided by* dollar amount – total

Why This Measure Is Important

This measure is important because almost all monies that school districts receive are public funds, whether from property taxes, state appropriations, or federal grants. Proper safekeeping and prudent fiscal management are required responsibilities of school districts. Handling money is often subject to intense public scrutiny. Investment restrictions on public funds are typically required by state statute.

Factors That Influence This Measure

- School board policies on cash and investments
- State laws and regulations
- Administrative policies

Analysis of the Data

- FY 08 > 33 districts responded with 20 of these districts (60.6%) indicating that the majority of their investments were in short-term investments, repurchase agreements and money market mutual funds (13 districts); and in U.S. Government mortgage or agency-backed securities (7 districts). Not surprisingly, stocks and bonds were the least common types of investments.

Performance Measurement & Benchmarking for K12 Operations

| Percentage of Investment Funds by Type | | | | | | | | | |
|--|---------------|-----------------|--|------------------------|-------------------------------------|-----------------------------------|------------------|---------------------------|--------|
| District ID | Common Stocks | Corporate Bonds | U.S. Government Mortgage-Backed Securities | Short-Term Investments | Repurchase Agreements ¹⁴ | U.S. Government Agency Securities | Commercial Paper | Money Market Mutual Funds | Other |
| 3 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 81.8% | 18.2% | 0.0% |
| 5 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 33.3% | 11.1% | 33.3% | 22.2% |
| 7 | 0.0% | 0.0% | 0.0% | 0.0% | 19.1% | 0.0% | 0.0% | 0.0% | 80.9% |
| 8 | 0.0% | 4.9% | 1.6% | 0.0% | 0.0% | 83.6% | 0.0% | 4.9% | 4.9% |
| 10 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 16.7% | 83.3% |
| 11 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 100.0% |
| 13 | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 14 | 0.0% | 0.0% | 0.0% | 50.0% | 50.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 18 | 0.0% | 0.0% | 64.6% | 35.4% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 21 | 0.0% | 0.0% | 0.0% | 0.0% | 16.7% | 0.0% | 0.0% | 83.3% | 0.0% |
| 27 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% |
| 28 | 0.0% | 0.0% | 0.0% | 0.0% | 3.0% | 93.9% | 0.0% | 3.0% | 0.0% |
| 30 | 0.0% | 0.0% | 0.0% | 0.0% | 59.0% | 0.0% | 0.0% | 41.0% | 0.0% |
| 32 | 0.0% | 0.0% | 0.0% | 18.2% | 0.0% | 59.1% | 13.6% | 9.1% | 0.0% |
| 34 | 0.0% | 0.0% | 0.0% | 0.0% | 1.7% | 22.4% | 0.0% | 0.0% | 75.9% |
| 37 | 0.0% | 0.0% | 0.0% | 73.1% | 0.0% | 6.6% | 0.0% | 20.3% | 0.0% |
| 39 | 0.0% | 0.0% | 0.0% | 12.5% | 0.0% | 50.0% | 0.0% | 0.0% | 37.5% |
| 43 | 0.0% | 0.0% | 0.0% | 68.7% | 0.0% | 0.0% | 0.0% | 31.3% | 0.0% |
| 44 | 16.7% | 0.0% | 0.0% | 16.7% | 0.0% | 33.3% | 0.0% | 16.7% | 16.7% |
| 48 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% |
| 50 | 0.0% | 0.0% | 0.0% | 0.0% | 50.0% | 0.0% | 0.0% | 50.0% | 0.0% |
| 52 | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 53 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% |
| 54 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 30.0% | 25.0% | 45.0% | 0.0% |
| 57 | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 85.0% | 2.8% | 3.7% | 8.4% |
| 66 | 0.0% | 0.0% | 0.0% | 100.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| 94 | 0.0% | 0.0% | 0.0% | 80.0% | 0.0% | 0.0% | 0.0% | 20.0% | 0.0% |

¹⁴ Repurchase Agreements or “Repos” are classified as money market instruments. They are usually used to raise short-term capital in which a dealer sells government securities to investors, usually on an overnight basis, and buys them back the following day.

Percentage of Quantity of Cash Receipts by Type

Number of all deposit types *divided by* number of total cash receipts

Why This Measure Is Important

This measure is a key indicator of workload efficiency, based on the assumption that electronic receipts of money, such as wire or ACH transfers, is more efficient than handling cash or checks.

Factors That Influence This Measure

- Size of district measured in dollars
- Independent school district vs. a district that is a division of a city or county
- Timing of cash flows
- Extent of automation and system integration
- Types of revenue
- Banking structures

Analysis of the Data

- FY 08 > 25 of the 39 districts (64.1%) indicated that at least half of their transactional volume in receipts is in cash or check form. While all districts reported receiving most of the dollar volume (60%) electronically (see previous KPI), most districts still receive the majority of their transactions by cash or check.

Performance Measurement & Benchmarking for K12 Operations

| Percentage of Quantity of Cash Receipts by Type | | | | |
|---|-----------------|-------|-------|-------|
| District ID # | Cash, Checks | Wires | ACHs | Other |
| 1 | 98.2% | 0.0% | 1.8% | 0.0% |
| 3 | 7.2% | 0.7% | 90.7% | 1.3% |
| 4 | 91.4% | 8.6% | 0.0% | 0.0% |
| 5 | 36.6% | 10.8% | 16.0% | 36.6% |
| 6 | 96.8% | 0.0% | 3.2% | 0.0% |
| 7 | 53.4% | 0.0% | 46.6% | 0.0% |
| 8 | 95.7% | 0.1% | 4.2% | 0.0% |
| 9 | 94.2% | 0.9% | 4.9% | 0.0% |
| 10 | 93.0% | 7.0% | 0.0% | 0.0% |
| 11 | 100.0% | 0.0% | 0.0% | 0.0% |
| 14 | 94.0% | 1.8% | 2.6% | 1.6% |
| 15 | 30.0% | 0.1% | 60.0% | 10.0% |
| 18 | 67.2% | 14.3% | 14.0% | 4.5% |
| 21 | 30.7% | 69.0% | 0.3% | 0.0% |
| 23 | 55.7% | 17.8% | 26.5% | 0.0% |
| 25 | 25.0% | 20.0% | 55.0% | 0.0% |
| 26 | 81.9% | 18.1% | 0.0% | 0.0% |
| 27 | 90.9% | 3.2% | 5.9% | 0.0% |
| 28 | 62.7% | 13.1% | 24.1% | 0.0% |
| 30 | 100.0% | 0.0% | 0.0% | 0.0% |
| 32 | 88.1% | 1.6% | 10.4% | 0.0% |
| 34 | 94.1% | 1.0% | 4.9% | 0.0% |
| 35 | 99.0% | 0.0% | 1.0% | 0.0% |
| 37 | 98.1% | 0.9% | 1.0% | 0.0% |
| 39 | 34.9% | 29.3% | 21.4% | 14.4% |
| 43 | 3.9% | 65.0% | 4.3% | 26.8% |
| 44 | 51.1% | 5.2% | 43.7% | 0.0% |
| 45 | 33.6% | 9.4% | 53.0% | 4.0% |
| 47 | 75.0% | 25.0% | 0.0% | 0.0% |
| 48 | 23.3% | 0.5% | 76.2% | 0.0% |
| 50 | 67.5% | 16.7% | 15.8% | 0.0% |
| 52 | 37.5% | 0.4% | 62.1% | 0.0% |
| 53 | 95.1% | 4.0% | 0.0% | 0.9% |
| 54 | 0.0% | 40.5% | 59.5% | 0.0% |
| 55 | 21.0% | 18.7% | 60.3% | 0.0% |
| 57 | 37.1% | 0.0% | 62.9% | 0.0% |
| 60 | 98.1% | 0.0% | 1.9% | 0.0% |
| 66 | 83.5% | 0.0% | 16.5% | 0.0% |
| 67 | 47.0% | 0.4% | 0.0% | 52.6% |

Key Performance Indicator



Compensation

Cost per Paycheck (ACCRA adjusted¹⁵)

The sum of the annual cost of payroll salaries, benefits, supplies, materials and postage *divided by* the total annual cost of payroll of the district

Why This Measure Is Important

This measure assesses the efficiency of the payroll operation. A higher cost could indicate an opportunity to realize efficiencies in payroll operation while a lower cost indicates a leaner, more efficient operation. This is a measure that all organizations should be aware of and measure frequently. The payroll department should be able to adapt to changes in the size and composition of the district.

Factors That Influence This Measure

- Number of employees processing the payroll
- Skill level of the employees processing payroll
- Type of software used to process the payroll
- Processes and procedures in place to collect payroll data
- Number of employees being paid
- Number of contracts requiring compliance

Analysis of the Data

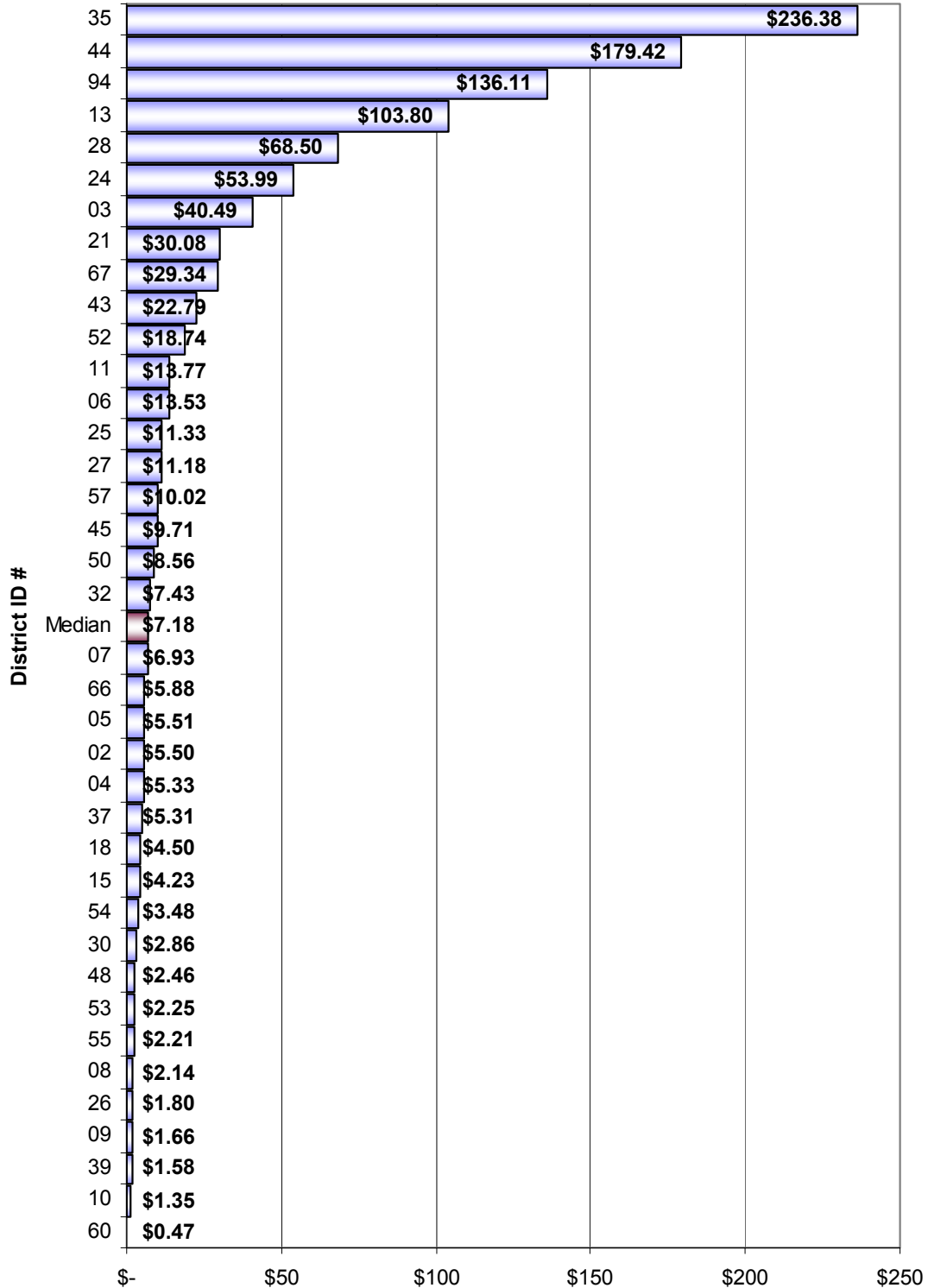
- FY 08 > 38 districts responded
- FY 08 > Low = \$0.47 per paycheck; High = \$236.38; Median = \$7.18
- 28 districts reported costs within a range of between \$.47 and \$13.77 per paycheck; and 10 districts reported costs ranging from \$18.74 to \$236.38 per paycheck.
- The outliers suggest a possible misunderstanding of the information requested, since they are well outside of the normal range reported.

¹⁵ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Cost per Pay Check



Off-Cycle Payroll Checks

Total number of off-cycle checks produced annually *divided by* the number of paychecks generated annually

Why This Measure Is Important

This measure assesses the effectiveness and accuracy of the payroll processes. Off-cycle checks are usually the result of errors in data received for payroll processing or errors in data input prior to payroll processing. A higher number of off-cycle checks usually indicate a need to review processes and procedures to determine if the proper controls are in place to monitor payroll output.

Factors That Influence This Measure

- Number of employees processing the payroll
- Skill level of the employees processing payroll
- Processes and procedures in place to collect payroll data
- Number of employees being paid
- Number of contracts requiring compliance
- Timeliness of the receipt of payroll data
- Accuracy of payroll data received
- Systems in place for collection of payroll data

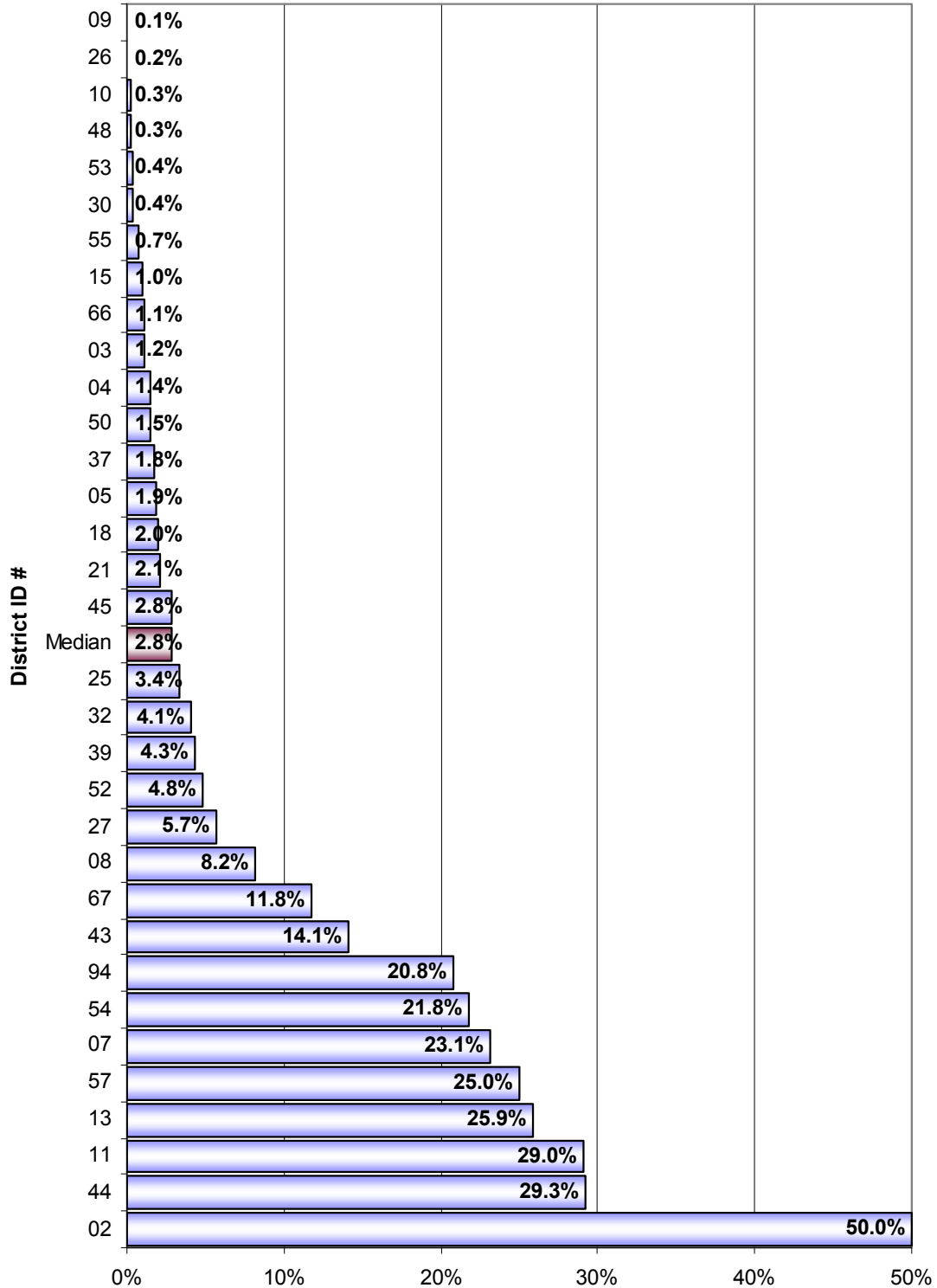
Analysis of the Data

- FY 08 > 33 districts responded
- FY 08 > Low = 0.1%; High = 50.0%; Median = 2.7%
- 21 districts reported less than 5% of their annual checks are printed during an off-cycle, indicating a high rate of effectiveness.
- 12 districts reported that between 5.7 – 50.00% of their annual checks are generated during an off-cycle. These variances suggest that the payroll processes of these districts should probably be reviewed.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Off-Cycle Payroll Checks



Payroll Errors

Total number of W2C's issued annually *divided by* the total number of W2's issued annually.

Why This Measure Is Important

This measure assesses the accuracy of payroll procedures and processing. A high percentage of corrected W-2's typically indicate a lack of proper controls and the need to strengthen procedures related to review and compliance. A small percent of error is a fact of life and no amount of automation will completely eliminate it. However, errors on W2's take time to correct and can impact efficiency of the department. They are also a poor customer service indicator and should therefore be monitored and addressed.

Factors That Influence This Measure

- Skill level of the employees processing payroll
- Accuracy of information
- Internal controls procedures in place
- Enforcement of control procedures
- Level of automation of processes

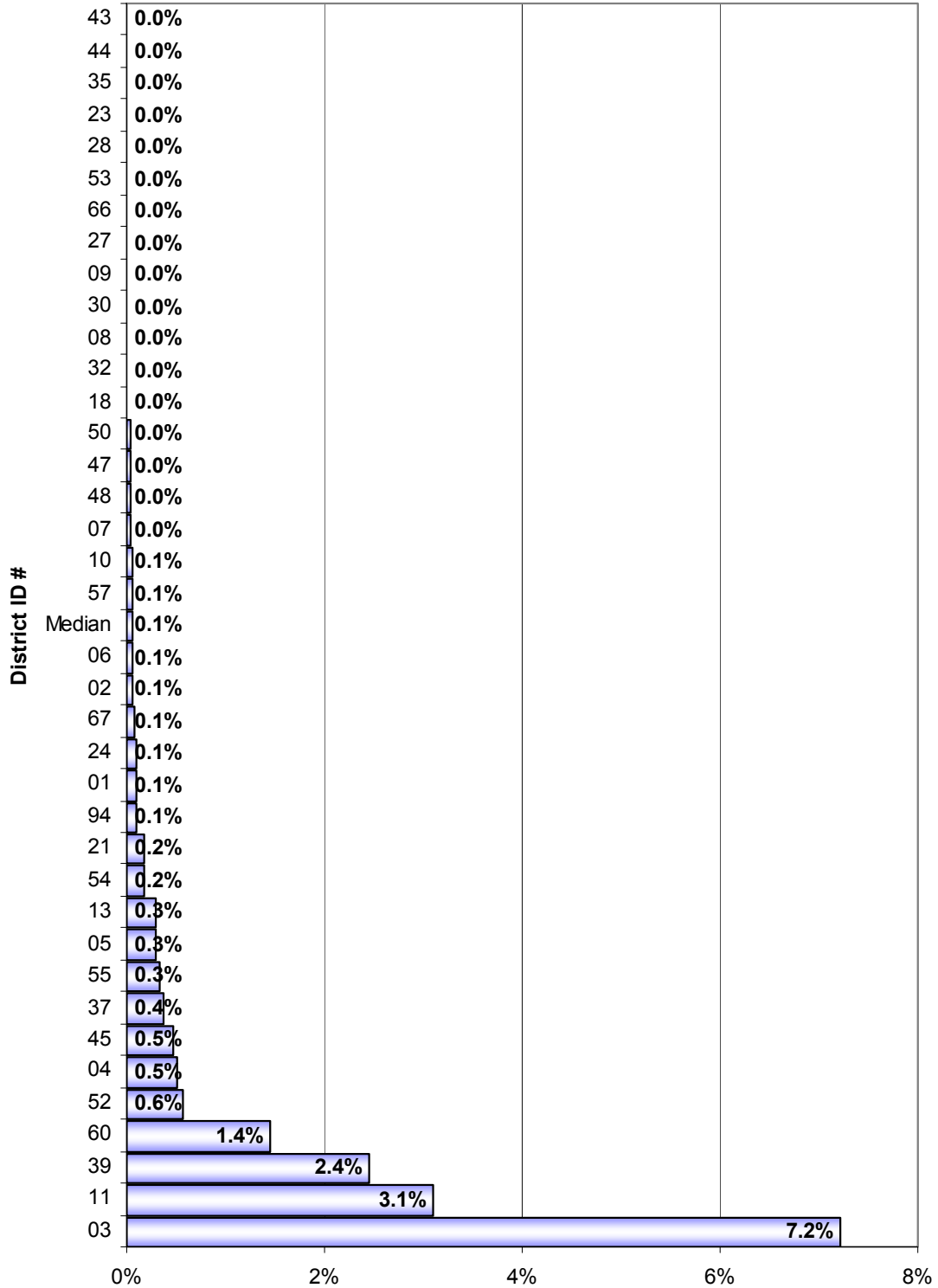
Analysis of the Data

- FY 08 > 38 districts responded
- FY 08 > Low = 0.0%; High = 7.2%; Median = 0.1%
- 34 districts reported a small percent of error with issuance of less than 1% of corrected W2s for calendar year 2008; 17 of these districts issued none.
- 4 districts reported percentages above 1% of corrected W2 issued for calendar year 2008 with a high rate of 7.2% recorded in one instance.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Payroll Errors



Direct Deposit Participation

How many direct deposits are made annually *divided by* total checks?

Why This Measure Is Important

This is both an efficiency measure and an indication that the organization has implemented best practices available in the industry. A payroll department that has implemented direct deposit saves time by eliminating the printing of paychecks and significantly simplifies the reconciliation of the monthly bank statement. It saves cost by eliminating postage, paper and stop payment fees. Direct deposit is a best practice in the payroll industry and indicates that the payroll department is utilizing current technology to streamline the work.

Factors That Influence This Measure

- School board and administrative policies and procedures
- Technical expertise of staff
- Marketing of the direct deposit program
- Successful implementation of the direct deposit program
- Availability of alternatives

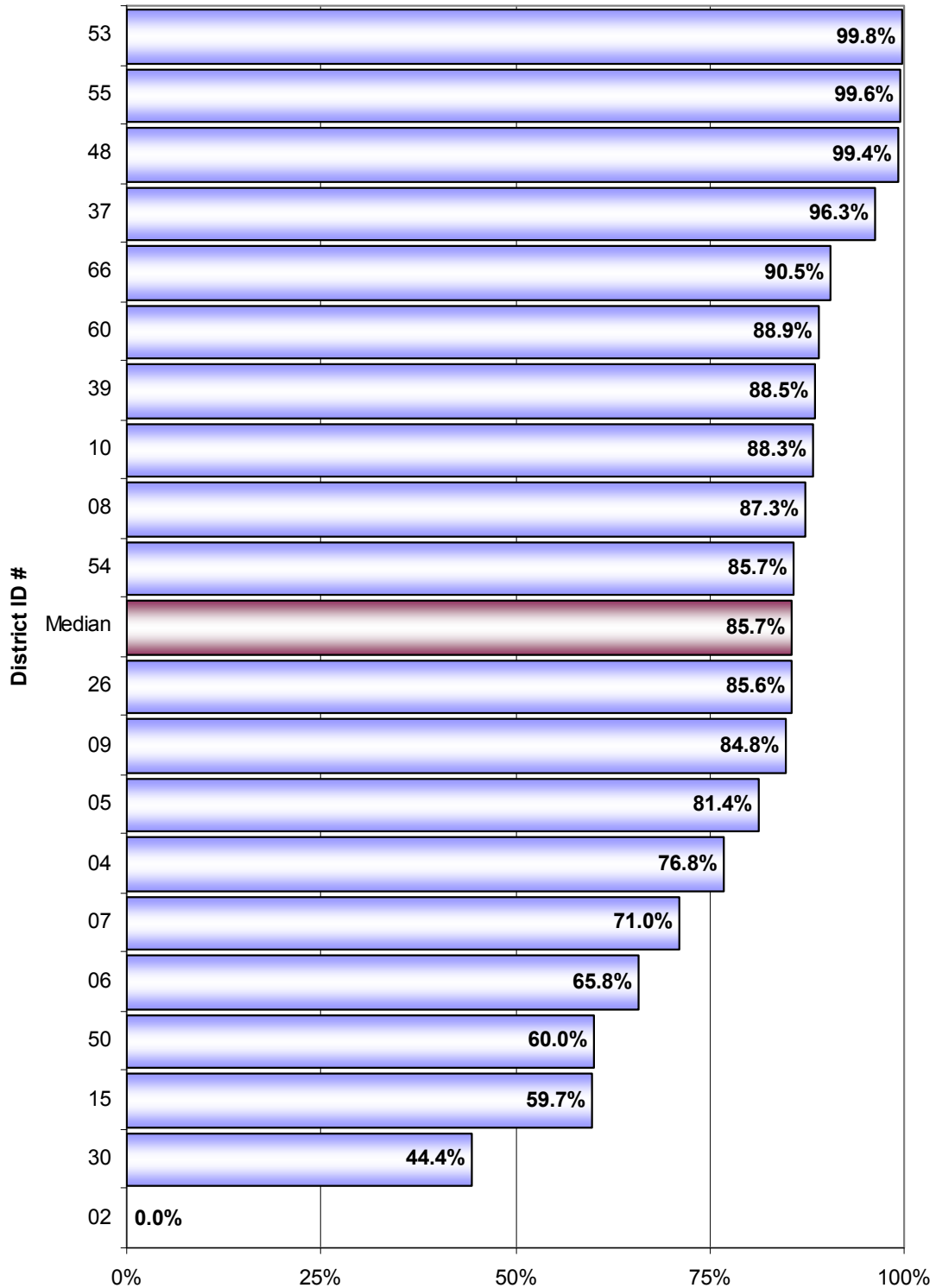
Analysis of the Data

- FY 08 > 20 districts responded
- FY 08 > High = 99.8%; Low = 0.0%; Median = 85.7%
- 14 districts report at 75% or more direct deposit participation.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Direct Deposit Participation



Payroll Administration Cost as Percent of District Payroll Cost

The cost of time spent by other finance office staff in the supervision of the payroll department *plus* cost of the payroll manager and supervisors *plus* the cost of outsourced payroll functions *divided by* the total payroll cost of the district

Why This Measure Is Important

This measure assesses the efficiency of the payroll operation. It is a good measure of the workload of each member of the payroll staff. It allows the district to compare its operations with others to evaluate the relative efficiency of the department. High numbers could indicate an opportunity to realize efficiencies by restructuring the department or introducing time and labor saving procedures. A lower number may indicate a highly efficient team or it could identify one that is overloaded.

Factors That Influence This Measure

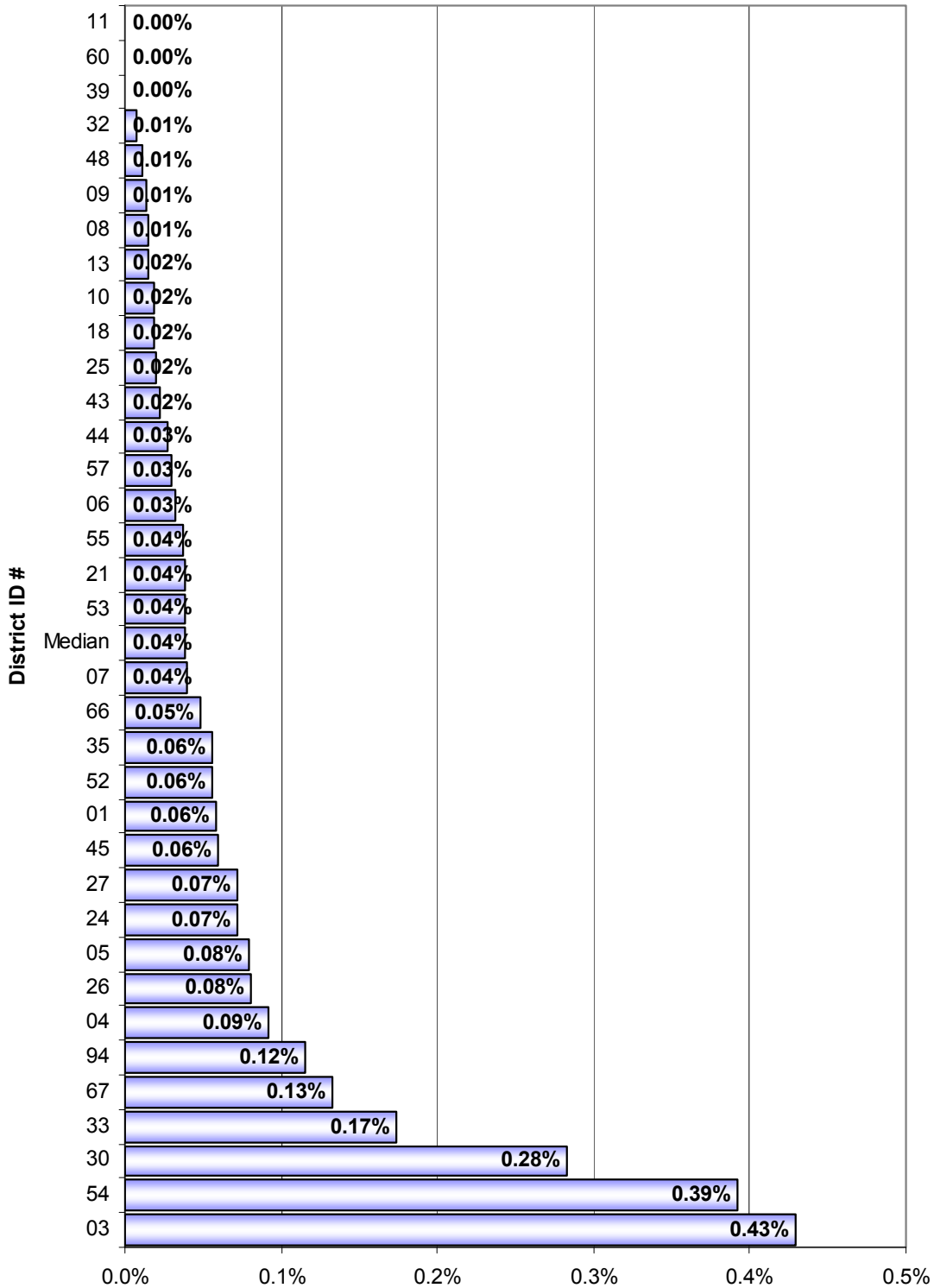
- Skill level of the employees processing payroll
- Efficiency and effectiveness of payroll procedures
- Number of employees being paid
- Number of contracts requiring compliance
- Timeliness of the receipt of payroll data
- Accuracy of payroll data received
- Established consequences for missing deadlines
- Level of automation of processes and procedures
- Separate Human Resource functions

Analysis of the Data

- FY 08 > 35 districts responded
- FY 08 > Low = 0.00%; High = 0.43%; Median = 0.04%
- 31 districts reported their payroll administration as less than .1% (rounded).

Performance Measurement & Benchmarking for K12 Operations

Payroll Administration Cost as Percent of District Payroll Cost



Key Performance Indicator

Payroll FTE as Percent of District FTE

FTEs - Payroll Manager, Payroll Supervisor, Payroll Clerk, and Payroll Secretary *divided by* total number of employees in the district

Why This Measure Is Important

This measure assesses the efficiency of the payroll operation. It is a good measure of the workload of each member of the payroll staff. It allows the district to compare its operation with others to evaluate the relative efficiency of the department. High numbers could indicate an opportunity to realize efficiencies by restructuring the department or introducing time and labor saving procedures. A lower number may indicate a highly efficient team or it could identify one that is overloaded.

Factors That Influence This Measure

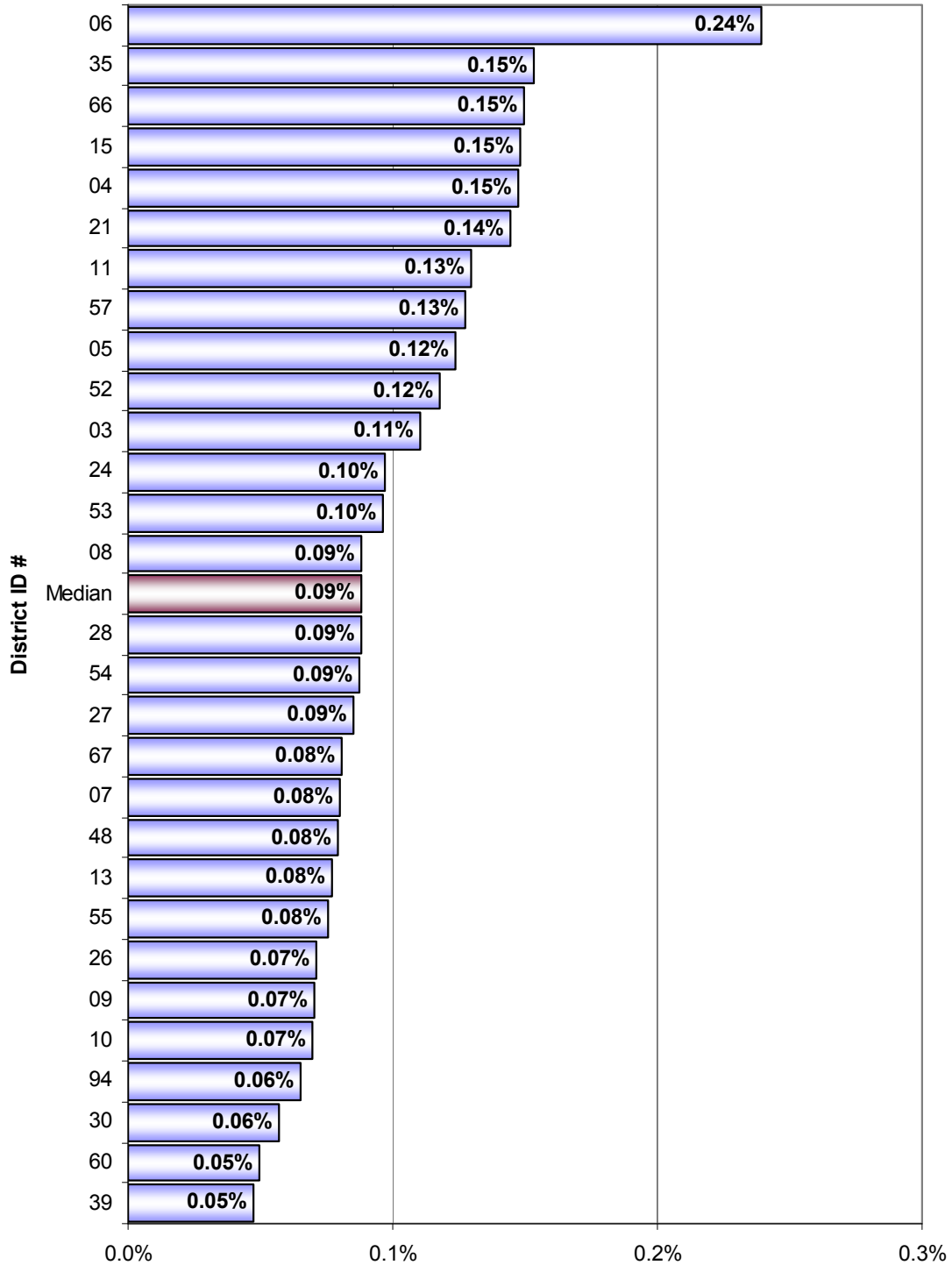
- Skill level of the employees processing payroll
- Efficiency and effectiveness of payroll procedures
- Number of employees being paid
- Number of contracts requiring compliance
- Timeliness of the receipt of payroll data
- Accuracy of payroll data received
- Established consequences for missing deadlines
- Level of automation of processes and procedures
- Separate human resource functions

Analysis of the Data

- FY 08 > 29 districts responded
- FY 08 > High = 0.24%; Low = 0.05%; Median = 0.09%
- 21 districts reported that their payroll FTE as less than .1% (rounded) of total district FTE
- 7 districts reported between .1% and .15%

Performance Measurement & Benchmarking for K12 Operations

Payroll FTE as Percent fo District FTE



Key Performance Indicator

Workload/Efficiency – As Percent of District Employees

The sum of the total number of full time equivalent payroll managers, full-time equivalent payroll supervisors, and full-time equivalent payroll clerks *divided by* the total full-time equivalent employees paid annually in the district

Why This Measure Is Important

This measure assesses the efficiency of the payroll operation. It is a good measure of the workload of each member of the payroll staff. It allows the district to compare its operation with others to evaluate the relative efficiency of the department. High numbers could indicate an opportunity to realize efficiencies by restructuring the department or introducing time and labor saving procedures. A lower number may indicate a highly efficient team or it could identify one that is overloaded.

Factors That Influence This Measure

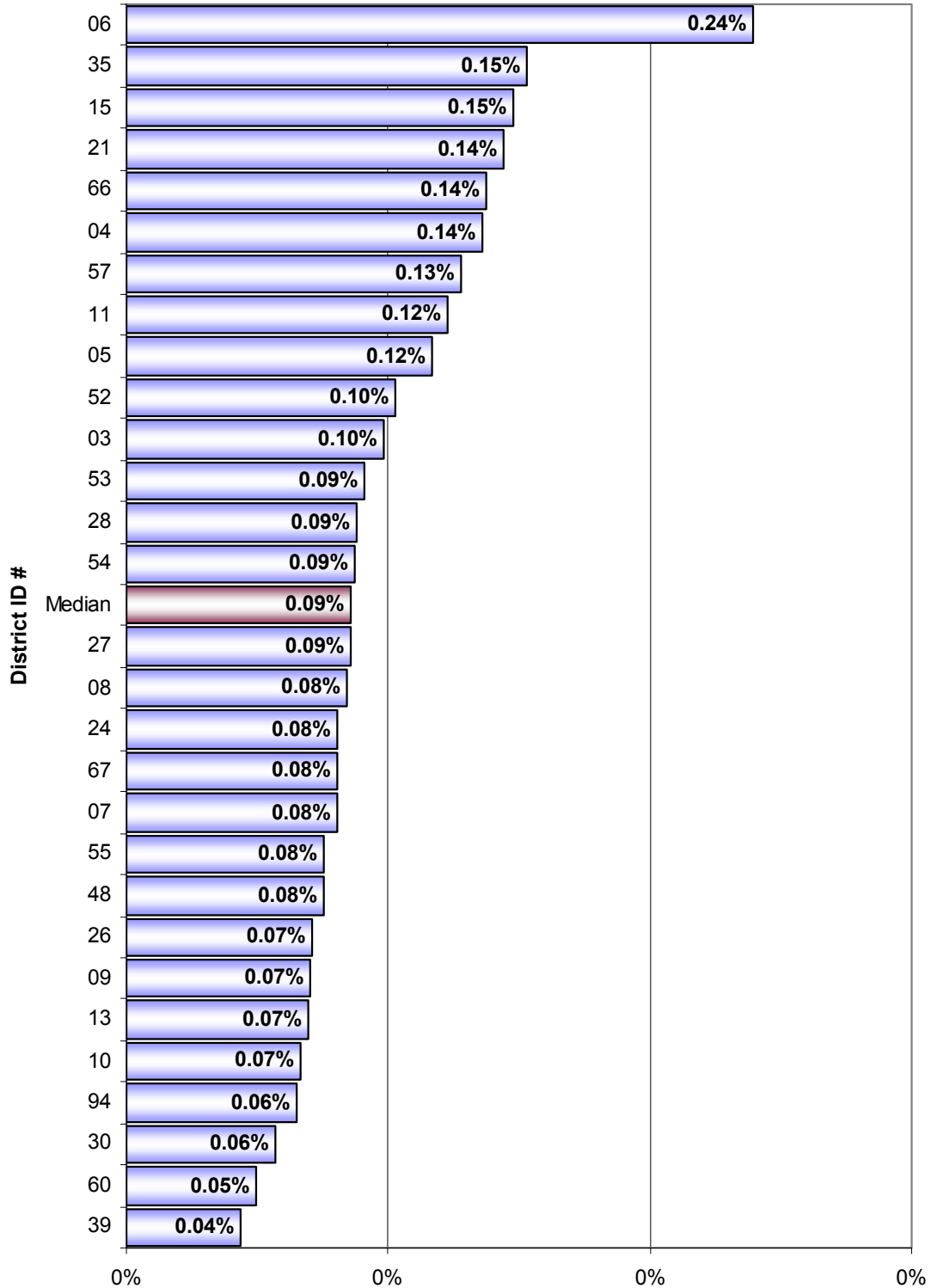
- Skill level of the employees processing payroll
- Efficiency and effectiveness of payroll procedures
- Number of employees being paid
- Number of contracts requiring compliance
- Timeliness of the receipt of payroll data
- Accuracy of payroll data received
- Established consequences for missing deadlines
- Level of automation of processes and procedures
- Separate human resource functions

Analysis of the Data

- FY 08 > 29 districts responded
- FY 08 > High = 0.24%; Low = 0.04%; Median = 0.09%
- 20 districts (69%) reported payroll staffs that are .1% or less of the total district staff.

Performance Measurement & Benchmarking for K12 Operations

Workload Efficiency - As Percent of District Employees



Key Performance Indicator

Payroll Overtime – Cost

Total dollar value of overtime hours paid to payroll employees, exclusive of benefits, *divided* by total value of overtime hours paid annually by the district, exclusive of benefits

Why This Measure Is Important

This measure assesses the efficiency and effectiveness of the payroll department. Overtime is an indicator of the appropriateness of staffing levels in payroll and the effectiveness of staff. Excessive overtime can be an indication that staffing levels are inadequate or that processes and procedures need to be revised and streamlined to make the work more efficient. An absence of any overtime may indicate staffing levels that are too high for the volume of work the department is processing.

Factors That Influence This Measure

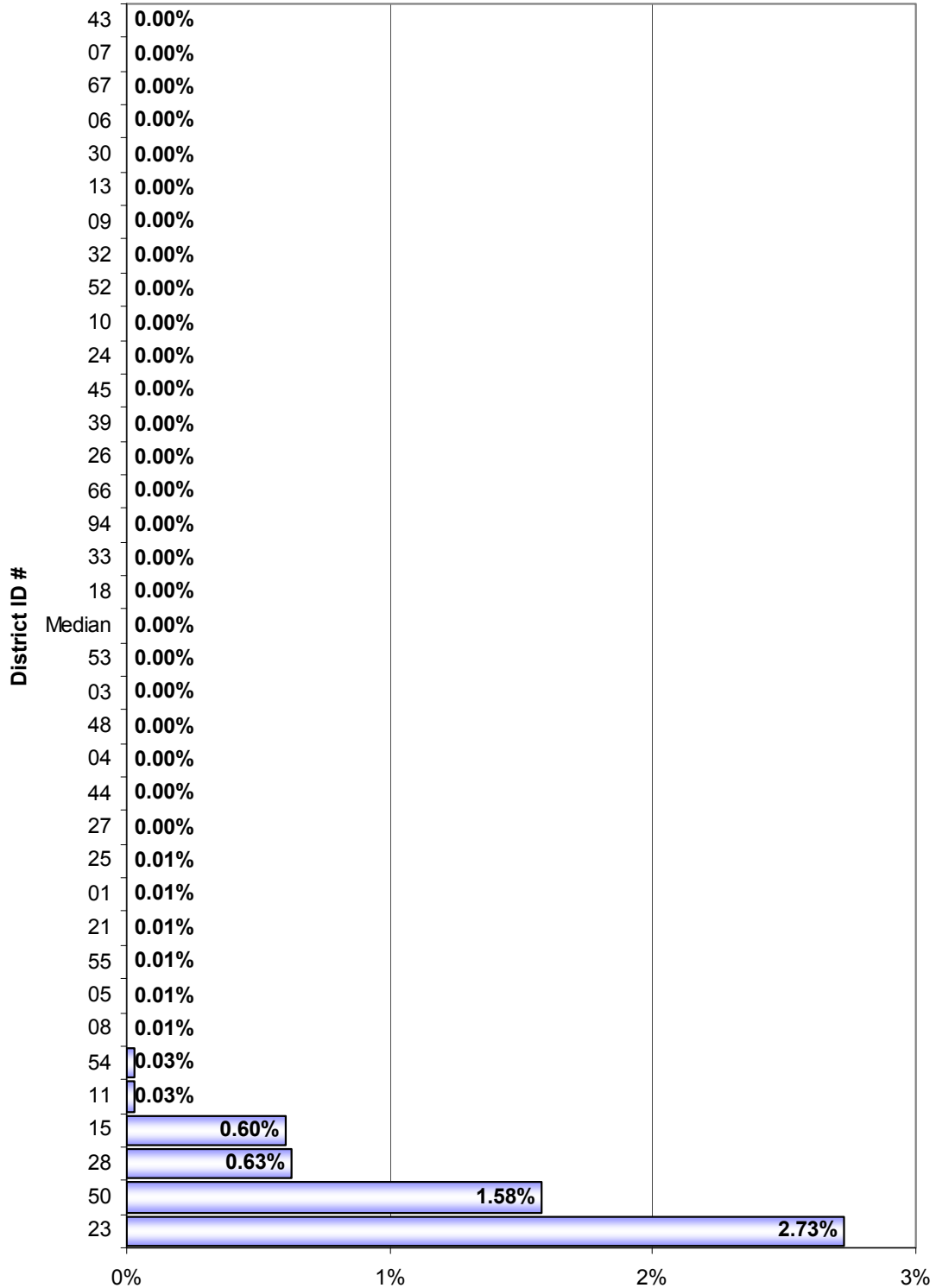
- Timelines for data submission and adherence to timelines
- Number of employees being paid
- Number of contracts requiring compliance
- Skill level of the employees processing payroll
- Timeliness of the receipt of payroll data
- Accuracy of payroll data received
- Systems that are in place for payroll data collection and how efficient they are
- Level of manual transactions required by current processes
- Appropriate procedures and timelines for data collection and submission
- Established consequences for missing deadlines

Analysis of the Data

- FY 08 > 36 districts responded
- FY 08 > Low = 0.0%; High = 2.73%; Median = 0.0%
- 24 districts reported paying no overtime.
- 10 districts reported that the dollar value of overtime paid to payroll employees was between .01% and .63% of the total dollar value of overtime hours paid by the districts.
- 2 districts reported that the dollar value of overtime paid to its payroll employees was higher than 1% including one district reporting 2.73%.

Performance Measurement & Benchmarking for K12 Operations

Payroll Overtime - Cost



Key Performance Indicator

Payroll Overtime per District Budget

The total dollar value of overtime hours paid to payroll staff (exclusive of employee benefits) divided by total district budget.

Why This Measure Is Important

This measure assesses the efficiency of the payroll operation. It is a good measure of the workload of each member of the payroll staff. It allows the district to compare its operation with others to evaluate the relative efficiency of the department. High numbers could indicate an opportunity to realize efficiencies by restructuring the department or introducing time and labor saving procedures. A lower number may indicate a highly efficient team or it could identify one that is overloaded.

Factors That Influence This Measure

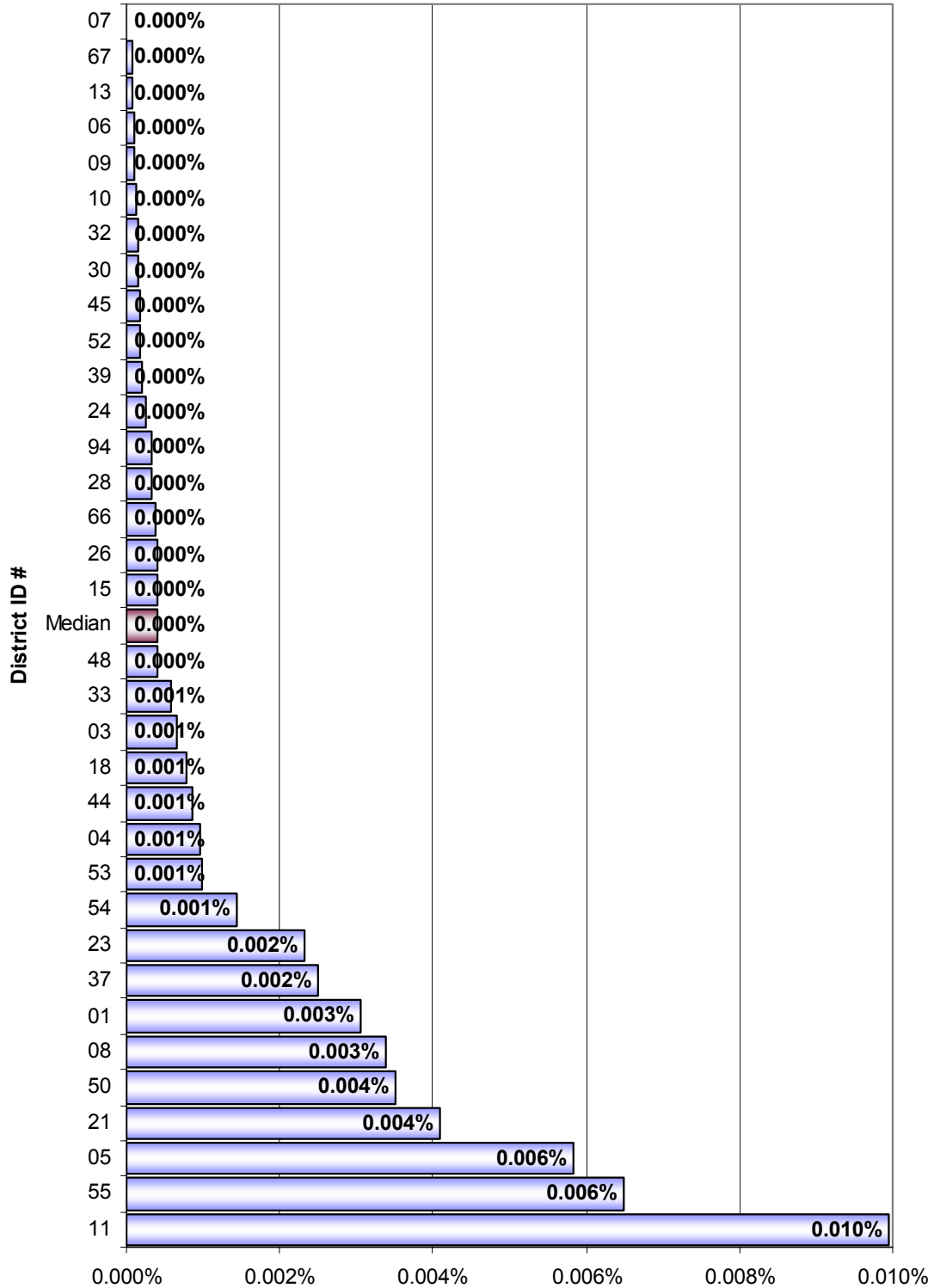
- Skill level of the employees processing payroll
- Efficiency and effectiveness of payroll procedures
- Number of employees being paid
- Number of contracts requiring compliance
- Timeliness of the receipt of payroll data
- Accuracy of payroll data received
- Established consequences for missing deadlines
- Level of automation of processes and procedures
- Separate Human Resource functions

Analysis of the Data

- FY 08 > 34 districts responded
- FY 08 > Low = 0.000%; High = 0.010%; Median =0.000%
- The apparent low level of overtime costs indicates generally effective and efficient payroll operations in those districts that responded.

Performance Measurement & Benchmarking for K12 Operations

Payroll Overtime per District Budget



Key Performance Indicator

Payroll Functions Outsourced per General Fund Budget

The cost of the outsourced payroll functions *divided by* General Fund budget

Why This Measure Is Important

This measure assesses the number and value of payroll functions outsourced. It provides a point of comparison for districts that provide services in-house to measure cost effectiveness.

Factors That Influence This Measure

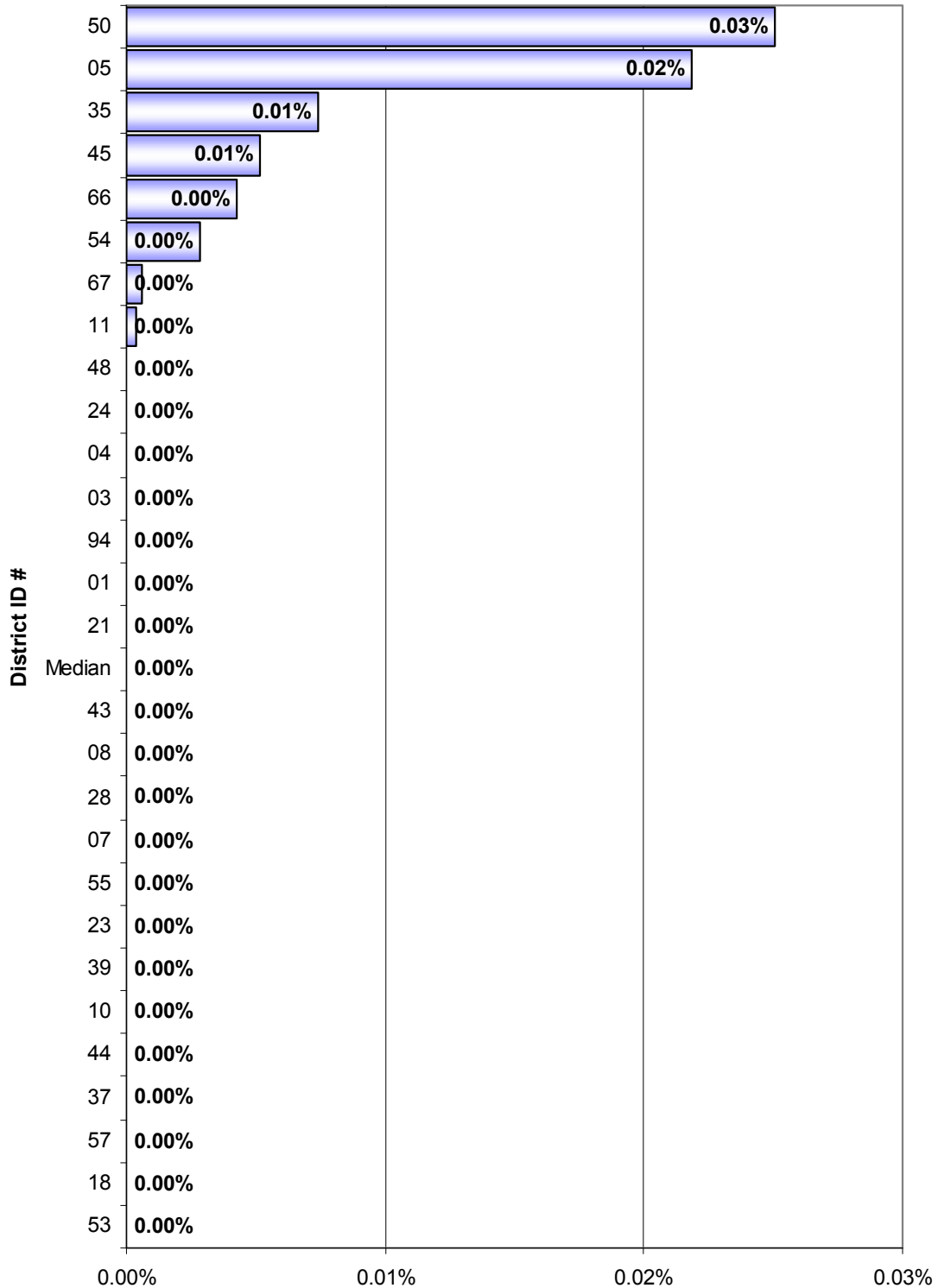
- Availability of quality contracted services in the area
- Availability of qualified payroll staff for in-house operations
- Budget constraints
- Political pressure applied by outside vendors.

Analysis of the Data

- FY 08 > 28 districts responded
- FY 08 > High = 0.03%; Low = 0.00%; Median = 0.00%
- Generally districts report a low percent of outsourcing of payroll functions and a low percentage of the general fund budget in cases where the function has been outsourced.

Performance Measurement & Benchmarking for K12 Operations

Payroll Functions Outsourced per General Fund Budget



Key Performance Indicator

Payroll Turnover Rate

Total number of payroll staff leaving the district during the year *divided by* number of FTEs in the payroll department

Why This Measure Is Important

This measure assesses the efficiency of the payroll operation as well as indicates levels of employee job satisfaction within the department. If there is high turnover, efficiency is impacted because new employees have a learning curve before they are operating at full capacity. This shows job satisfaction and gives an indication whether the payroll function is running smoothly. High turnover can indicate conflicts or operational problems that may need to be addressed to stabilize the department.

Factors That Influence This Measure

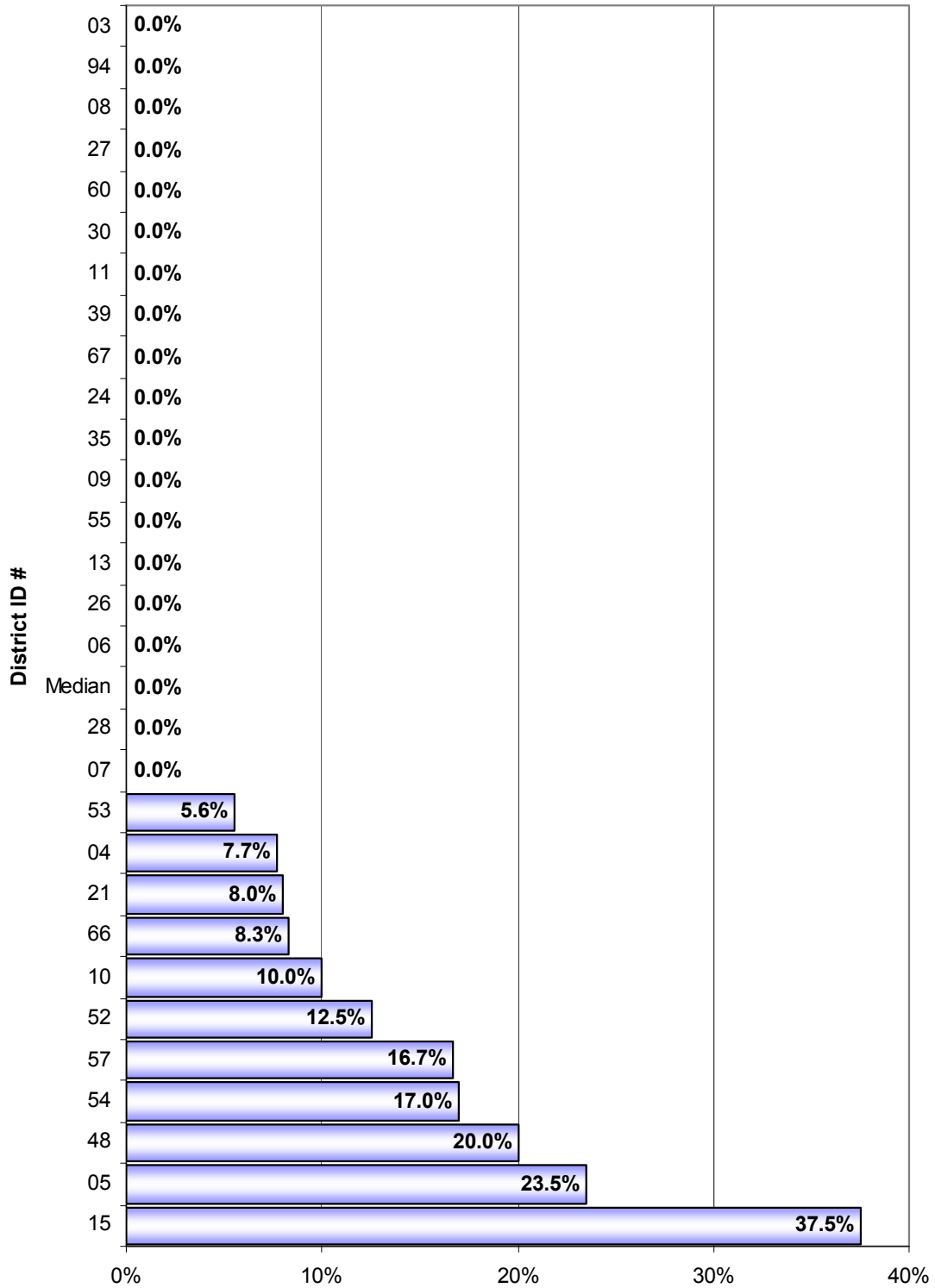
- Illness or other medical issues
- Budget reductions
- Performance of individual staff members

Analysis of the Data

- FY 08 > 29 districts responded
- FY 08 > Low = 0.0% High = 37.5%; Median = 0.0%
- 18 districts reported 0% payroll staff turnover.
- 5 districts reported 5 – 10% payroll staff turnover.
- 5 districts reported 12.5 – 23.5% payroll staff turnover.
- 1 district reported 37.5% turnover.

Performance Measurement & Benchmarking for K12 Operations

Payroll Turnover Rate



Key Performance Indicator

On-Line Address Change

Does your district have an automated, on-line system for employees to change their addresses (Yes/No)?

Why This Measure Is Important

This measure assesses the efficiency of the payroll operations and procedures. As a rule, the more paper a payroll department is required to handle the less efficient it is and the more susceptible it is to input error. Employees have become accustomed to the use of technology, and customer service ratings are usually higher in more automated systems because they are easier to access and more convenient for employees.

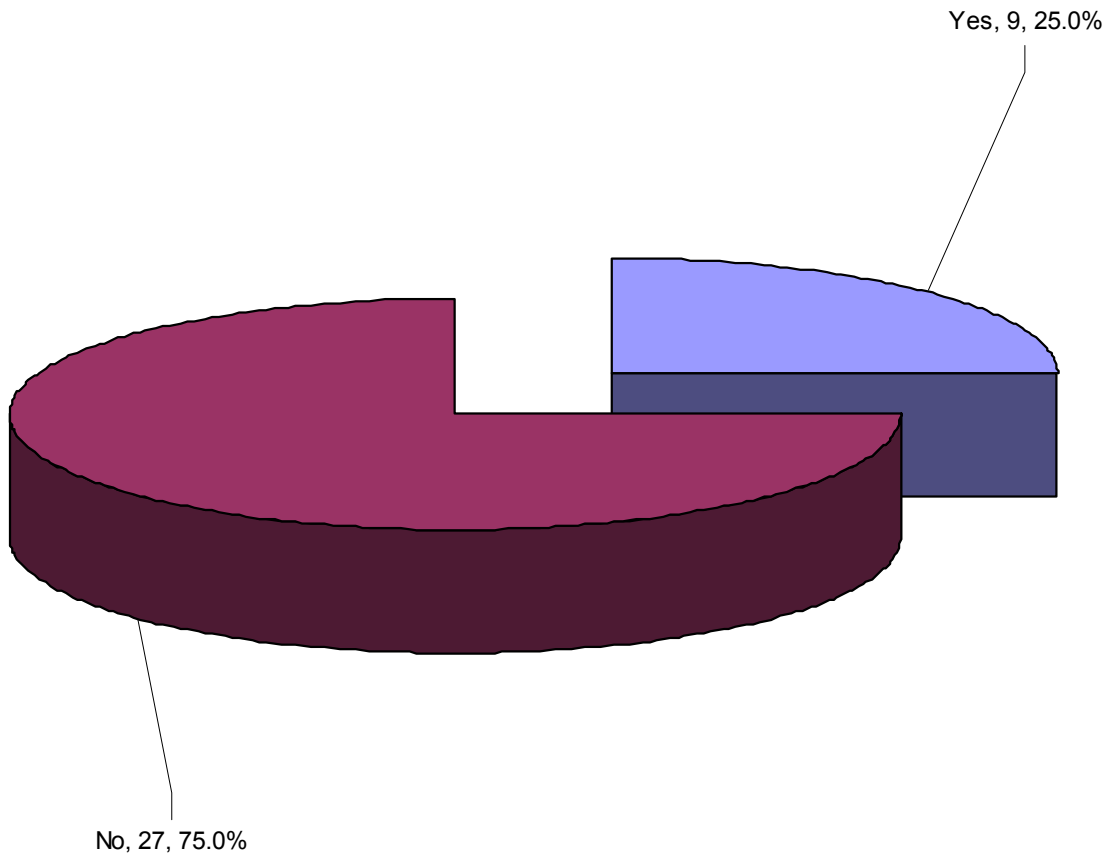
Factors That Influence This Measure

- Software used may not provide employee self service
- Employee self service modules of the software may not be in use.
- Implementation of these modules may be too costly.
- Support /help desk services for the employee self serve modules may not be available

Analysis of Data

- FY 08 > 36 districts responded
- FY 08 > Yes = 25.0%; No = 75.0%

On-line Address Change



On-Line Benefits Enrollment

Does your district have an automated, on-line system for employees to enroll for and view their benefits (Yes/No)?

Why This Measure Is Important

This measure assesses the efficiency of the payroll operations and procedures. As a rule, the more paper a payroll department is required to handle the less efficient it is and the more susceptible it is to input error. Employees have become accustomed to the use of technology, and customer service ratings are usually higher in more automated systems because they are easier to access and more convenient for employees.

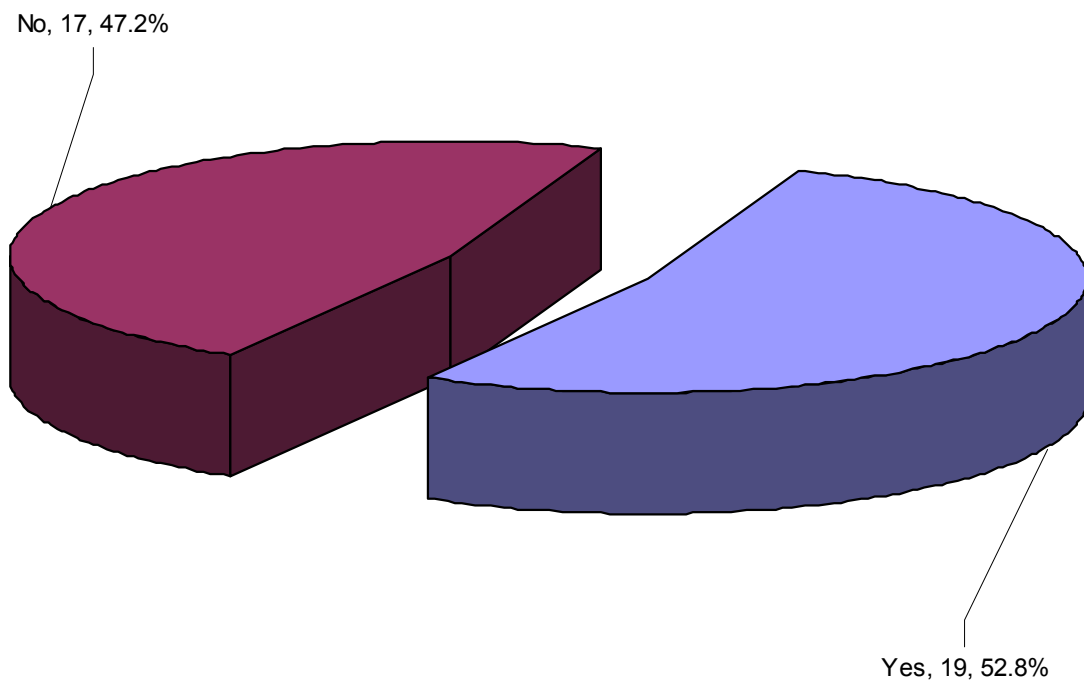
Factors That Influence This Measure

- Software used may not provide employee self service
- Employee self service modules of the software may not be in use.
- Implementation of these modules may be too costly.
- Support /help desk services for the employee self serve modules may not be available

Analysis of the Data

- FY 08 > 36 districts responded
- FY 08 > Yes = 52.8%; No = 47.2%

On-line Benefits Enrollment



On-Line Check Viewing

Does your district have an automated, on-line check-viewing system for employees (Yes/No)?

Why This Measure Is Important

This measure assesses the efficiency of the payroll operations and procedures. As a rule, the more paper a payroll department is required to handle the less efficient it is and the more susceptible it is to input error. Employees have become accustomed to the use of technology, and customer service ratings are usually higher in more automated systems because they are easier to access and more convenient for employees.

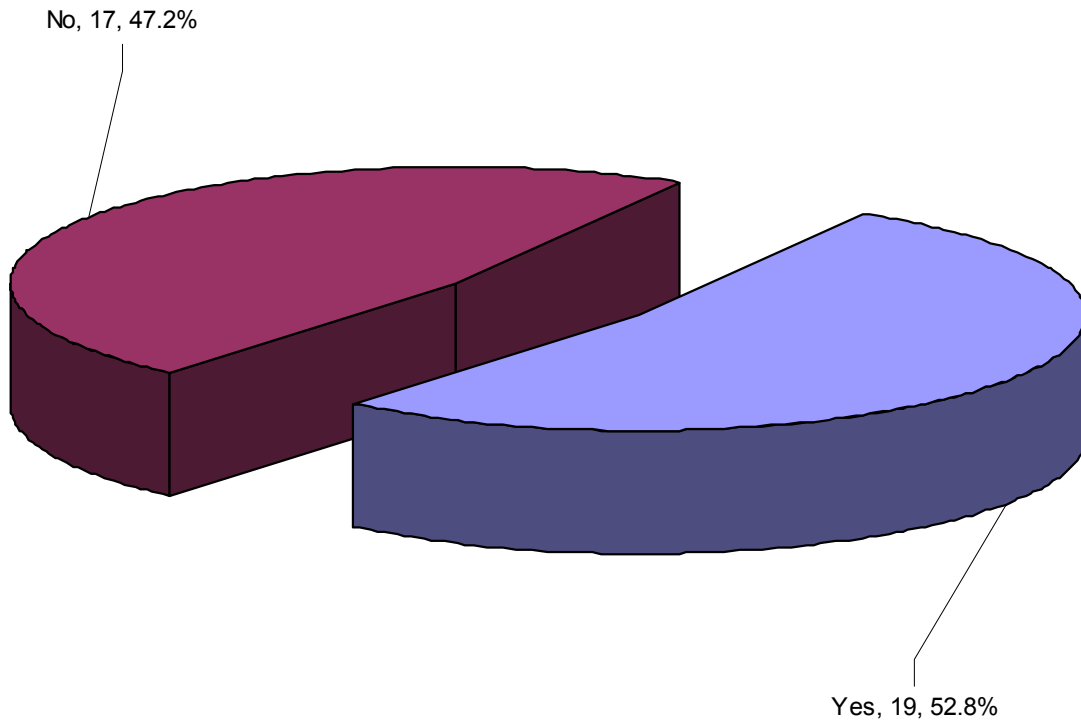
Factors That Influence This Measure

- Software used may not provide employee self service
- Employee self service modules of the software may not be in use.
- Implementation of these modules may be too costly.
- Support /help desk services for the employee self serve modules may not be available

Analysis of the Data

- FY 08 > 36 districts responded
- FY 08 > Yes = 52.8%; No = 47.2%

On-line Check Viewing



On-Line Direct Deposit Change

Does your district have an automated, on-line system for employees to make changes to their direct deposits (Yes/No)?

Why This Measure Is Important

This measure assesses the efficiency of the payroll operations and procedures. As a rule, the more paper a payroll department is required to handle the less efficient it is and the more susceptible it is to input error. Employees have become accustomed to the use of technology, and customer service ratings are usually higher in more automated systems because they are easier to access and more convenient for employees.

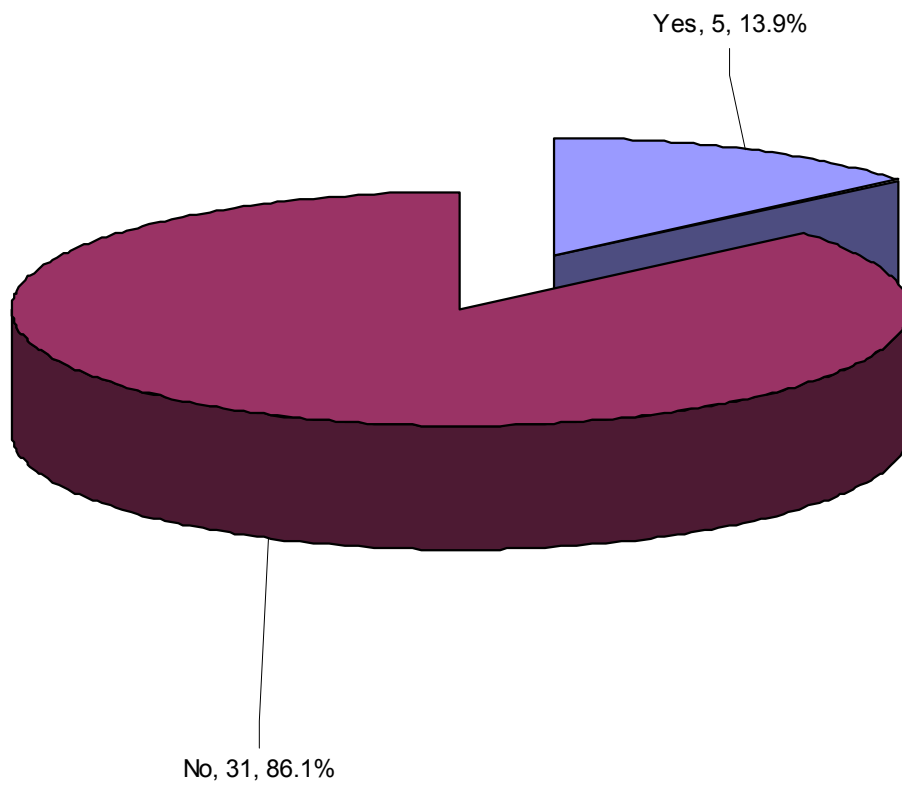
Factors That Influence This Measure

- Software used may not provide employee self service
- Employee self service modules of the software may not be in use.
- Implementation of these modules may be too costly.
- Support /help desk services for the employee self serve modules may not be available

Analysis of the Data

- FY 08 > 36 districts responded
- FY 08 > Yes = 13.9%; No = 86.1%

On-line Direct Deposit Change



On-Line W-4 Change

Does your district have an automated, on-line system for employees to make W-4 changes (Yes/No)?

Why This Measure Is Important

This measure assesses the efficiency of the payroll operations and procedures. As a rule, the more paper a payroll department is required to handle the less efficient it is and the more susceptible it is to input error. Employees have become accustomed to the use of technology, and customer service ratings are usually higher in more automated systems because they are easier to access and more convenient for employees.

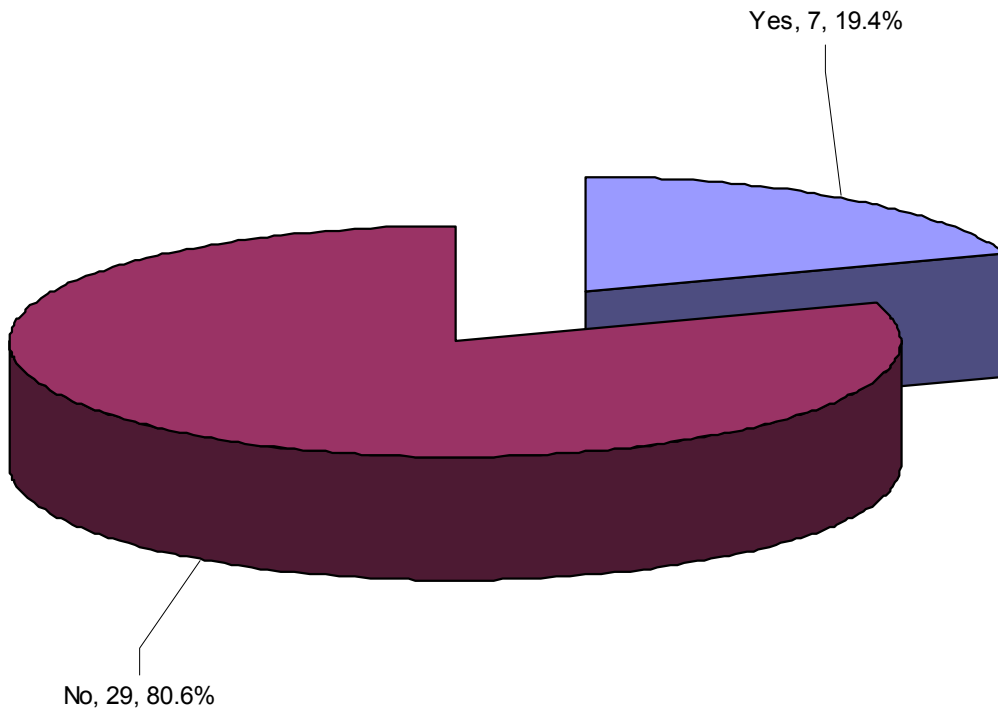
Factors That Influence This Measure

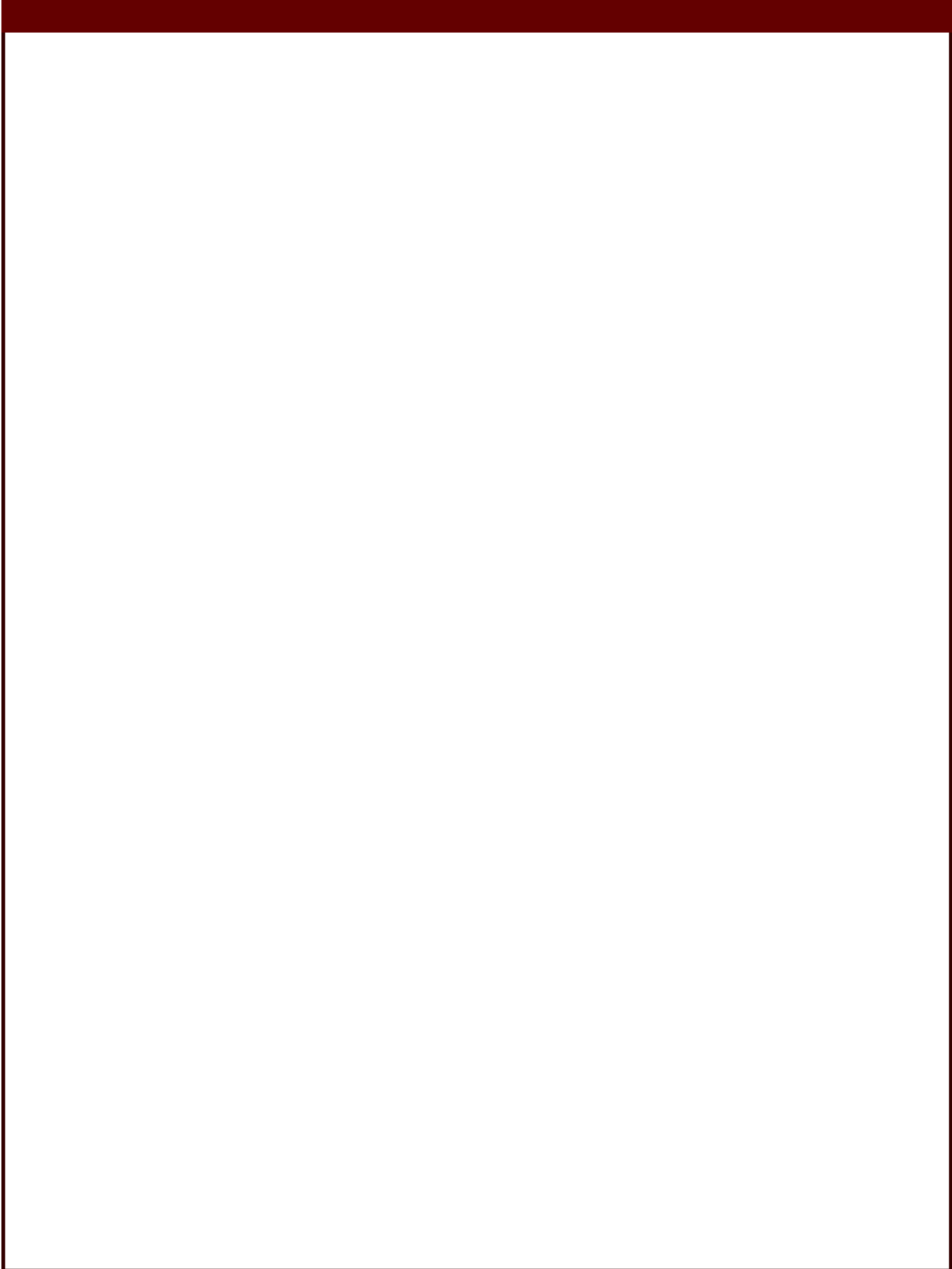
- Software used may not provide employee self service
- Employee self service modules of the software may not be in use.
- Implementation of these modules may be too costly.
- Support /help desk services for the employee self serve modules may not be available

Analysis of the Data

- FY 08 > 36 districts responded
- FY 08 > Yes = 19.4%; No = 80.6%

On-line W-4 Changes





Financial Management

Fund Balance – General Fund

Actual unreserved general fund balance (including amounts designated within the unreserved fund balance total) reported for the General Fund in the Balance Sheet – Governmental Funds statement of the annual Comprehensive Annual Financial Report (CAFR) *divided by* total general fund expenditures (GAAP based) reported for the General Fund in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds of the annual CAFR.

Why This Measure Is Important

This measure assesses the fiscal health of the district supported by the general fund, including financial capacity to meet unexpected or future needs. A high percentage indicates greater fiscal health and financial capacity to meet unexpected or future needs. A low percentage indicates risk for the district in its ability to meet unexpected changes in revenues or expenses. Best practices recommended by the Government Finance Officers’ Association (GFOA) suggest that governments maintain unreserved fund balance in their general fund of between 5% and 15% of regular general fund operating revenues or one to two months of regular general fund operating expenditures.

Districts reporting percentages significantly below or above the recommended ranges should investigate the causes for the variances and reevaluate policies and procedures to ensure adequate capacity exists for unforeseen revenue or expenditure variances.

Factors That Influence This Measure

- School board and administrative policies and procedures
- Administrative leadership and decision making processes
- Budget development and management processes
- Revenue experience, variability and forecasts
- Expenditure trends, volatility and projections
- General Fund definition
- Unreserved fund balance use policies and procedures
- Local fiscal authority policies and procedures

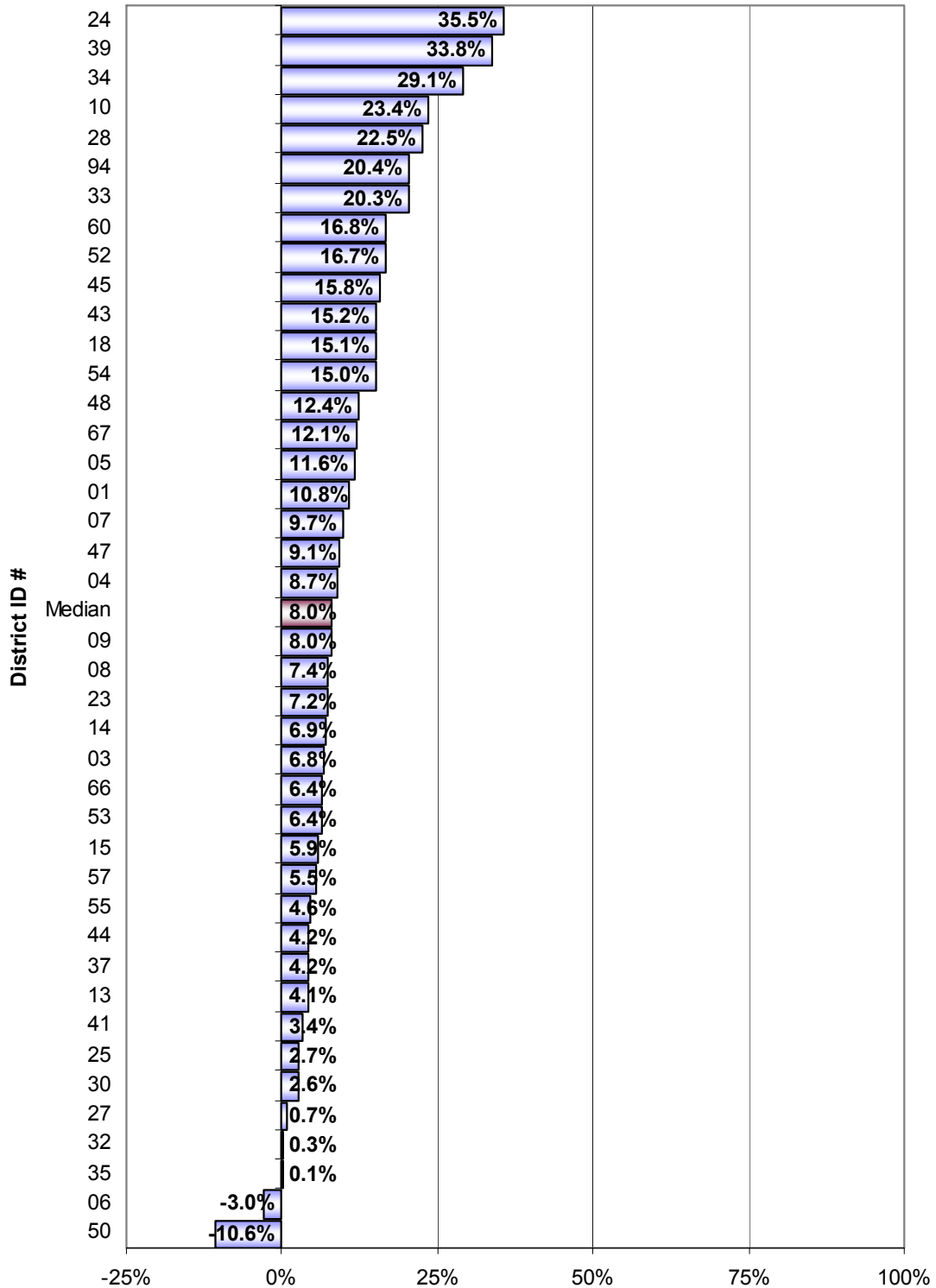
Analysis of the Data

- FY 08 > 41 districts responded
- FY 08 > High = 35.5%; Low = -10.6%; Median = 8.0%
- 19 districts were between 5% and 15% (rounded); 10 districts were above; and 12 districts were below with three districts reporting no substantive fund balance and two reporting deficit fund balances.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Fund Balance - General Fund



General Fund Expenditures Efficiency – Adopted Budget

Amount for actual general fund expenditures and encumbrances, before over/under liquidation of prior year encumbrances, reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the annual Comprehensive Annual Financial Report (CAFR) *divided by* Original Approved Budget for general fund expenditures and encumbrances, before over/under liquidation of prior year encumbrances, reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the annual CAFR.

Why This Measure Is Important

This measurement assesses efficiency in creating the original approved general fund expenditure budget. A high percentage nearing 100% indicates accuracy and alignment of the original budget with actual expenditures. A low percentage, or a percentage significantly exceeding 100%, indicates major variance from the original approved budget and signifies that the original budget was inaccurate, misaligned with the actual expectations of the district, and/or potentially mismanaged.

Districts experiencing a low percentage or a significantly high percentage should thoroughly investigate the causes for the variances and reevaluate their budget development and management processes to improve accuracy and alignment

Factors That Influence This Measure

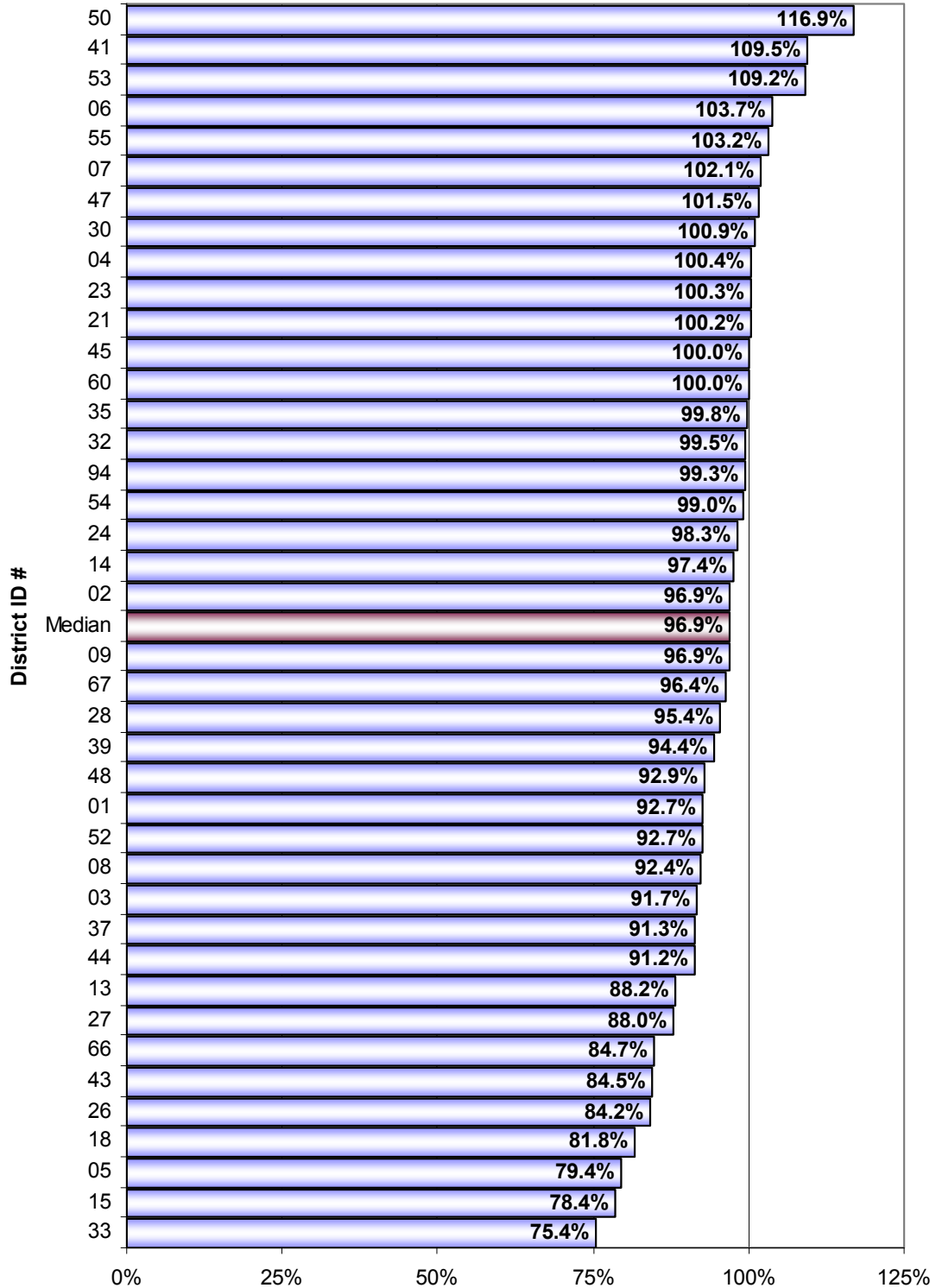
- School board and administrative policies and procedures
- Budget development and management processes
- Departmental and individual employee responsibilities and competencies
- Performance management systems
- Monitoring and reporting systems
- Local economic conditions
- Local fiscal authority policies and procedures
- General Fund definition

Analysis of the Data

- FY 08 > 40 districts responded
- FY 08 > High = 116.9%; Low = 75.4%; Median = 96.9%
- 6 districts showed 100% (rounded), 26 districts were less than 100% and 8 districts exceeded 100%.
- 4 districts were within 1% (rounded) variance of 100% with all 4 districts falling between 99% (rounded) and 101%.
- 19 districts fell within a range of 5% (rounded) above and below 100%; 18 districts were below 95%; and only 3 districts were above 105%.

Performance Measurement & Benchmarking for K12 Operations

General Fund Expenditures Efficiency - Adopted Budget



General Fund Revenues Efficiency – Adopted Budget

Actual general fund revenues, before over/under liquidation of prior year encumbrances, reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the annual Comprehensive Annual Financial Report (CAFR) *divided by* the amount appropriated in the Original Approved Budget for general fund revenues, before over/under liquidation of prior year encumbrances, reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the annual CAFR.

Why This Measure Is Important

This measurement assesses efficiency in creating the original approved general fund revenue budget. A high percentage nearing 100% indicates accuracy and alignment of the original budget with actual receipts. A low percentage, or a percentage significantly exceeding 100%, indicates major variance from the original approved budget and signifies that the original budget was inaccurate, misaligned with the actual expectations of the district, and/or potentially mismanaged.

Districts experiencing a low percentage or a significantly high percentage should thoroughly investigate the causes for the variances and reevaluate their budget development and management processes to improve accuracy and alignment.

Factors That Influence This Measure

- School board and administrative policies and procedures
- Budget development and management processes
- Departmental and individual employee responsibilities and competencies
- Performance management systems
- Monitoring and reporting systems
- Local economic conditions
- Local fiscal authority policies and procedures
- General Fund definition

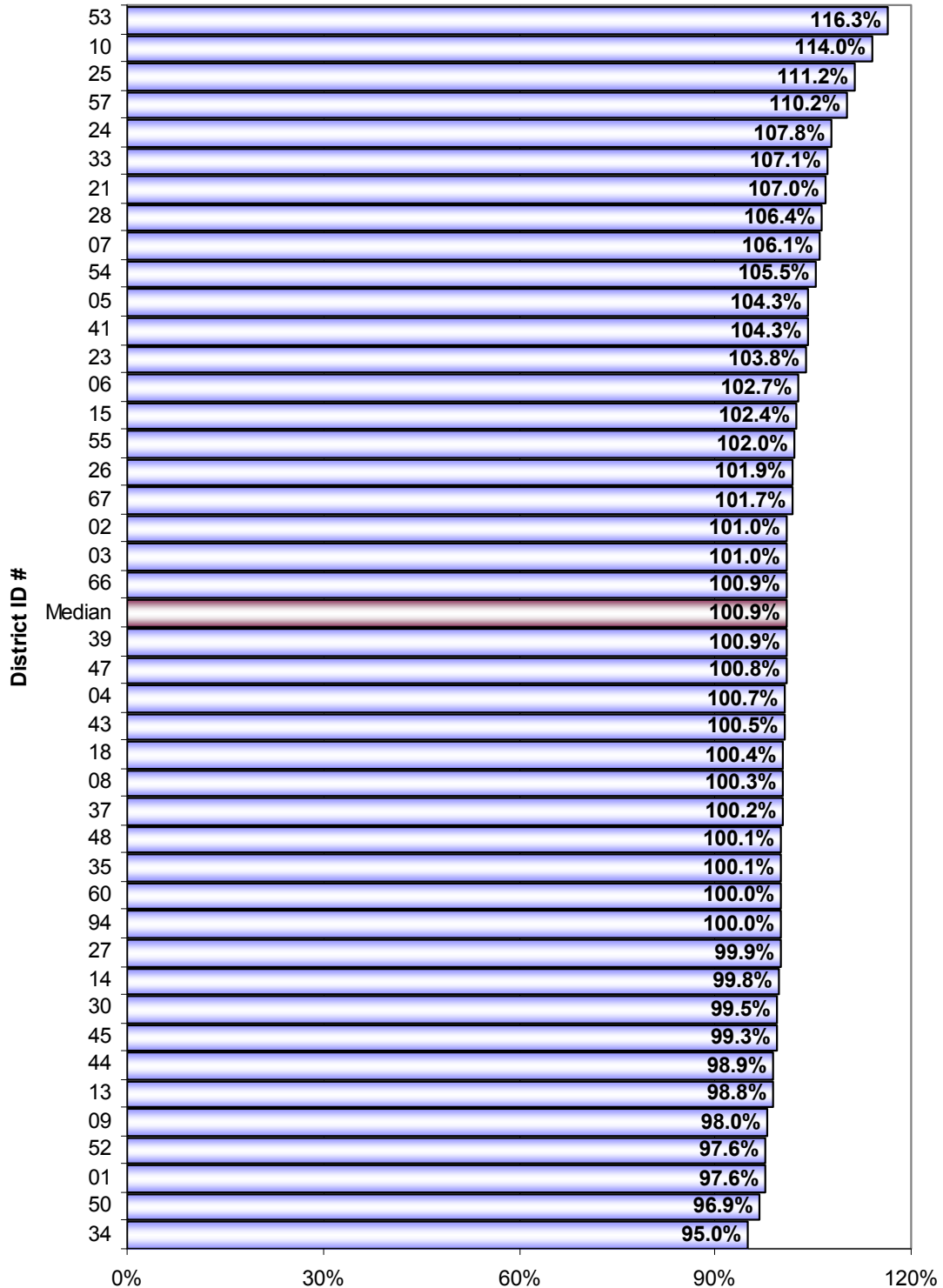
Analysis of Data

- FY 08 > 43 districts responded
- FY 08 > High = 116.3%; Low = 95.0%; Median = 100.9%
- 9 districts showed percentages less than 100%; 24 districts exceeded 100%; and 10 districts showed 100% (rounded).
- 19 districts were within 99% to 101% (rounded).
- 29 districts were within 97% to 103% rounded with 13 districts over 103% and 1 district under 97%.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

General Fund Revenues Efficiency - Adopted Budget



Prior Year's Audit Findings Resolved

The number of material weaknesses, significant deficiency and control deficiency findings identified in 2007 or earlier fiscal year audits that are reported as resolved by auditors in the 2008 fiscal year audit report on internal controls *divided by* number of material weaknesses, significant deficiency and control deficiency findings identified in 2007 or remaining open from 2006 or earlier fiscal years and reported in the Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters or Management Letter as applicable for the 2008 fiscal year.

Why This Measure Is Important

This measurement assesses efficiency and effectiveness in implementing management's responses to prior year material weakness, significant deficiency and control deficiency audit findings. Effective internal financial controls make up the heart of accountability for a district's finances. These controls constitute the mechanisms in place that perform several functions, including (1) protect resources against waste, fraud, or mismanagement; (2) prevent errors from entering business processes; (3) detect errors once they are inside business processes; (4) ensure accuracy and reliability of financial accounting information; (5) assist with ensuring compliance with laws, regulations, or district policies; and (6) assist in the evaluation of the district's financial performance. A high percentage indicates efficiency and effectiveness in resolving previously identified internal control weaknesses. A low percentage indicates inefficiency in addressing audit findings and potentially significant deficiencies in internal controls. A district experiencing a low percentage should thoroughly investigate the causes for the variances and reevaluate its management and operating systems, policies and procedures to eliminate prior audit findings, prevent future audit findings, and strengthen internal controls.

Factors That Influence This Measure

- School board and administrative policies and procedures; organizational structure
- Administrative leadership behavior, decision making process and distribution of organizational authority
- Departmental and individual employee responsibilities and competencies
- Segregation of duties and physical restrictions
- Accounting systems and procedures
- Budget management processes and systems
- Performance management systems
- Monitoring and reporting systems

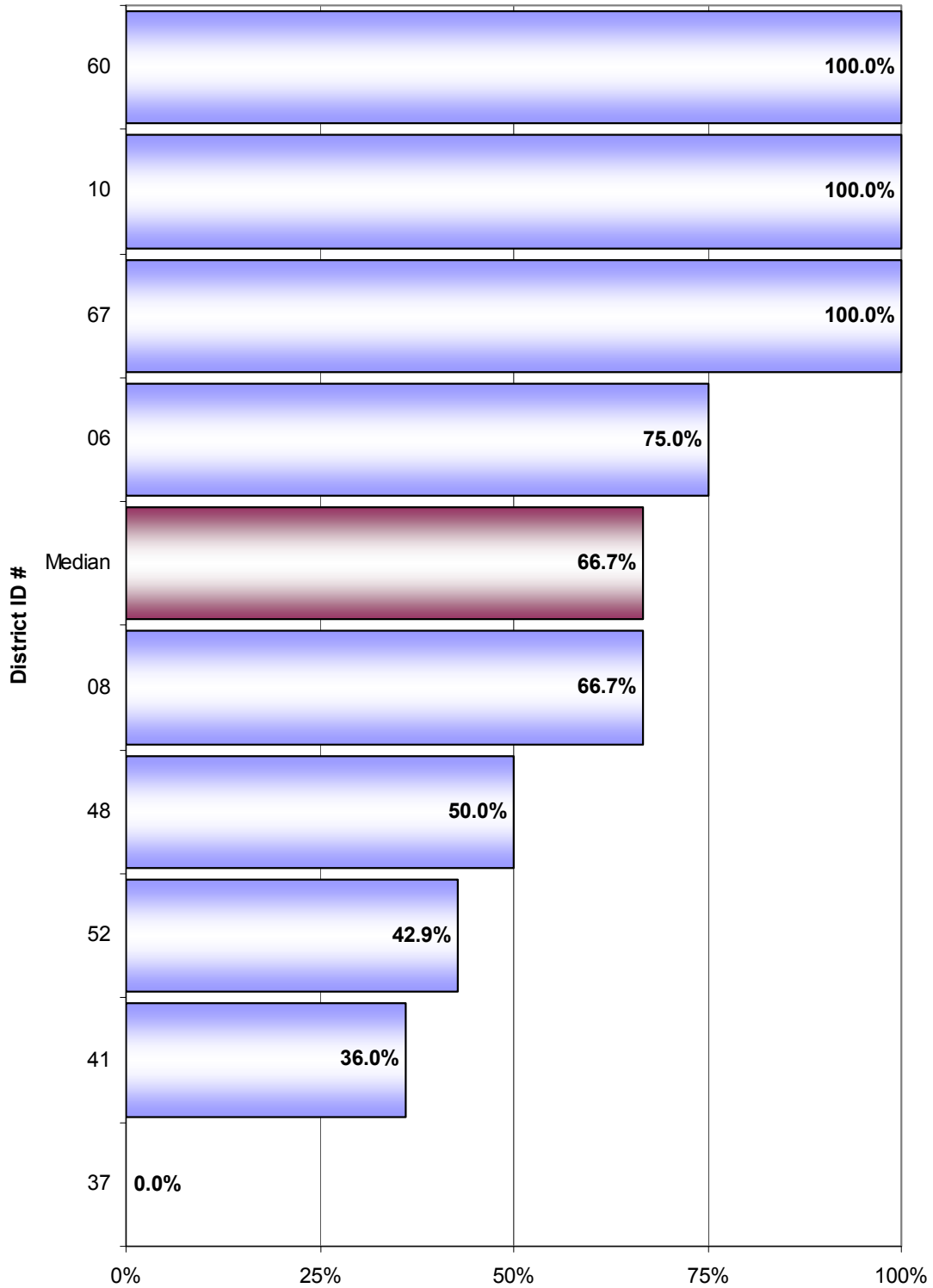
Analysis of the Data

- FY 08 > 9 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 66.7%

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Prior Year's Audit Findings Resolved



Unqualified Audit Opinion

Has the district received an unqualified audit opinion on your Comprehensive Annual Financial Report (CAFR) (Yes/No)?

Why This Measure Is Important

This measure assesses management’s effectiveness in fairly reporting the school system’s financial position. A high percentage indicates management effectiveness in fairly reporting the school system’s financial position. When a “clean” audit opinion or an unqualified audit opinion is issued, it means that any user of those audited financial statements can have reasonable assurance that the financial statements are reliable and present fairly the financial condition and position of the school district. Secondly, it is a recognized industry standard or benchmark for users of financial statements to rely upon. Absent this standard, users of a school system’s financial statements have only limited confidence in the documents because an individual has no way to discern whether or not the statements are free from potential material or significant misstatement of the district’s financial condition.

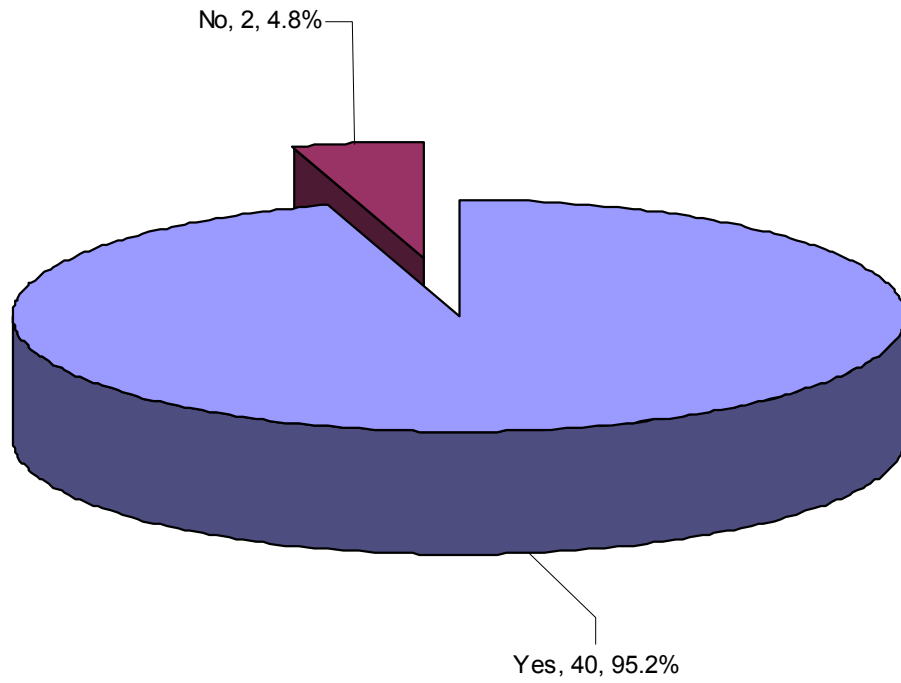
Factors That Influence This Measure

- School board and administrative policies and procedures
- Resource allocations for staff training and development
- Internal staff technical expertise and skills
- Internal staff personal values and character traits
- External auditor competence and knowledge
- External auditor personal values and character traits

Analysis of the Data

- FY 08 > 42 districts responded
- FY 08 > Yes = 95.2%; No = 4.8%

Unqualified Audit Opinion



General Fund Expenditures Efficiency – Final Budget

Total actual general fund expenditures and encumbrances *divided by* Total Final Approved Budget appropriated for general fund expenditures and encumbrances, before over/under liquidation of prior year encumbrances, reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the Comprehensive Annual Financial Report (CAFR).

Why This Measure Is Important

This measure assesses efficiency in spending against the final approved general fund expenditure budget. A high percentage nearing 100% indicates efficient utilization of appropriated resources. A low percentage, or a percentage significantly exceeding 100%, indicates major variance from the final approved budget and signifies that the budget was inaccurate, misaligned with the actual needs of the school system, and/or potentially mismanaged.

Districts should thoroughly investigate the causes for any variances from the final approved budget and reevaluate their budget development and management processes. In some cases, budgets can be adjusted during the year particularly for those districts having variances in expenditures to budget measured against the original budget, but near 100% when measured against the final budget.

Factors That Influence This Measure

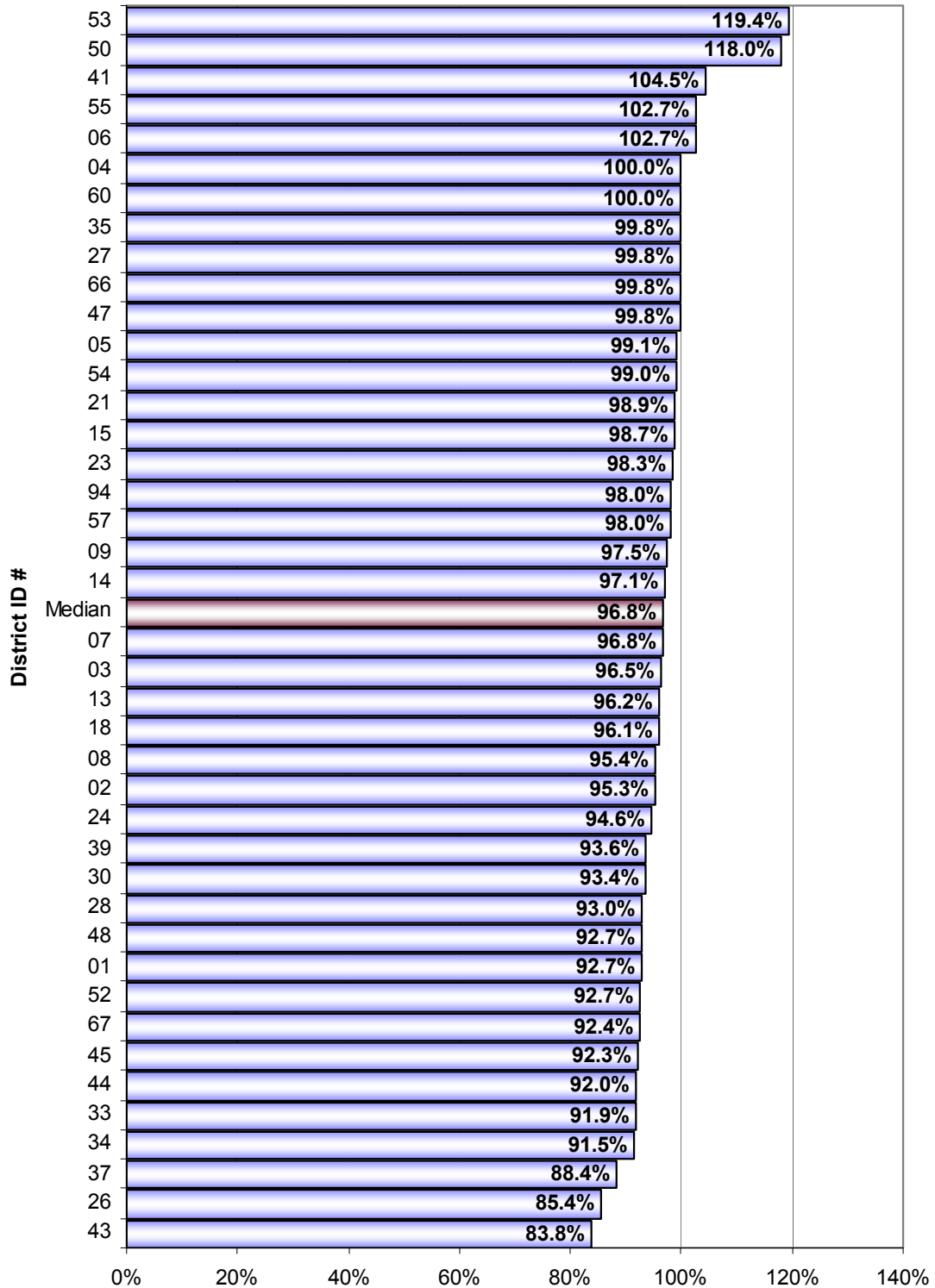
- School board and administrative policies and procedures
- Budget development and management processes
- Administrative organizational structure, leadership styles, decision making processes and distribution of authority
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring, and reporting systems
- General Fund definition

Analysis of the Data

- FY 08 > 41 districts responded
- FY 08 > Low = 83.8% ; High = 119.4%; Median = 96.8%
- 36 districts reported that their actual general fund expenditures were below or equal to their final approved budget; the remaining 5 districts reported that their expenditures exceeded their final approved budget.

Performance Measurement & Benchmarking for K12 Operations

General Fund Expenditures Efficiency - Final Budget



Key Performance Indicator

General Fund Revenues Efficiency – Final Budget

Total actual general fund revenues *divided by* Total Final Approved Budget appropriated for General Fund revenues, before over/under liquidation of prior year encumbrances, reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the annual Comprehensive Annual Financial Report (CAFR).

Why This Measure Is Important

This measure assesses efficiency in obtaining revenues supporting the final approved general fund budget. A percentage nearing 100% or above indicates efficiency in obtaining revenues to support final approved receipts. A low percentage, or a percentage significantly exceeding 100%, indicates major variance from the final approved budget and signifies that the budget was inaccurate, misaligned with the actual expectations for the school system, and/or potentially mismanaged. Districts having significant variances in expenditures to budget when measured against the original budget, but near 100% when measured against the final budget, are monitoring and adjusting their budgets during the year to meet the changing conditions of the district. Such districts should consider reevaluating their budget development and management processes to improve accuracy and alignment.

Factors That Influence This Measure

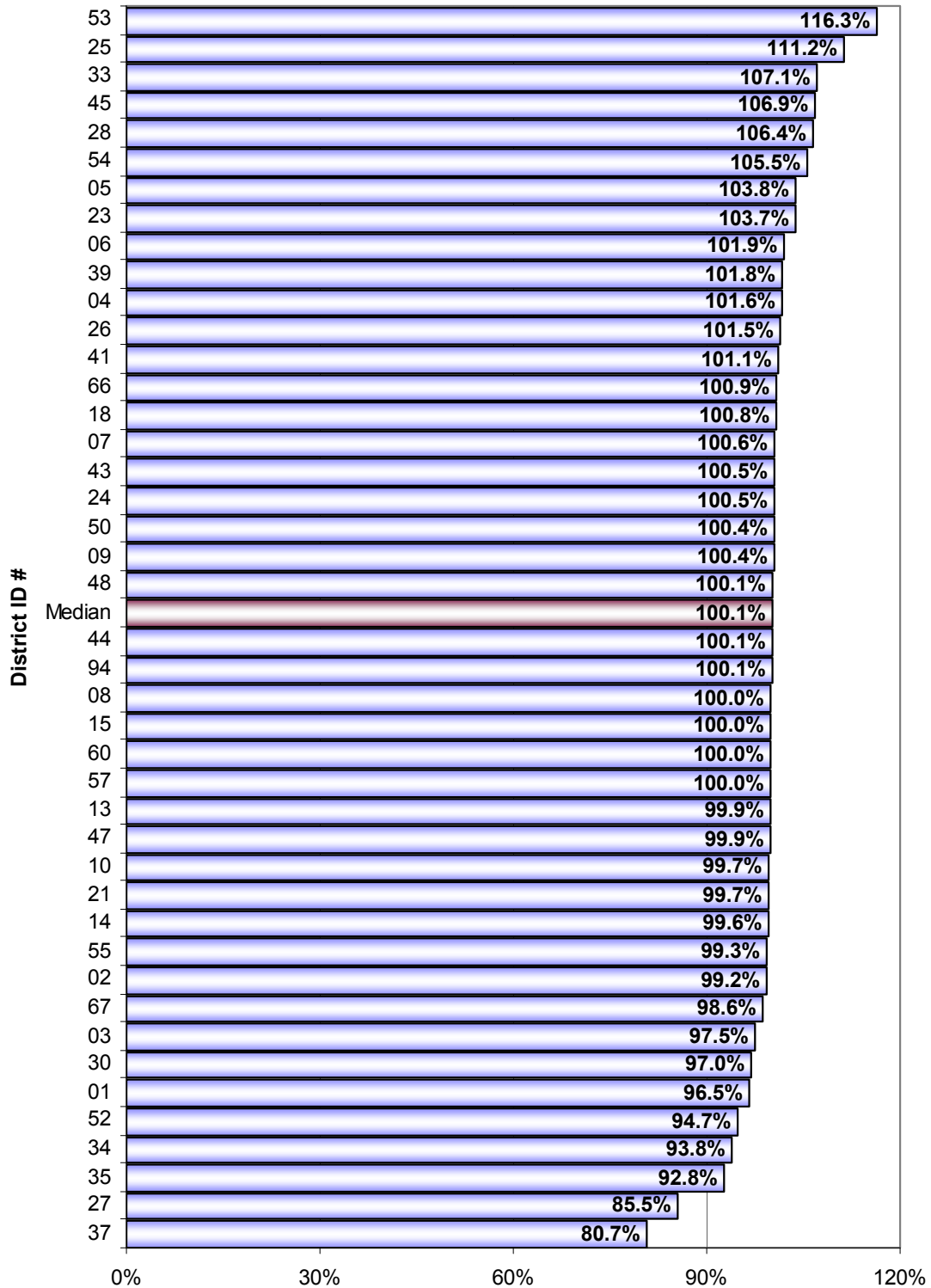
- School board and administrative policies and procedures
- Budget development and management processes
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring, and reporting systems
- Local economic conditions
- Local fiscal authority policies and procedures
- General Fund definition

Analysis of the Data

- FY 08 > 43 districts responded
- FY 08 > High = 116.3%; Low = 80.7%; Median of 100.1%
- 16 districts showed percentages less than 100%; 23 districts exceeded 100%; and 4 districts showed 100%.
- 23 districts were within a 1% (rounded) variance of 100%; 11 districts were above; 7 districts were below; and 4 districts were at 100%.
- 13 districts had variances exceeding 1% (rounded) with 9 districts below 99%; and 13 districts were above 101%.
- 32 districts fell within a range of 5% (rounded) above and below 100%; and 11 districts reported variances exceeding 5% (5 less than 95% and 6 greater than 105%).

Performance Measurement & Benchmarking for K12 Operations

General Fund Revenues Efficiency - Final Budget



Key Performance Indicator

District Authority to Incur Debt and District Responsibility for Repayment of Long-Term Bond Debt

Does the district have authority to incur debt (Yes/No)? And does the district have direct responsibility for repayment of long-term bond debt (Yes/No)?

Why This Measure Is Important

This measure serves as a key indicator of a school district's ability to meet its long-term debt obligations based on all available fund revenues. This is also one difference between a fiscally dependent and fiscally independent district. If a district reaches the point where it is unable to meet its long-term debt obligations, the governing body needs to take immediate steps to implement corrective financial management policies to ensure that the relationship between the budget plan, property tax base value, and the income of residents is in line with plans for incurring any additional debt.

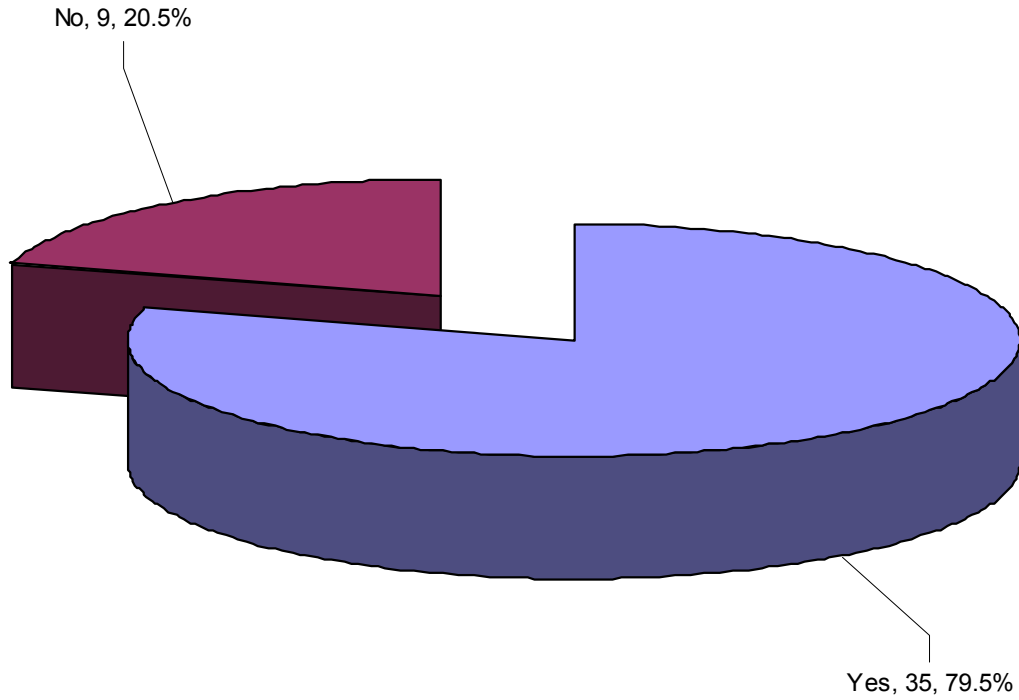
Factors That Influence This Measure

- School board and administrative policies
- Trend of population growth or decline
- Per capita income levels
- Real property values
- Local retail sales and business receipts
- Commercial acreage and business property market value
- Changes in local employment base
- Changes in residential development trend
- Age of district infrastructure
- Revenue growth and expenditure trends
- Revenue sources available for repayment of debt

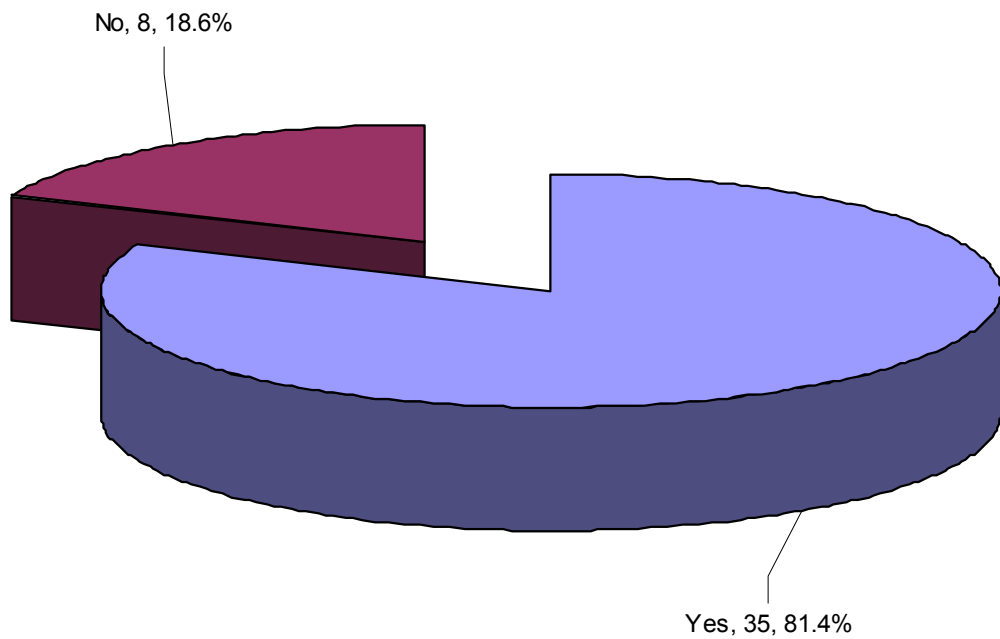
Analysis of the Data

- FY 08 > 44 districts responded regarding authority to incur debt
- FY 08 > Yes = 79.5%; No = 20.5%
- FY 08 > 43 districts responded regarding responsibility to pay debt
- FY 08 > Yes = 81.4%; No = 18.6%

District Authority to Incur Debt



District Responsibility for Repayment of Long Term Bond Debt



District Authority to Incur Long-Term Debt and District Responsibility for Repayment of Other Long-Term Debt

Does the district have authority to incur other long term debt, e.g., lease purchase financing arrangements (Yes/No)? And does the district have direct responsibility for repayment of other long term debt, e.g., lease purchase financing arrangements (Yes/No)?

Why This Measure Is Important

This measure serves as a key indicator of a school district's ability to meet its long term debt obligations based on all available fund revenues. This is also one difference between a fiscally dependent and fiscally independent district. If a district reaches the point where it is unable to meet its long term debt obligations, the governing body needs to take immediate steps to implement corrective financial management policies to ensure that the relationship between its budget plan, property tax base value and the income of residents is in line with plans for incurring any additional debt.

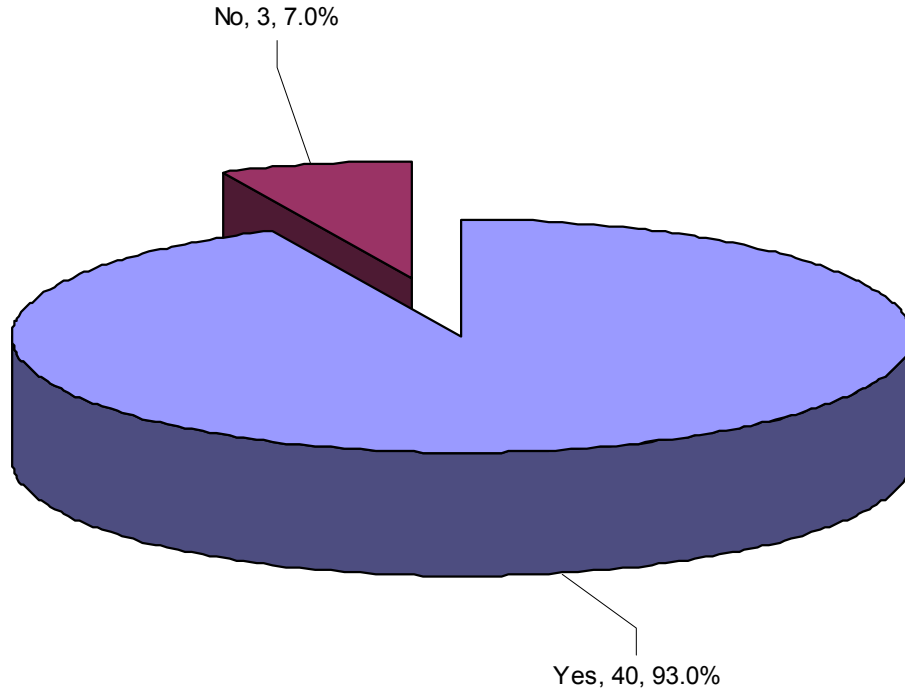
Factors That Influence This Measure

- School board and administrative policies
- Trend of population growth or decline
- Per capita income levels
- Real property values
- Local retail sales and business receipts
- Commercial acreage and business property market value
- Changes in local employment base
- Changes in residential development trend
- Age of district infrastructure
- Revenue growth and expenditure trends
- Revenue sources available for repayment of debt

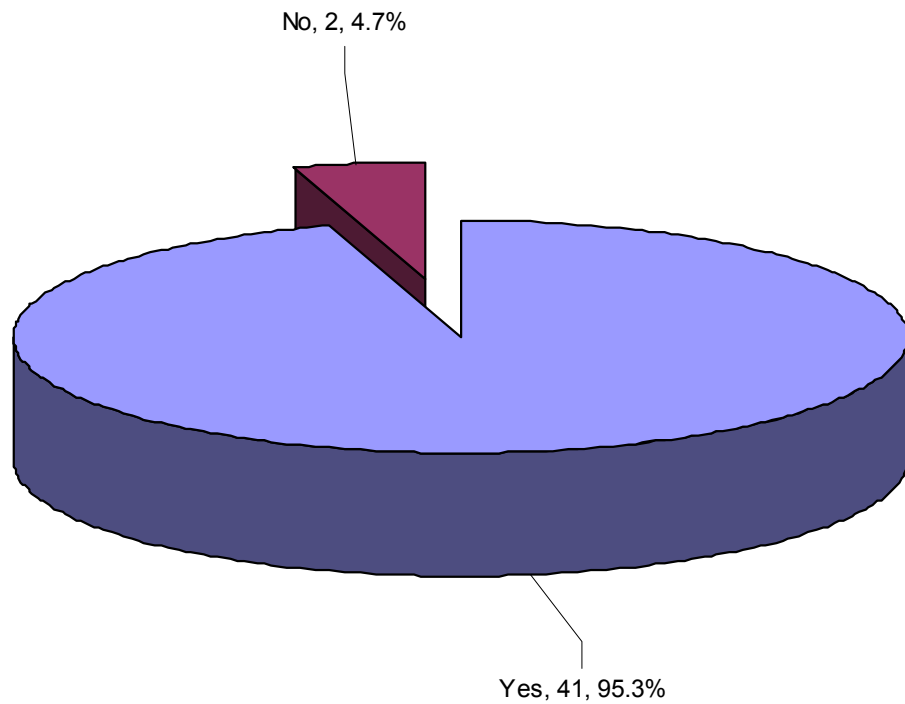
Analysis of the Data

- FY 08 > 43 districts responded regarding authority to incur long-term debt;
- FY 08 > Yes = 93.0%; No = 7.0%
- FY 08 > 43 districts responded regarding repayment of long-term debt
- FY 08 > Yes = 95.3%; No = 4.7%

District Authority to Incur Long-Term Debt



District Responsibility for Repayment of Other Long-Term Debt



Debt Service Capacity – All Funds

Amount of actual annual debt service payments (principal and interest) expended to repay long term debt obligations of the school system during the 2008 fiscal year *divided by* amount of unrestricted general fund revenues and all other fund revenues legally available to repay debt (GAAP based), reported in the Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds of the annual Comprehensive Annual Financial Report (CAFR).

Why This Measure Is Important

This measure serves as a key indicator of a school district’s ability to meet its annual long term debt service requirements based on all available fund revenues. A low percentage indicates greater capacity to meet annual long term debt service obligations. If a district reaches the point where it is unable to meet its annual long term debt obligations, the governing body and administration needs to take immediate steps to implement corrective financial management policies to ensure that the relationship between its budget plan, property tax base value and the income of residents is in line with financial capability to cover legally required annual debt payment obligations.

Factors That Influence This Measure

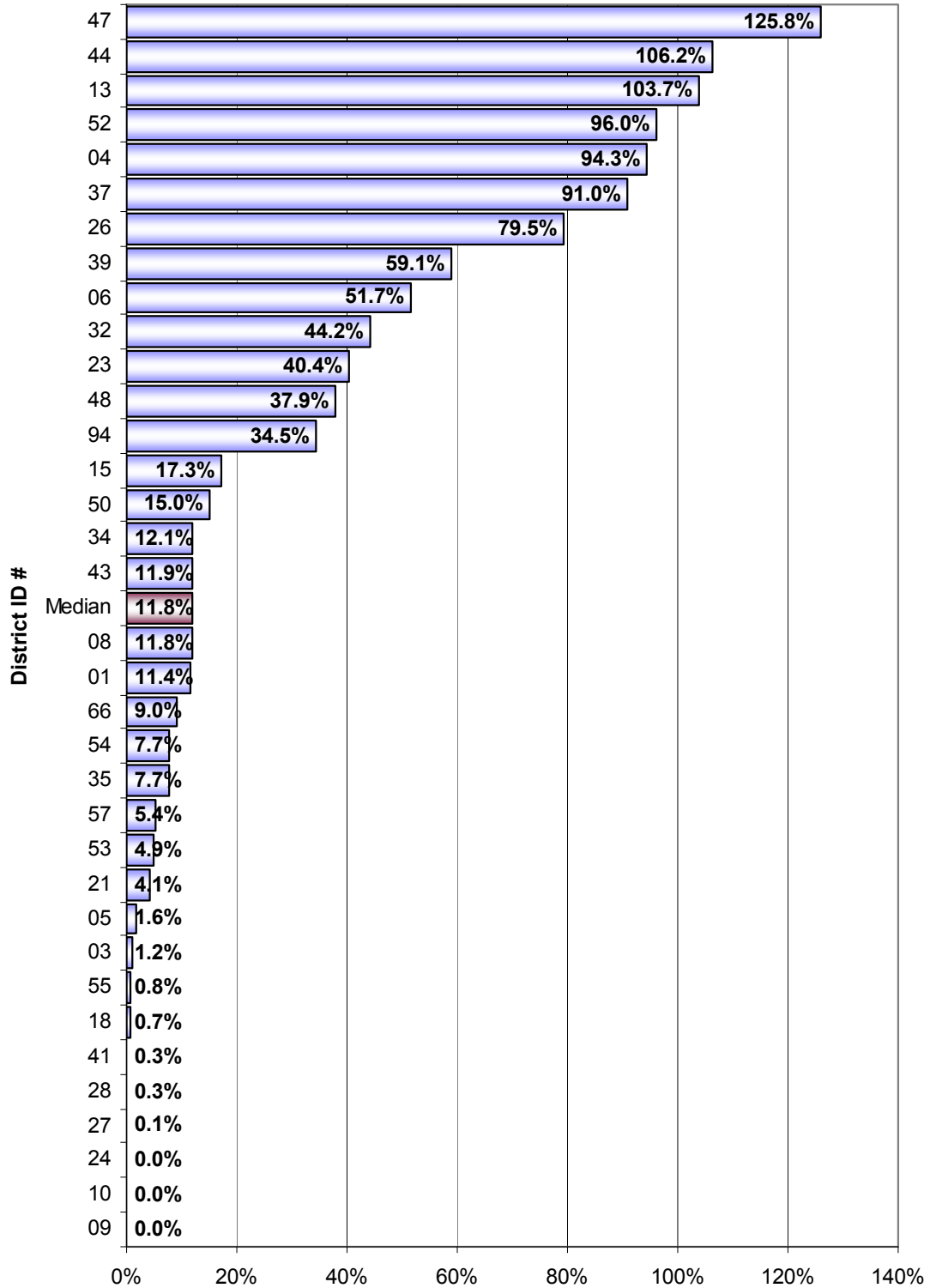
- School board and administrative policies
- Trend of population growth or decline
- Per capita income levels
- Real property values
- Local retail sales and business receipts
- Commercial acreage and business property market value
- Changes in local employment base
- Changes in residential development trends
- Age of district infrastructure
- Revenue growth and expenditure trends
- Revenue sources available for repayment of debt

Analysis of the Data

- FY 08 > 35 districts responded
- FY 08 > High = 125.8%; Low = 0.0%; Median = 11.8%
- 9 districts reported higher than 50% including 3 districts reporting that their debt service payments exceed their total operating expenditures.

Performance Measurement & Benchmarking for K12 Operations

Debt Service Capacity - All Funds



Key Performance Indicator

Debt Service Through General Fund Only

Is the district's debt serviced through the general fund only (Yes/No)?

Why This Measure Is Important

This measure serves as a key indicator of a school district's ability to meet its annual long term debt service requirements based on its general fund revenues. A low percentage indicates greater capacity to meet annual long term debt service obligations. If a district reaches the point where it is unable to meet its annual long term debt obligations, the governing body and administration needs to take immediate steps to implement corrective financial management policies to ensure that the relationship between its budget plan, property tax base value and the income of residents is in line with financial capability to cover legally required annual debt payment obligations.

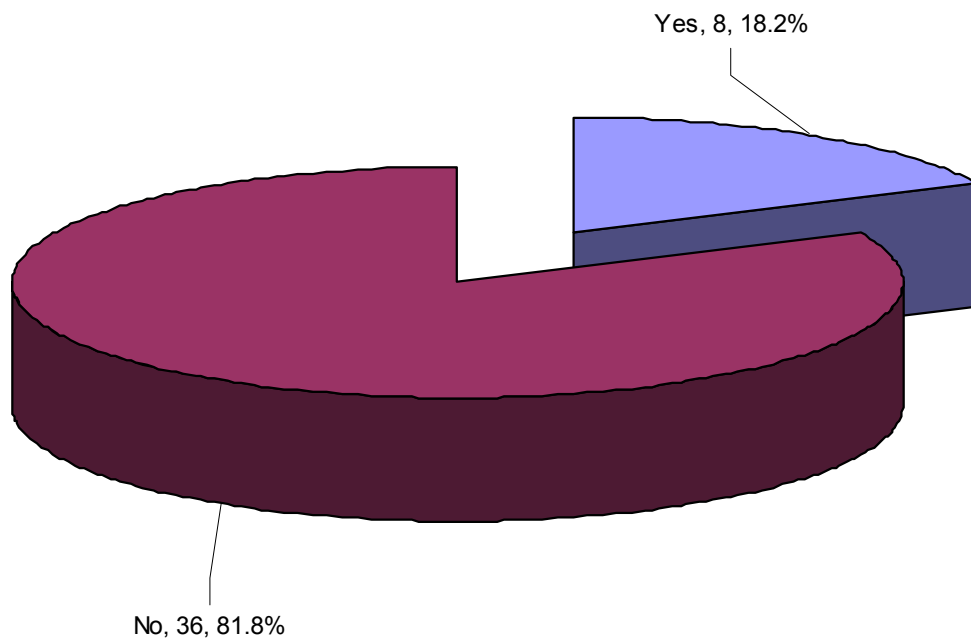
Factors That Influence This Measure

- School board and administrative policies
- Trend of population growth or decline
- Per capita income levels
- Real property values
- Local retail sales and business receipts
- Commercial acreage and business property market value
- Changes in local employment base
- Changes in residential development trends
- Age of district infrastructure
- Revenue growth and expenditure trends

Analysis of the Data

- FY 08 > 44 districts responded
- FY 08 > Yes = 18.2%; No = 81.8%

Debt Service Through General Fund Only



Administrative Efficiency – Expenses/Final Budget

Total administrative operating funds expenditures and encumbrances *divided by* total actual operating funds expenditures and encumbrances, before over/under liquidation of prior year encumbrances, reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the annual Comprehensive Annual Financial Report (CAFR).

Why This Measure Is Important

This measure assesses an organization’s efficiency to provide general direction, regulation and control of district operations. It measures the ratio of administrative expenses to total operating expenses. A low ratio indicates efficiency in providing executive leadership and management oversight for the district. A high ratio indicates potentially inefficient and/or ineffective general direction, regulation or control for the organization. Districts experiencing a high ratio should thoroughly investigate the causes for the variances and reevaluate their management structures, resources and processes to improve efficiency and effectiveness of executive leadership and management oversight services.

Factors That Influence This Measure

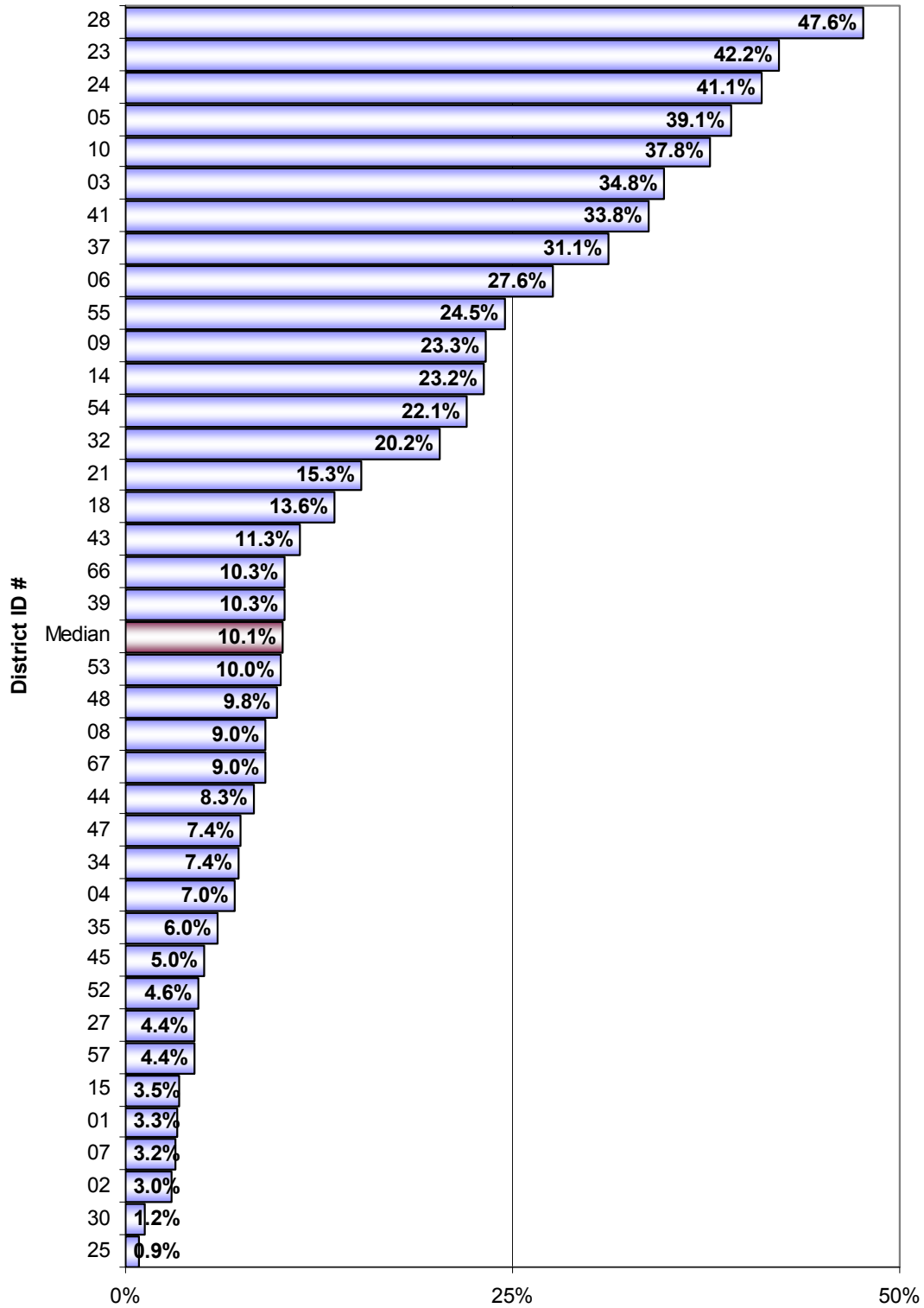
- School board and administrative policies and procedures
- Administrative organizational structure, distribution of organizational authority and leadership styles
- Departmental and individual employee responsibilities and competencies
- Performance management, monitoring and reporting systems
- Budget development and management processes
- Expenditure trends, volatility and projections
- Local fiscal authority, procedures and accounting policies
- Operating funds definition

Analysis of the Data

- FY 08 > 38 districts responded
- FY 08 > Low = 0.9%; High = 47.6%; Median = 10.1%
- 23 districts were within 15%; 5 districts were less than 5%; and 18 districts were between 5 to 15%.
- This KPI must be examined to ensure all districts are using the same definition for “administrative” expenses since several answers to the survey do not appear reasonable.

Performance Measurement & Benchmarking for K12 Operations

Administrative Efficiency - Expenses/Final Budget



Key Performance Indicator

Instructional Expenditures Level

Amount for instructional operating funds expenditures and encumbrances, before over/under liquidation of prior year encumbrances, as defined below that are reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the annual Comprehensive Annual Financial Report (CAFR) *divided by* an amount for actual general fund expenditures and encumbrances before over/under liquidation of prior year encumbrances as reported in the Budgetary Comparison Schedule shown in the Required Supplementary Information section of the annual CAFR.

Why This Measure Is Important

This measure assesses an organization's effort to provide direct classroom instruction to students. It measures the ratio of instructional expenses to total operating expenses. A high ratio indicates significant effort in providing direct classroom instruction to students in the district. A low ratio indicates lower effort and potentially ineffective instructional services. Districts experiencing a low ratio should thoroughly investigate the causes for the variances and reevaluate their instructional models/, theory of action, resources and processes to improve effort and effectiveness of instructional services. Districts demonstrating a high ratio should continually evaluate program performance to ensure resources are effectively used.

Factors That Influence This Measure

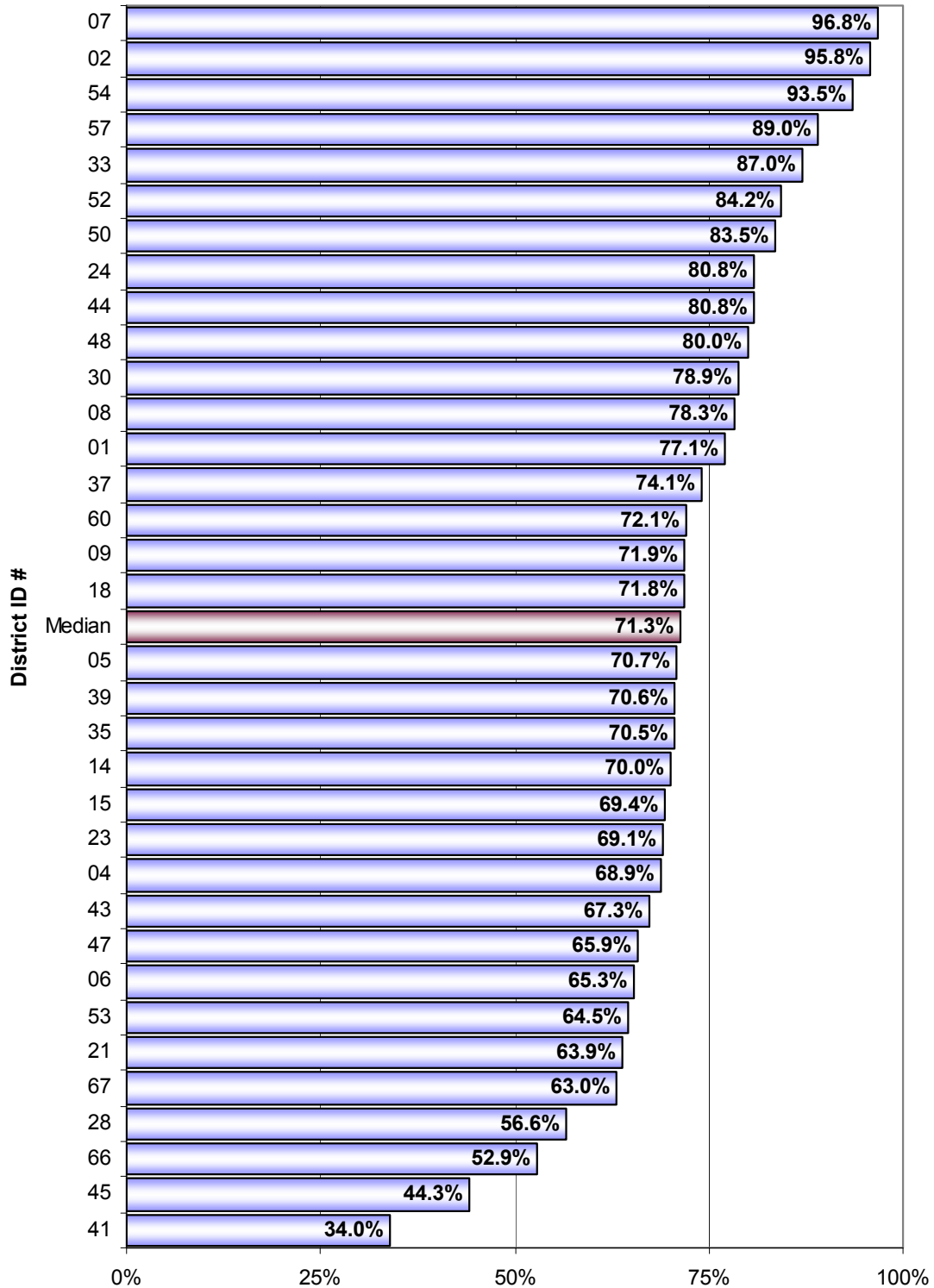
- School board and administrative policies and procedures
- Instructional organizational structure
- Instructional theory of action, teaching models, curriculum, decision making processes and distribution of organizational authority
- Departmental and individual employee responsibilities and competencies
- Performance management systems
- Monitoring and reporting systems
- Budget development and management processes
- Accounting policies
- Expenditure trends, volatility and projections
- Local fiscal authority policies and procedures
- Operating funds definition

Analysis of the Data

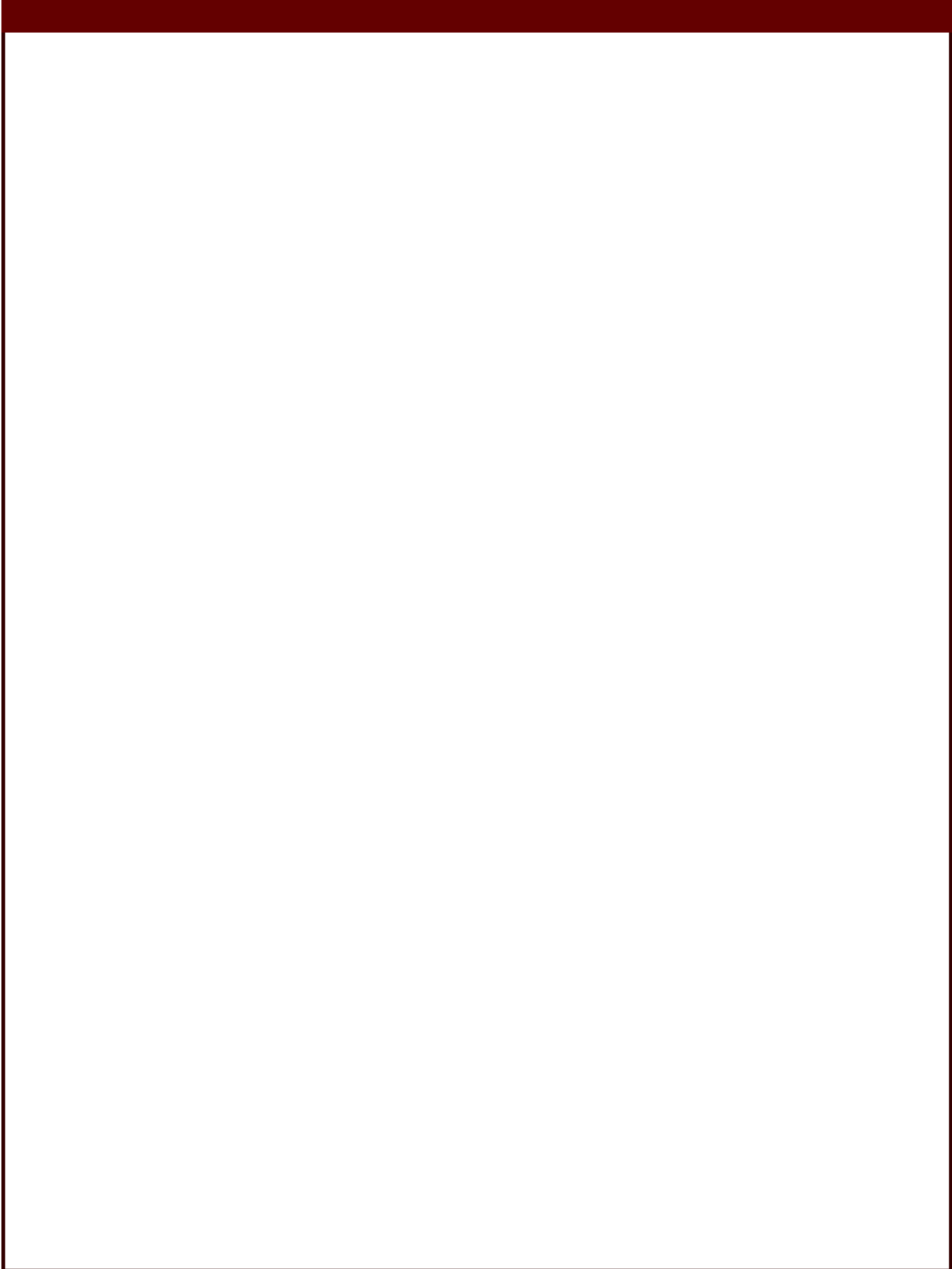
- FY 08 > 34 districts responded
- FY 08 > High = 96.8%; Low = 34.0%; Median = 71.3%
- 21 districts reported between 60% to 80%; 9 districts reported above 80%; and 4 districts reported below 60%.

Performance Measurement & Benchmarking for K12 Operations

Instructional Expenditures Level



Key Performance Indicator



Grants Management

Percent of Operating Budget Targeted for Grant Funding

Total dollar amount of grant revenue targeted for the fiscal year *divided by* the total dollar amount of a district's operating funds.

Why This Measure Is Important

This metric assesses the amount of reliance on alternative funding sources. A low percentage indicates a limited reliance on outside funding. It can also mean that a district has not been successful in leveraging outside funding if there are resource needs beyond what is provided from local resources. A high percentage indicates a heavy reliance on grant revenue. A high dependency on supplemental funding could place some programming in jeopardy if alternative funding sources are eliminated or reduced.

Factors That Influence This Measure

- Demographics
- School board and administrative policies and procedures
- Budget development and management processes
- Local economic conditions

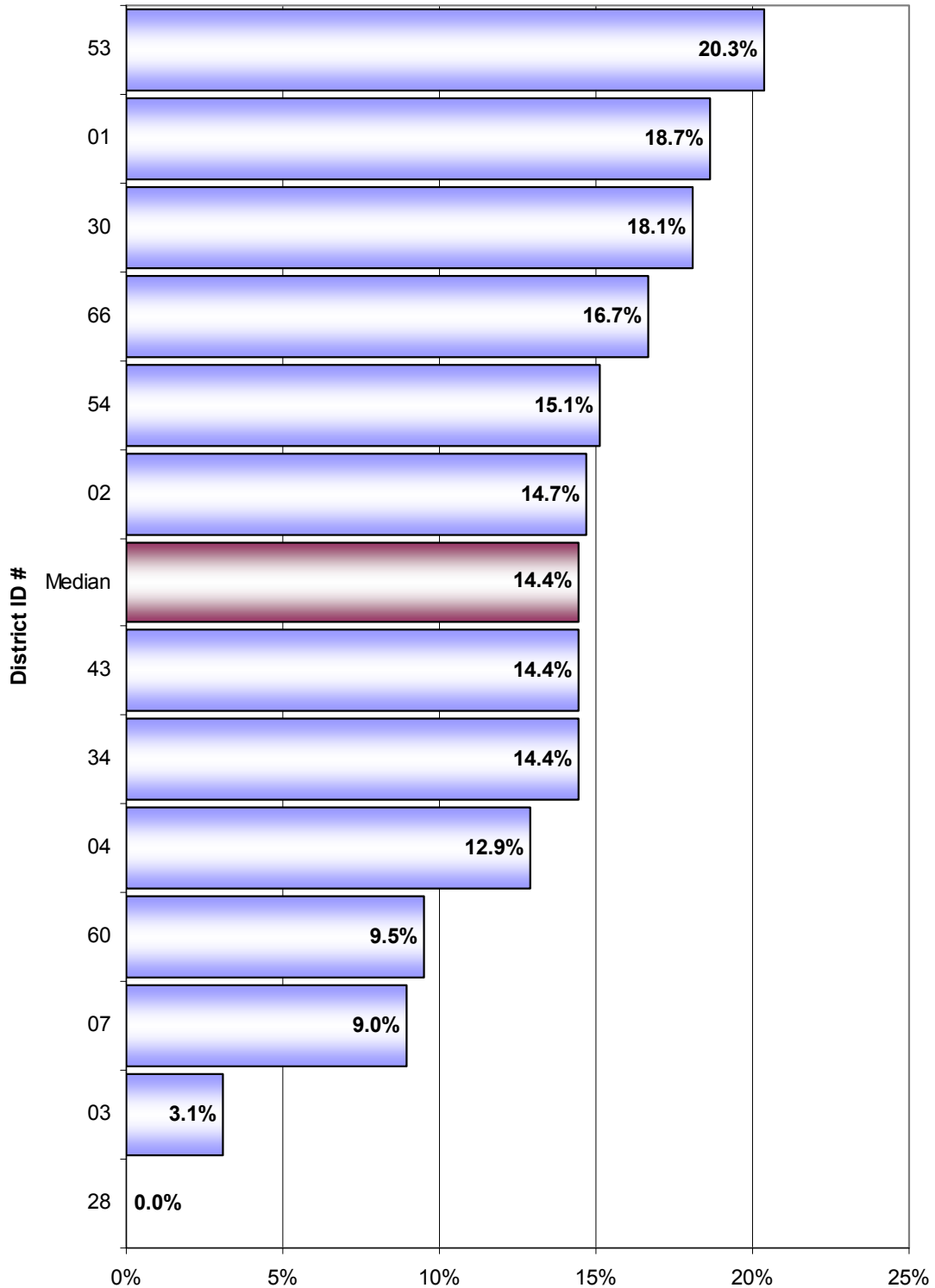
Analysis of the Data

- FY 08 > 13 districts responded
- FY 08 > High = 20.3%; Low = 0.0%; Median = 14.4%
- 9 districts reported that 10% or more of their operating budgets are targeted for grant funding; and 4 districts reported less than 10% are targeted for that purpose.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Percent of Operating Budget Targeted for Grant Funding



Timely Access to Grant Budget

Total number of business days *from* the date the budget is approved *until* the day of the first expenditure.

Why This Measure Is Important

This measure assesses efficiency in spending grant funds that are provided by federal, state and local governments, as well as other sources such as foundations. Grants generally are used for programs and services specifically designated by the grantor/donor, i.e., restricted programs. The grant award stipulates the agreed upon deliverables or programming activities that can occur under the grant. Therefore, the timeliness of expenditures is a good indicator for the grantor to ensure that programming is occurring in time to meet grant deliverables and expected outcomes by the expiration date.

A low number of days between the date the budget is approved until the date of the first expenditure would indicate an effective use of grant funds. A high number of days would indicate an ineffective use of supplemental resources that could limit or reduce the districts ability to obtain additional revenues in the future. A district experiencing a high number of days or an extended cycle time for expending grant funding should thoroughly investigate the causes for the variances and reevaluate its grant development and management processes to improve efficiency in utilizing supplemental revenue.

Factors That Influence This Measure

- Timeliness of award notifications from Federal and State entities
- School board and administrative policies and procedures
- Budget development and management process
- Procurement regulations and policies

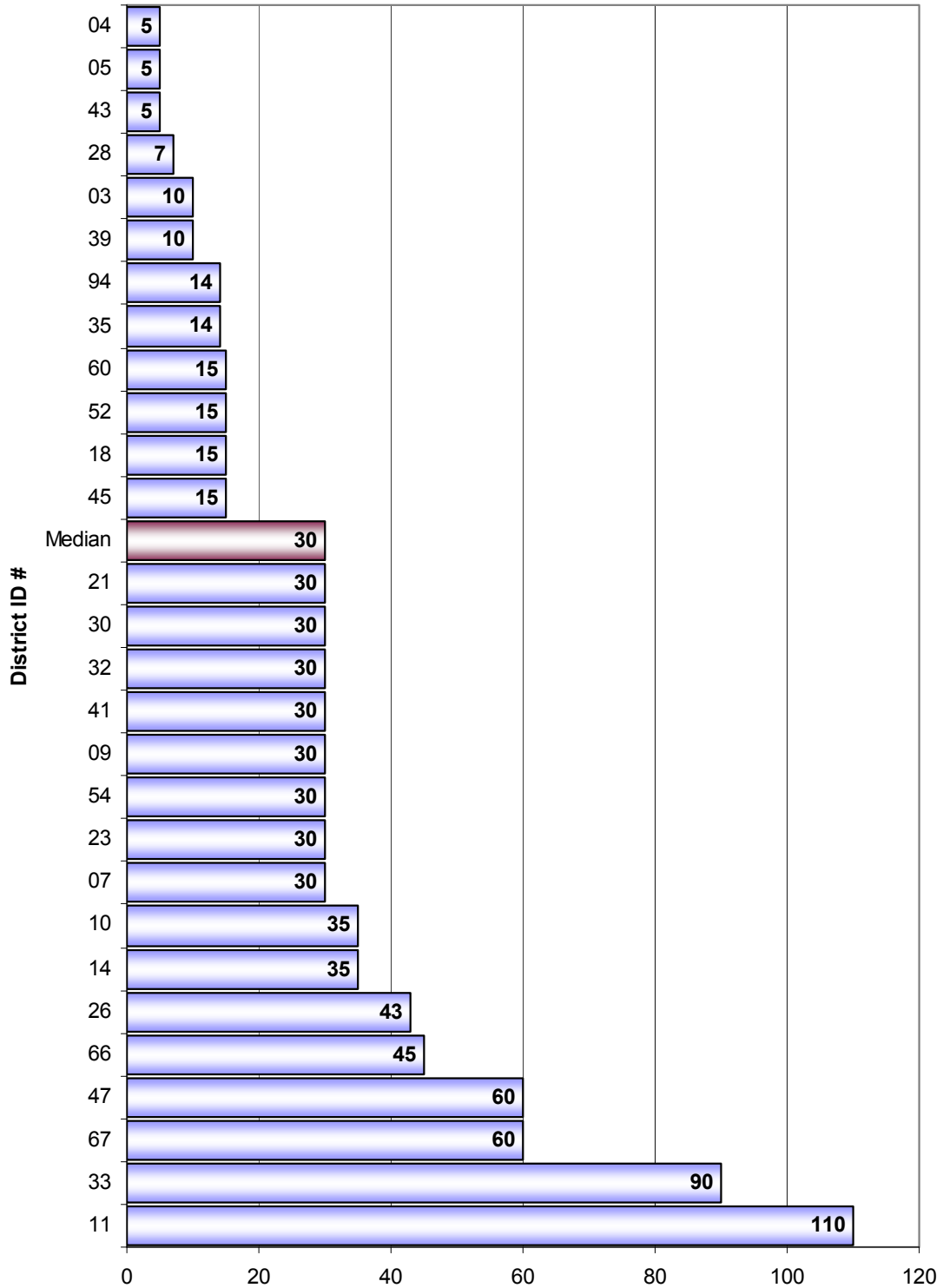
Analysis of the Data

- FY 08 > 28 districts responded
- FY 08 > Low = 5 days; High = 110 days; Median = 30 days
- 20 districts (71%) reported 30 or fewer days from the date the budget is approved until the day of the first expenditure; and 8 districts (29%) reported more 30 than days.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Timely Access to Grant Budget



Value of Unspent Funds Lost

Total grant award *minus* total grant expenditures *divided by* the total grant award.

Why This Measure Is Important

This measure assesses efficiency in spending appropriated grant funds. Grant funds that are unspent can send a message to grantors that supplemental funding is not needed or is inefficiently utilized. In general, funds usually go unspent as a result of delayed start-ups, the availability of funding from other sources or changes in programming that may have reduced expenses. These factors draw grantors to the conclusion that the recipient underperformed in achieving grant goals or was provided funding in excess of need.

A lower percentage indicates effective utilization of appropriated grant funds and optimization of grant awards to implement planned programming. Conversely, a higher percentage indicates ineffective use of supplemental resources that could, if sustained over time, limit or reduce the district's ability to obtain additional revenues in the future. A district experiencing a high percentage should thoroughly re-evaluate its management processes to improve efficiency in utilizing supplemental revenue.

Factors That Influence This Measure

- Timeliness of awards
- School board and administrative policies and procedures
- Budget development and management process
- Administrative organizational structure
- Administrative leadership style, decision making process and distribution of organizational authority
- Departmental and individual employee responsibilities and competencies
- Performance management systems
- Monitoring and reporting systems

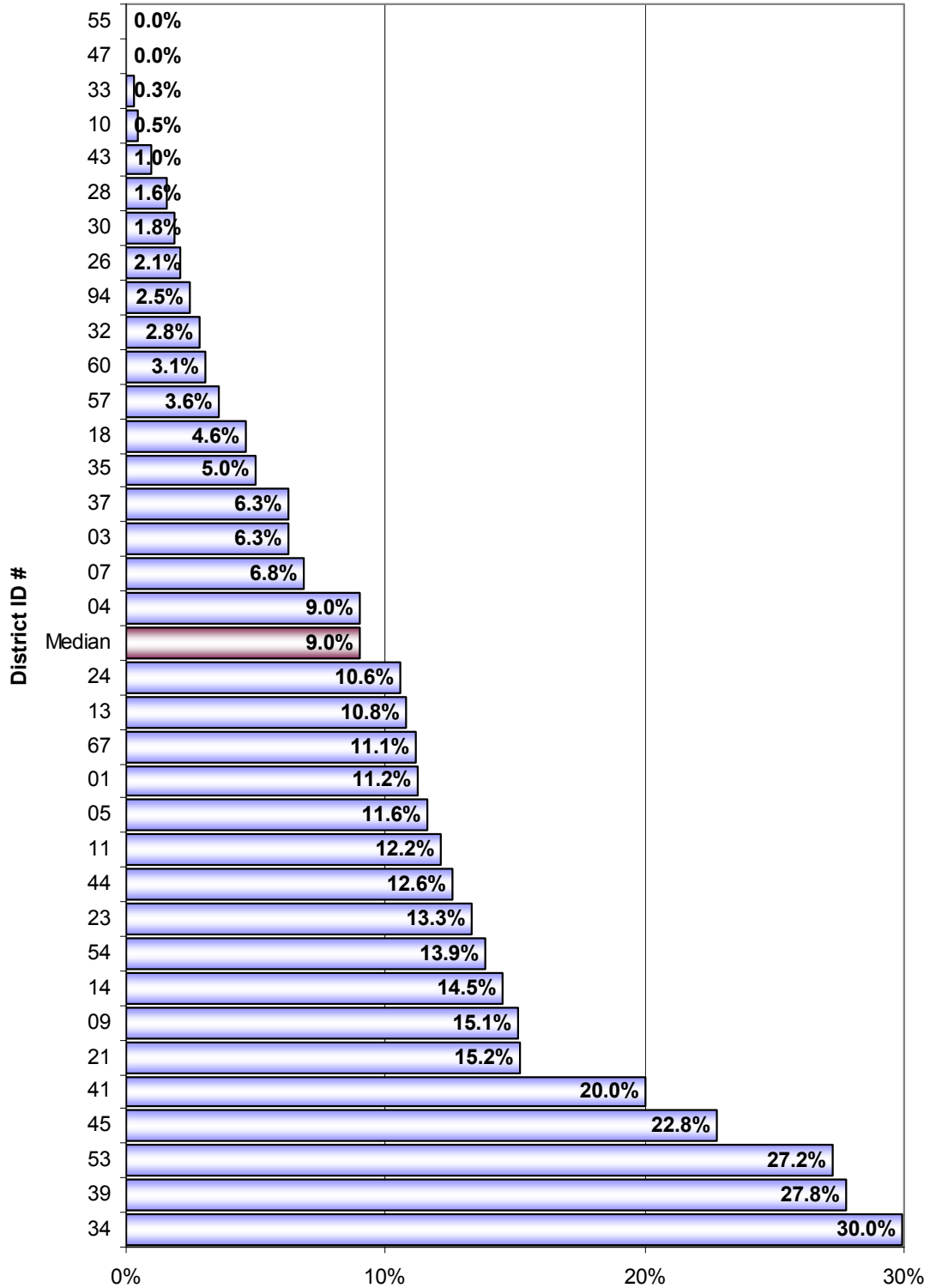
Analysis of the Data

- FY 08 > 35 districts responded
- FY 08 > Low = 0.0%; High = 30%; Median = 9%
- 18 districts reported 10% or less of awarded funds were not spent; 13 districts reported that over 10 to 20% of these were not spent; and the remaining 4 districts reported that more than 20% of these funds were unspent.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Value of Unspent Funds Lost



In-kind or Matching Review Process Requirement

Does the district screen for in-kind or matching funds before applying for grants (Yes/No)?

Why This Measure Is Important

This measure assesses whether districts screen for in-kind or matching funds before applying for grants. Matching and in-kind grants assist in leveraging internal resources so that expanded programming can occur. Many federal grants require the recipient to provide some level of support for the function as they spend the grant. A grant match is a required contribution that is used to expand the services of the grant to increase the impact of the original fund allocation. Matches can be provided through cash-match or through in-kind services, e.g., contributions of staff, facility space, etc., which are utilized to support the program without cost to the original grant. The match is usually expressed as a certain percentage of the total grant. The matching component is usually derived from either local or private sources. Sufficient documentation and funding commitments are key requirements for these types of grants.

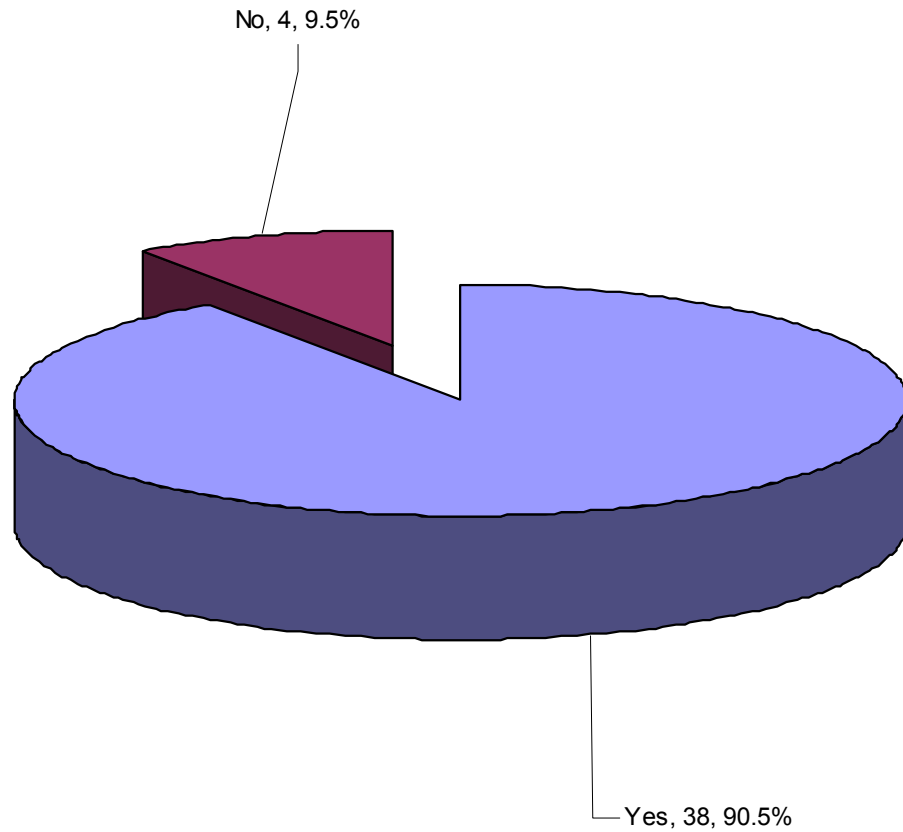
Factors That Influence This Measure

- School board and administrative policies and procedures
- Budget development and management processes
- Departmental and individual employee responsibilities and competencies
- Performance management systems and procedures
- Local conditions

Analysis of the Data

- FY 08 > 42 districts responded
- FY 08 > Yes = 90.5%; No = 9.5%

In-Kind or Matching Review Process Requirement



District Has Grant Funding Target

Does the district establish a target for grant funding (Yes/No)?

Why This Measure Is Important

This measure assesses the amount of reliance on alternative funding sources and how proactive districts are in pursuing grant opportunities.

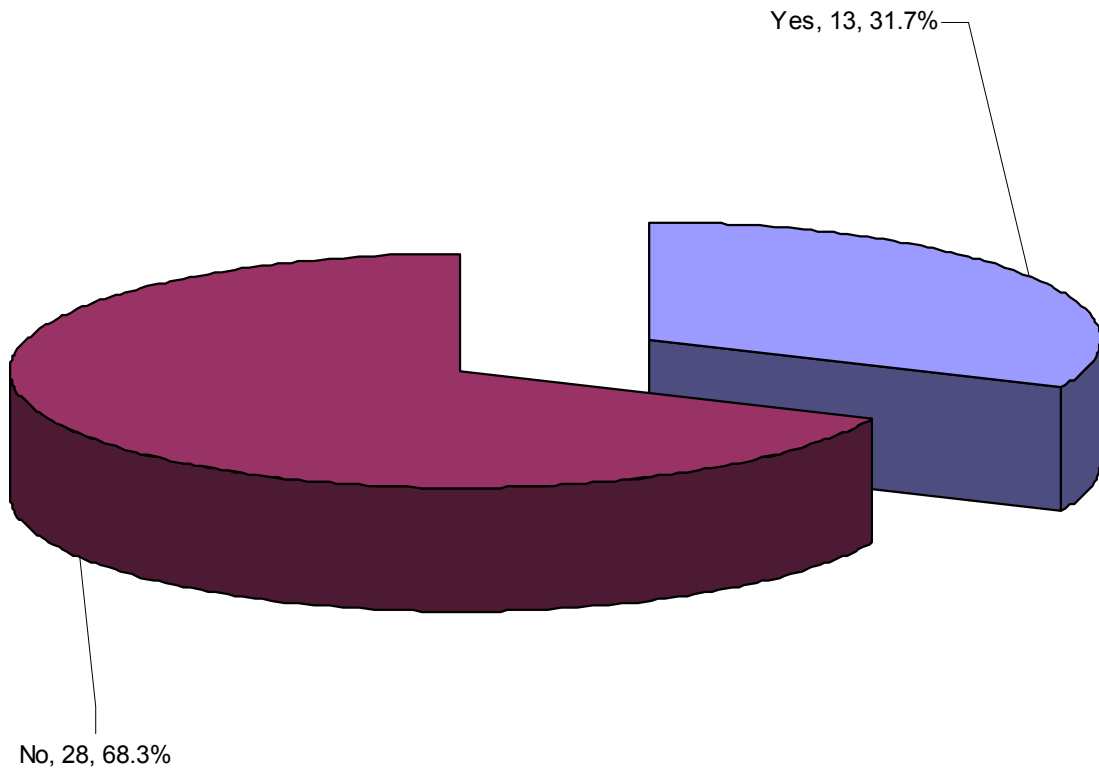
Factors That Influence This Measure

- Local economic conditions.
- Demographics
- School board and administrative policies and procedures
- Budget development and management processes

Analysis of the Data

- FY 08 > 41 districts responded
- FY 08 > Yes = 31.7%; No = 68.3%

District Has Grant Funding Target



Dollar Value of Grants

The total dollar value of the district's grants.

Why This Measure Is Important

The measure assesses the magnitude of the district's reliance on additional and alternative funding sources. Districts rely on grants for supplemental programs to provide teacher and student supports.

Factors That Influence This Measure

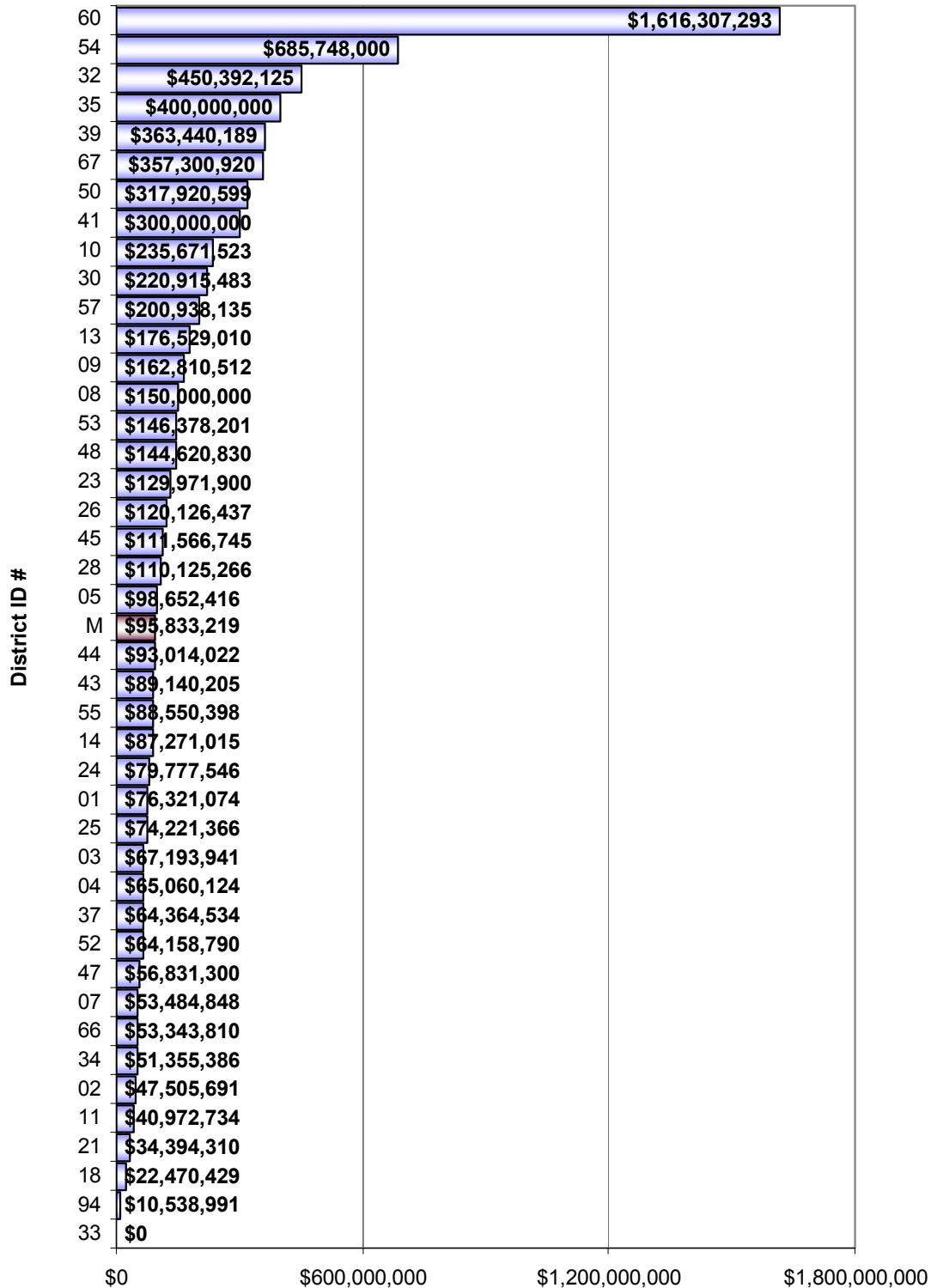
- District demographics
- District size
- District philosophy and policies about pursuing grants
- Size of grants department
- How districts define grants/accounting policies
- State regulations over distribution and awarding of grants

Analysis of the Data

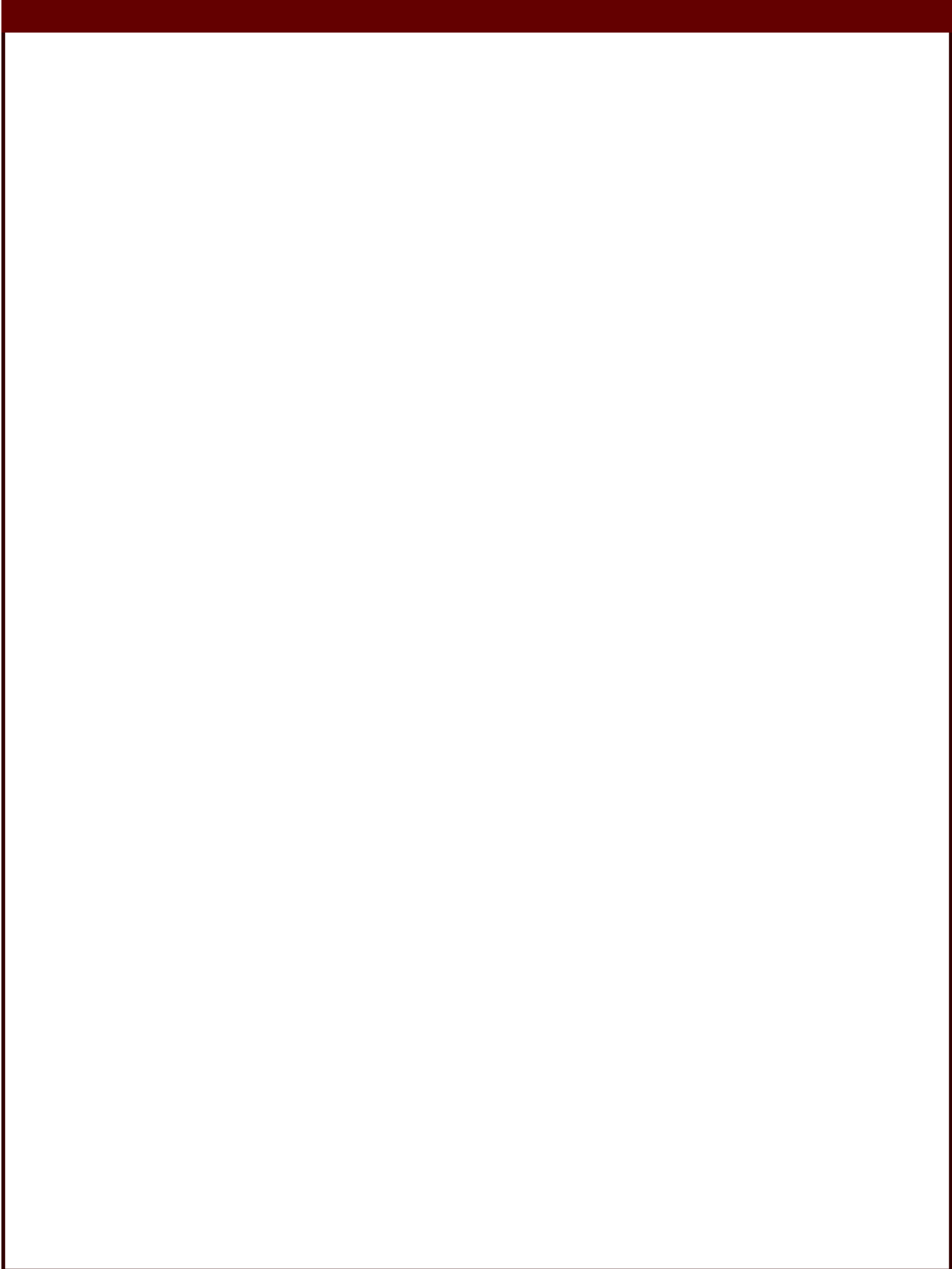
- FY 08 > 42 districts responded
- FY 08 > High = \$1,616,307,293; Low = \$0; Median = \$95,833,219
- 10 districts receive more than \$200 million in grants; 17 districts receive between \$75 and \$200 million in grants; and 15 districts receive less than \$75 million in grants.

Performance Measurement & Benchmarking for K12 Operations

Dollar Value of Grants



Key Performance Indicator



Risk Management

General Liability Premiums *plus* Claim Costs as Percent Total Operating Expenditures

General Liability Premiums *plus* claim costs *divided by* the district's actual general operating expenditures and encumbrances, before over/under liquidation of prior year encumbrances, reported in the Budgetary Comparison Schedule in the Required Supplementary Information section of the Comprehensive Annual Financial Report (CAFR).

Why This Measure Is Important

This measure assesses how well districts are containing their premium and claim costs. A low percent or amount may indicate a high degree of effectiveness in containing these costs, while a high percent may indicate that a district is struggling to contain these costs.

Factors That Influence This Measure

- Whether a district is self insured
- The level of a district's deductibles/self insurance retention
- State/local laws and regulations governing general liability costs
- Monitoring and reporting systems
- The district's level of privatization/outsourcing

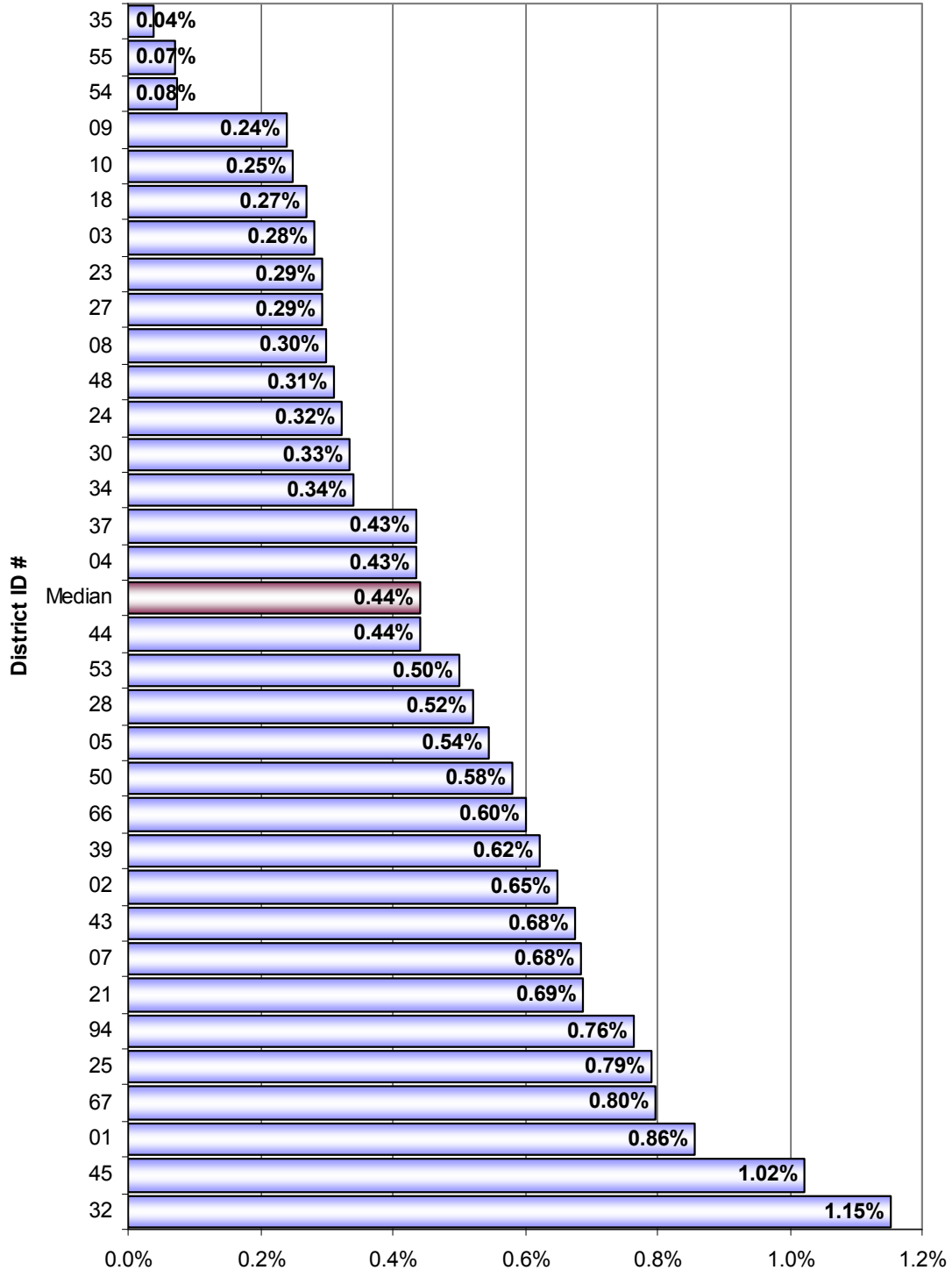
Analysis of the Data

- FY 08 > 33 districts responded
- FY 08 > Low = 0.04%; High = 1.15%; Median 0.44%
- 18 districts (55%) reported that their general liability premiums plus claim costs as a percent of total operating expenditures was at or below .5%; and 15 districts (45%) reported that their costs were between .5 and 1.15%.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

General Liability Plus Claim Costs as Percent of Total Operating Expenditures



Automobile Premiums *plus* Claim Costs per Vehicle Owned

Auto Liability Premiums *plus* claim costs *divided by* the number of vehicles owned *or* leased by the district (*divided by* the 2008 cost-of-living factor identified by ACCRA – the American Chambers of Commerce Research Association for each region)

Why This Measure Is Important

This measure assesses how districts are containing their automobile premium and claim costs. A low percent or amount may indicate a high degree of effectiveness in controlling these costs, while a high percent may indicate a district is struggling to contain these costs.

Factors That Influence This Measure

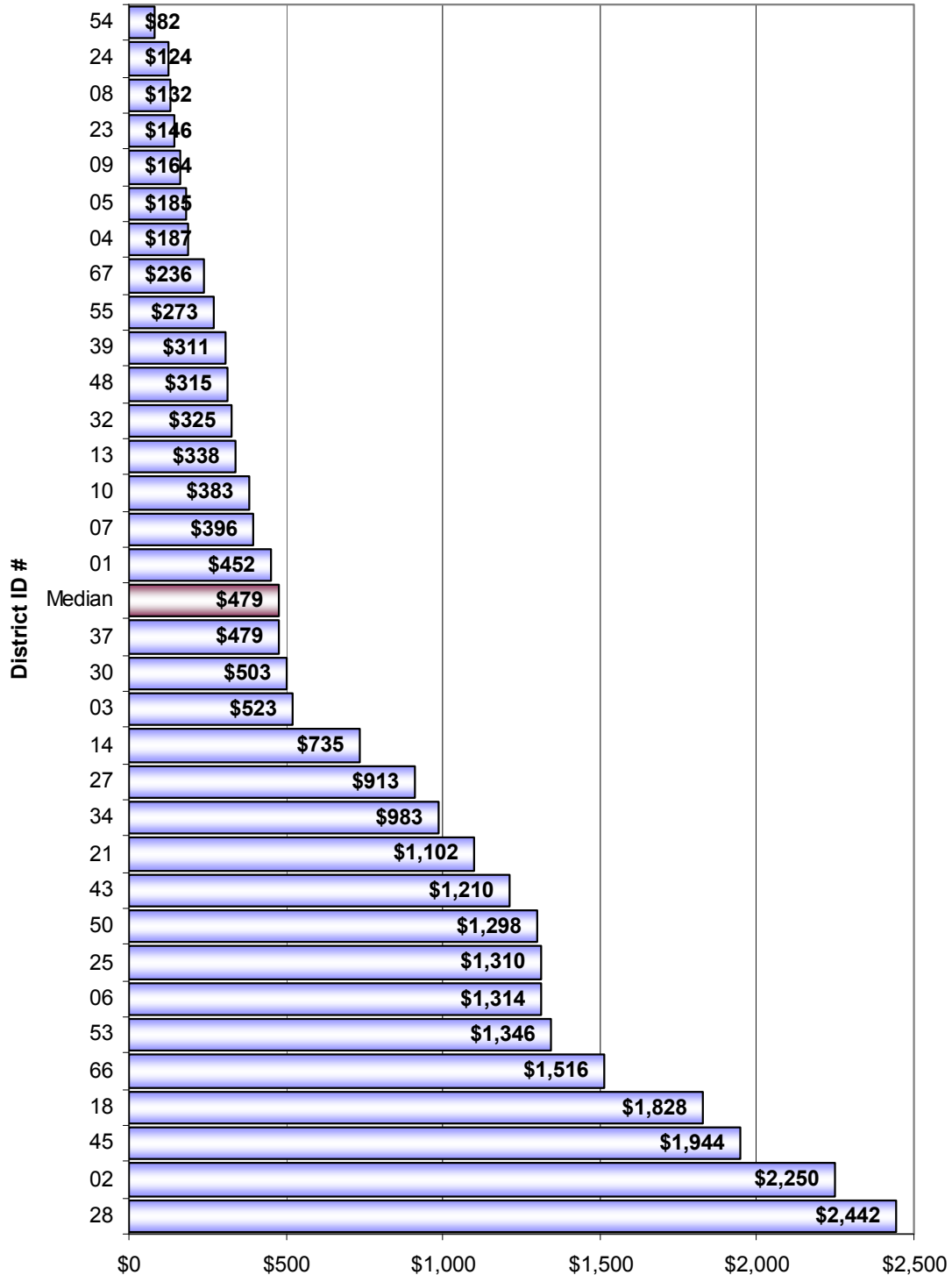
- Whether a district is self insured
- The level of a district’s deductibles/self insurance retention
- State/local laws and regulations governing automobile insurance costs
- Monitoring and reporting systems
- The district’s level of privatization/outsourcing

Analysis of the Data

- FY 08 > 33 districts responded
- FY 08 > Low = \$82; High = \$2,442; Median = \$479
- 19 districts (58%) reported that their automobile premiums plus claims costs per vehicle owned were below \$525; 3 districts reported that their costs were over \$700 but less than \$1,000; and 11 districts (33%) reported their costs were over \$1,000 including 2 districts that reported that their costs exceeded \$2,000.

Performance Measurement & Benchmarking for K12 Operations

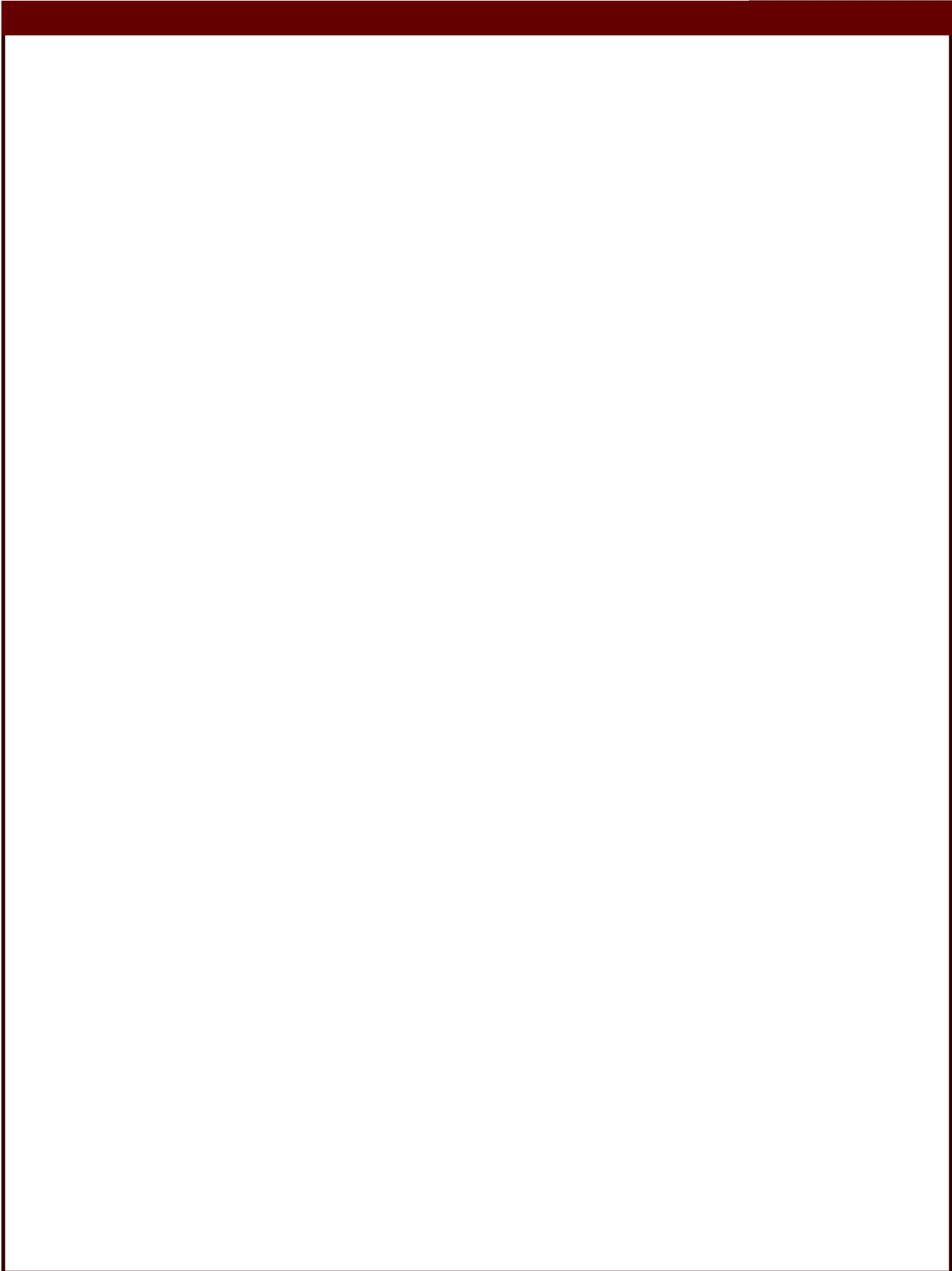
**Automobile Premiums Plus Claim Costs per Vehicle Owned
(ACCRA Adjusted)**



Key Performance Indicator



Human Resources



Employee Relations & Services

Formal Grievances Won

Number of grievances favorable to the district *divided by* the number of formal grievances filed by all employees.

Why This Measure Is Important

This measure may serve as barometer of a district's effectiveness in its policies and practices. There is a cost both in administrative time and loss in productivity for the employees involved in the process of adjudicating the claim.

A low rate may be attributed to problem areas within the organization. A high rate may mean that the contract language is clear and reasonable and that managers and supervisors are supported in their interpretation of the language.

Factors That Influence This Measure

- Capacity of leadership to collaborate with unions/staff
- Ability to communicate and keep lines of communication open with all stakeholders
- Clarity and understanding of contract language
- District's philosophical orientation regarding settlement of contract issues
- The level and effectiveness of contract training and/or support for supervisors

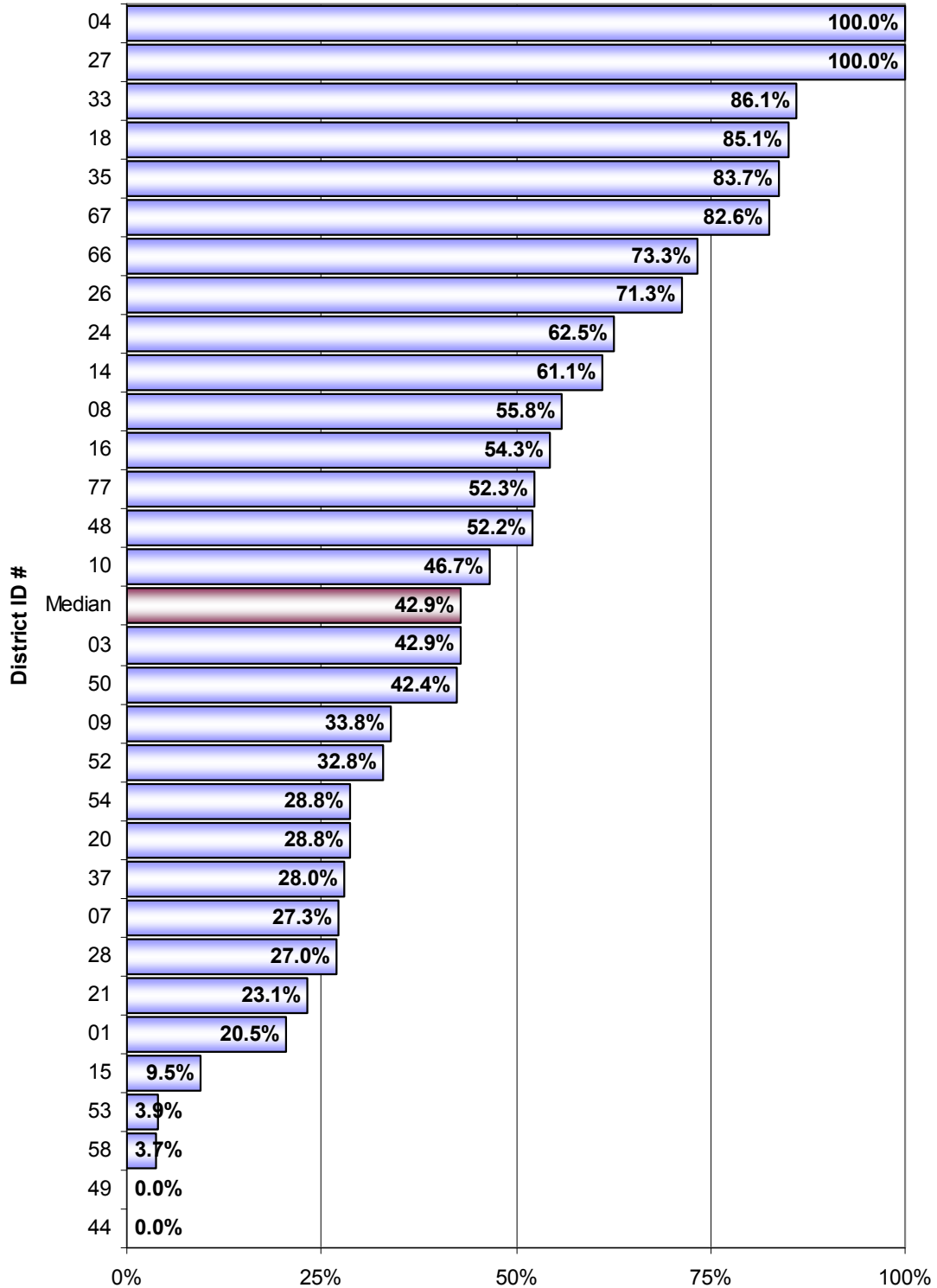
Analysis of the data

- FY 08 > 31 districts responded
- FY 08 > High = 100.0%, Low = 0.0%; Median = 42.9%
- The response rate is affected by state legislation, which enables districts to bargain the terms and conditions of employment. 14 districts that have collective bargaining agreements reported winning 50% or more of the formal grievances filed by all of their employees with 2 districts reported winning all of their grievances.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Formal Grievances Won



Formal Grievances Settled

Number of grievances that were settled *divided by* number of formal grievances filed by all employees.

Why This Measure Is Important

This measure may serve as barometer of a district's effectiveness in its policies and practices. There is a cost both in administrative time and loss in productivity for the employees involved in the process of adjudicating the claim.

A low rate may be attributed to problem areas within the organization. A high rate may mean that the contract language is clear and reasonable and that managers and supervisors are supported in their interpretation of the language.

Factors That Influence This Measure

- Capacity of leadership to collaborate with unions/staff
- Ability to communicate and keep lines of communication open with all stakeholders
- Clarity and understanding of contract language
- District's philosophical orientation regarding settlement of contract issues
- The level and effectiveness of contract training and/or support for supervisors

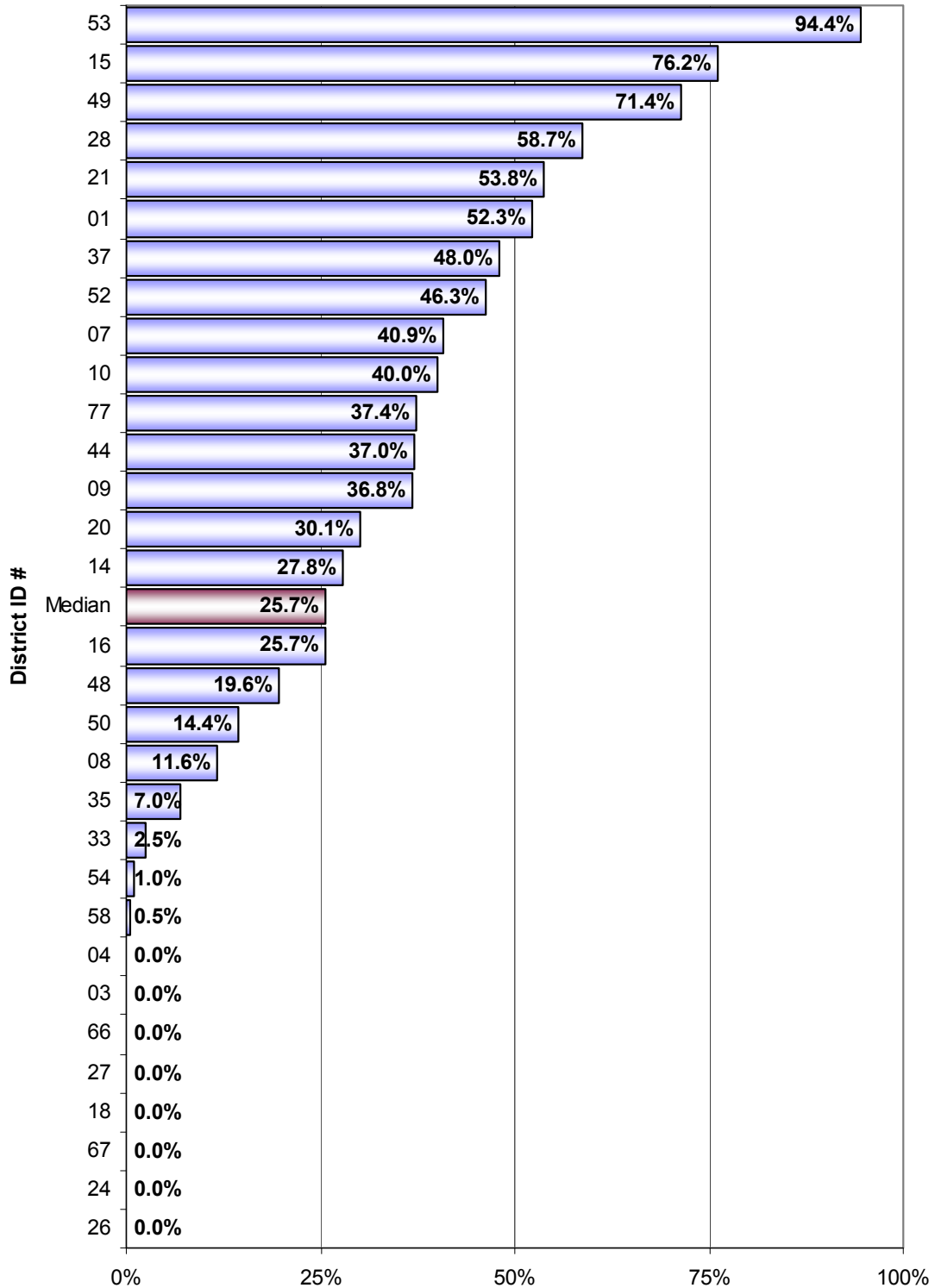
Analysis of the data

- FY 08 > 31 districts responded
- FY 08 > High = 94.4%; Low = 0.0%; Median = 25.7%
- The ratio suggests that most formal employee grievances are not settled in most of the districts that responded.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Formal Grievances Settled



Formal Grievances Lost

Number of grievances favorable to the complainant/employee *divided by* number of formal grievances filed by all employees.

Why This Measure Is Important

This measure may serve as barometer of a district's effectiveness in its policies and practices. There is a cost both in administrative time and loss in productivity for the employees involved in the process of adjudicating the claim.

A high rate may mean that the contract language is ambiguous or not clear. Managers and supervisors may need additional guidance and support in their interpretation of the contract language. A low rate may be attributed to contract language that is clear and reasonable and managers/supervisors that are supported.

Factors That Influence This Measure

- Capacity of leadership to collaborate with unions/staff
- Ability to communicate and keep lines of communication open with all stakeholders
- Clarity and understanding of contract language
- District's philosophical orientation regarding settlement of contract issues
- The level and effectiveness of contract training and/or support for supervisors

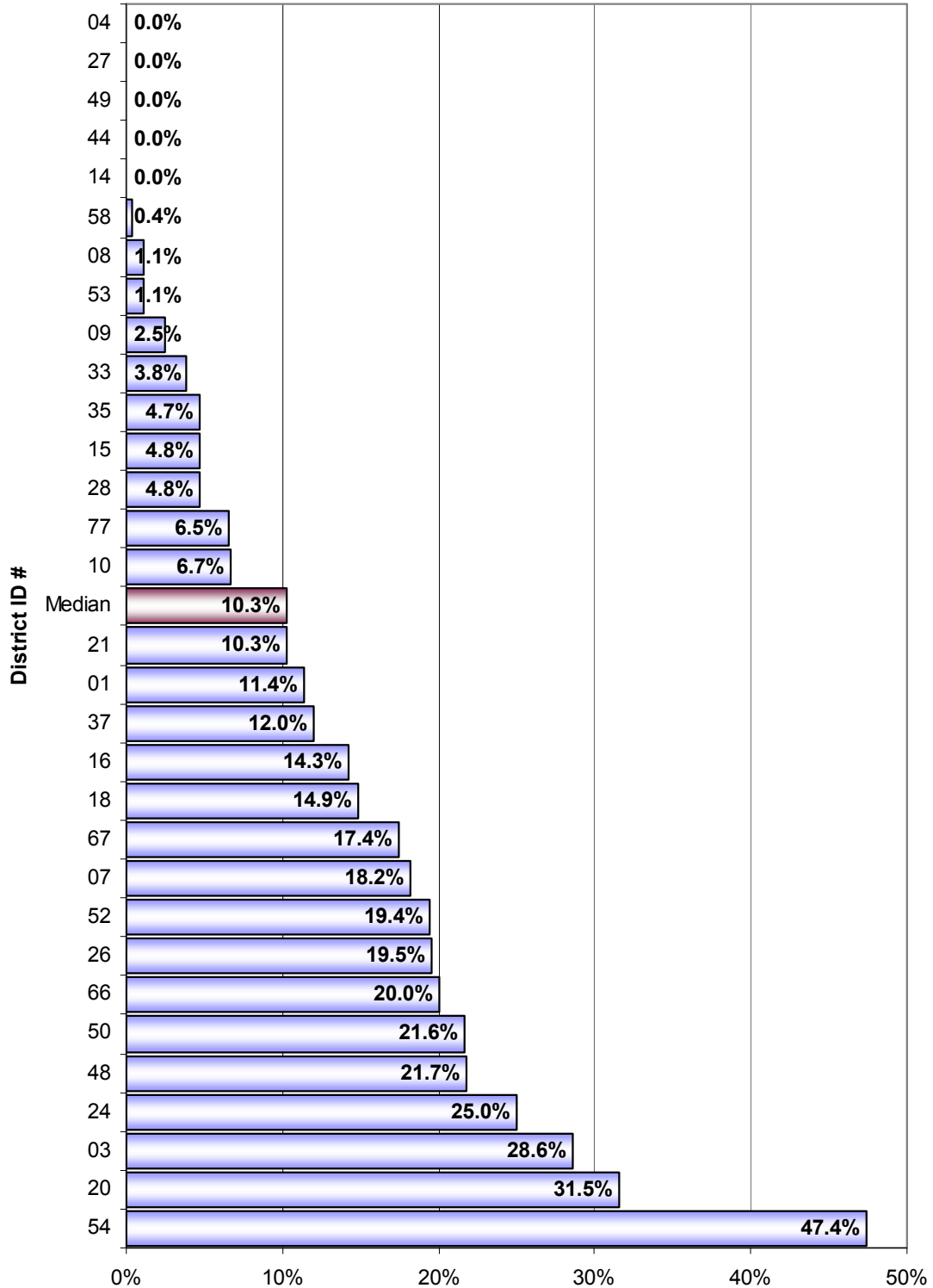
Analysis of the data

- FY 08 > 31 districts responded
- FY 08 > Low = 0.0%; High = 47.4%; Median = 10.3%
- The data suggests that employees lose the preponderance of the formal grievances they initiate in the districts that responded.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Formal Grievances Lost



Formal Investigations of Employee Alleged Misconduct

Number of formal investigations of employee-alleged misconduct *divided by* total number of employees.

Why This Measure Is Important

This measure is an indicator of the effectiveness of hiring and supervisory practices within a district. Administrative costs associated with investigation and resolution diminish resources that could be used more productive educational purposes. High instances of alleged employee-misconduct reflect a negative public image on the district.

Factors that Influence This Measure

- Organizational attitude and tolerance toward employee misconduct
- Quality of supervision
- Quality of training – understanding of expectations
- The hiring processes of the district

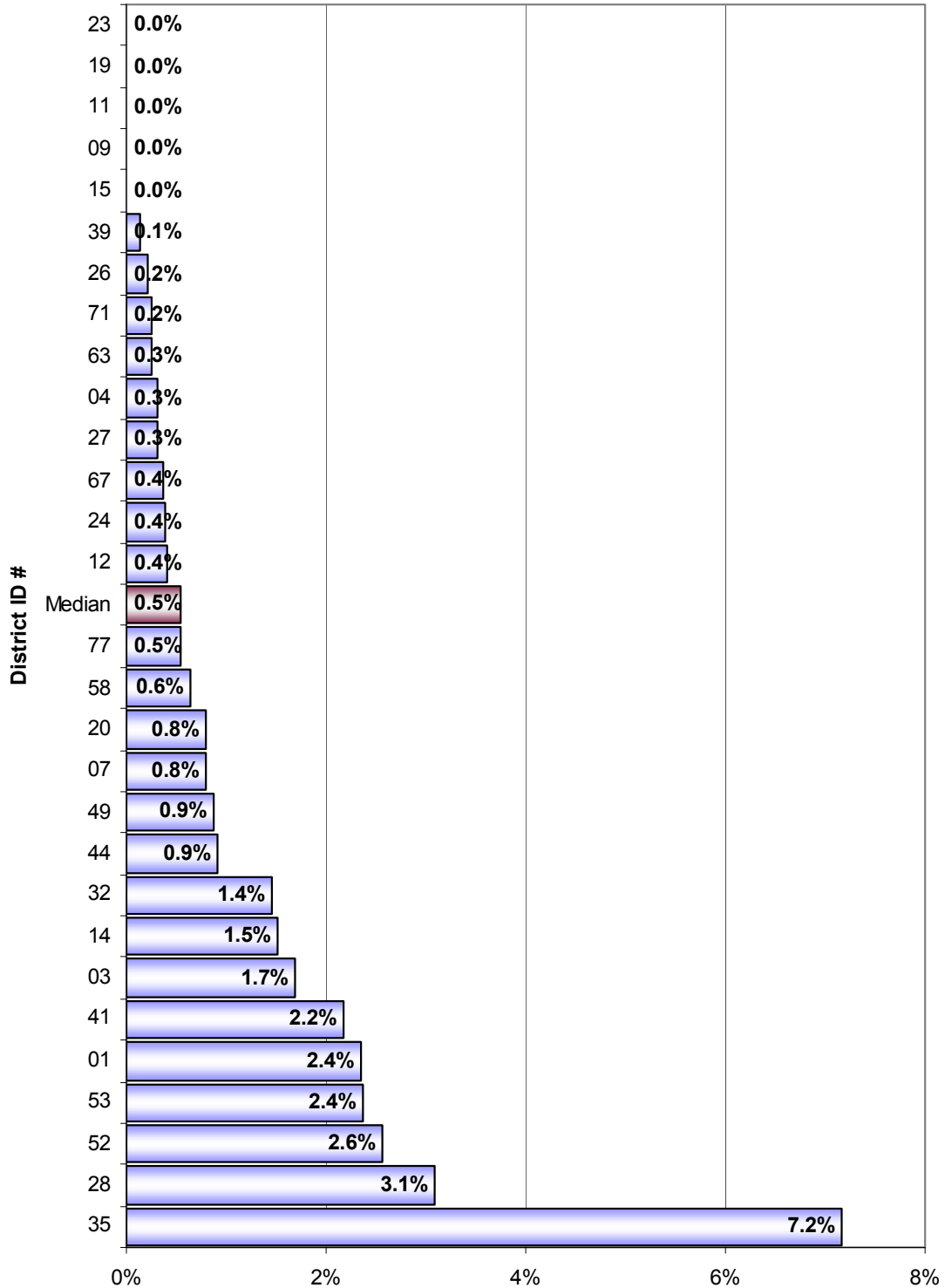
Analysis of the data

- FY 08 > 29 districts responded
- FY 08 > Low = 0.0%; High = 7.2%; Median = 0.5%
- There is a minimal level of formal investigations of alleged misconduct by employees.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Formal Investigations of Employee Alleged Misconduct



Administrative Employees Evaluated as “Did Not Meet Expectations”

Number of school-based administrators/supervisors identified as “did not meet expectations” *plus* number of non school-based administrators/supervisors identified as “did not meet expectations” *divided by* number of school-based administrators/supervisors *plus* number of non school-based administrators/ supervisors.

Why This Measure Is Important

This measure is a general indicator of the effectiveness of a district’s administrative employees and can provide information on where to target remedial or developmental training opportunities. While an excessively high score in this area may mean significant work is needed to bring administrators up to standards, an extremely low score where all administrators meet standards may cast doubt on the validity or accuracy of the appraisal system or process.

Factors that Influence This Measure

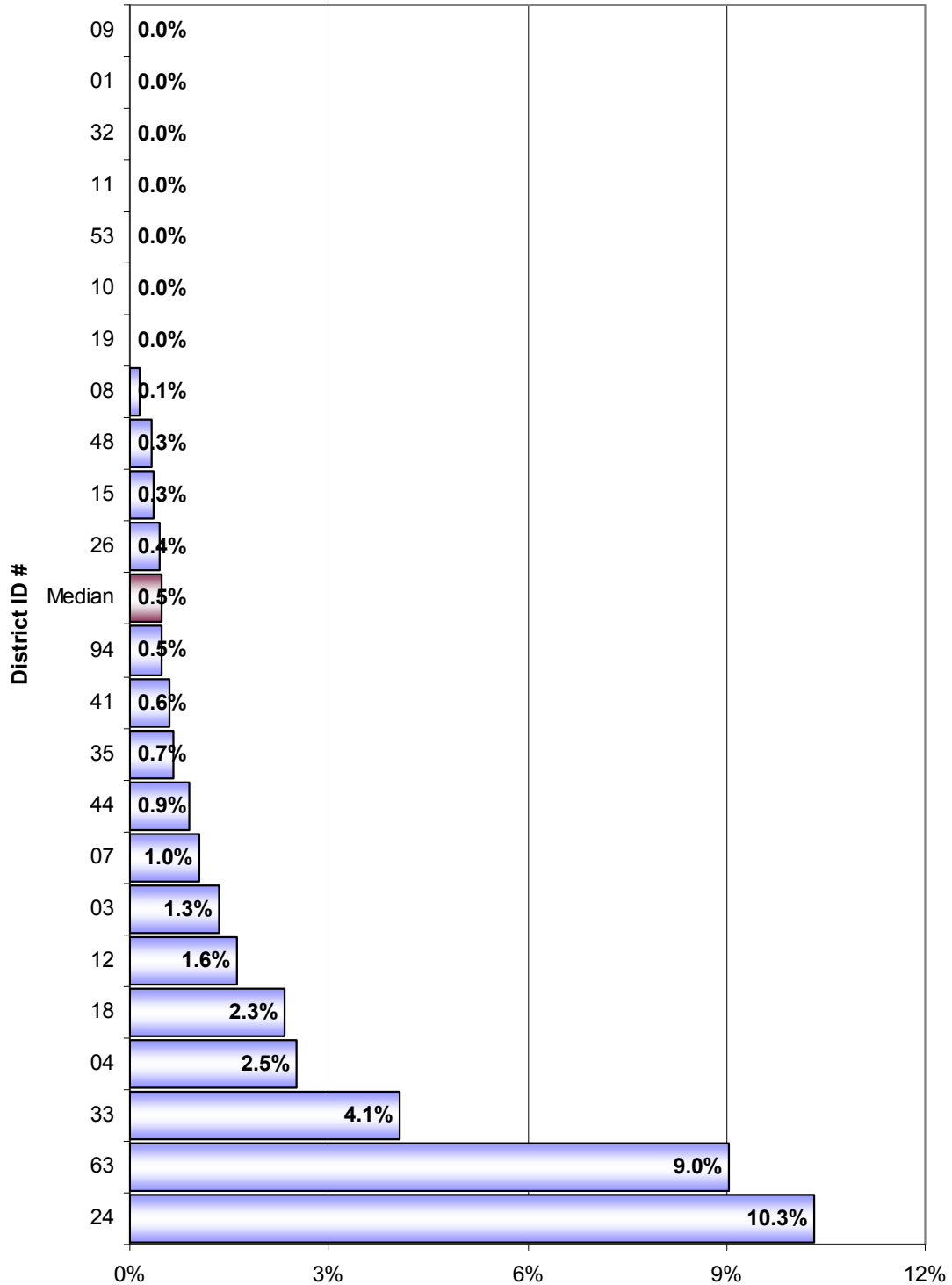
- Quality of the appraisal tool
- Effectiveness of the supervisor’s ability to use the tool
- Quality of training/professional development in the district
- Ability of administrative employees to use contractual or other remedies to dispute ratings that do not meet expectations, which may result in fewer employees being identified as not meeting expectations.

Analysis of the data

- FY 08 > 23 districts responded
- FY 08 > Low = 0.0%; High = 10.3%; Median = 0.5%
- 95% or more of administrative employees were meeting “expectations” in 21 of the 23 districts that reported data.

Performance Measurement & Benchmarking for K12 Operations

Administrative Employees Evaluated as "Did Not Meet Expectations"



Key Performance Indicator

Classified Employees Evaluated as “Did Not Meet Expectations”

Number of school-based non-teachers: Union (classified employees) identified as “did not meet expectations” *plus* number school-based non-teachers: Non-union (classified employees) identified as “did not meet expectations” *plus* number of non school-based non-teachers: Union (classified employees) identified as “did not meet expectations” *plus* number of non school-based non-teachers: Non-union (classified employees) identified as “did not meet expectations” *divided by* number of school-based non-teachers *plus* number of non school-based non-teacher

Why This Measure Is Important

This measure serves as a general indicator of the effectiveness of a district’s classified employees. This measure can provide information on where to target remedial or developmental training opportunities. While an excessively high score in this area may mean significant work is needed to bring certificated individuals up to standards, an extremely low score where all certificated individuals meet standards may cast doubt on the validity or accuracy of the appraisal system or process.

Factors that Influence This Measure

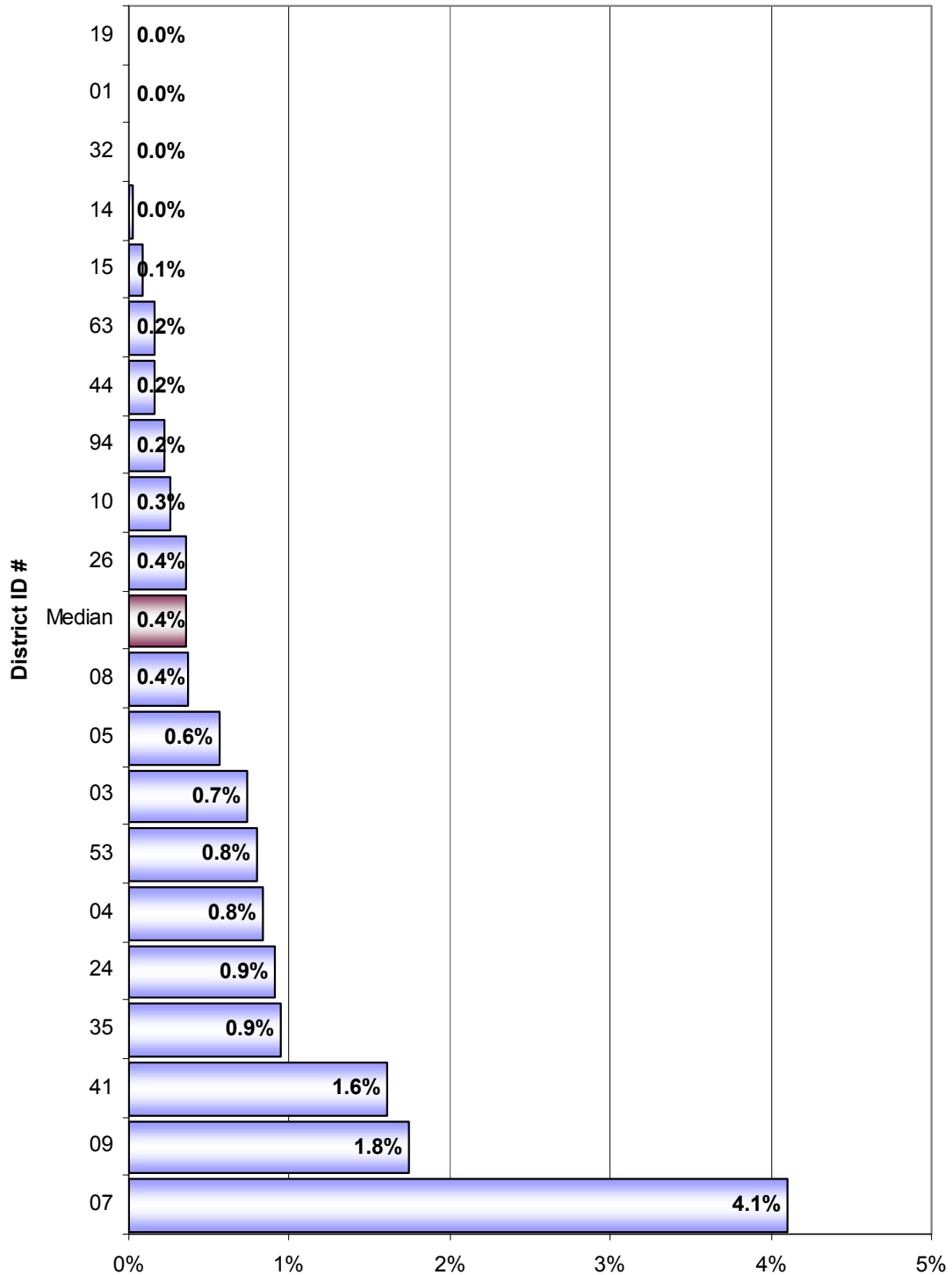
- Quality of the appraisal tool
- Effectiveness of the supervisor’s ability to use the tool
- Quality of training/professional development in the district
- Ability of certificated employees to use contractual or other remedies to dispute ratings that do not meet expectations, which may result in fewer employees being identified as not meeting expectations

Analysis of the data

- FY 08 > 20 districts responded
- FY 08 > Low = 0.0%; High = 4.1%; Median = 0.4%
- 98% or more of classified employees were meeting “expectations” in 19 of the 20 districts that reported data.

Performance Measurement & Benchmarking for K12 Operations

Classified Employees Evaluated as "Did Not Meet Expectations"



Key Performance Indicator

Approved Workers' Compensation Claims

Number of approved workers' compensation claims *divided by* total number of employees.

Why This Measure Is Important

This is a general indicator reflecting the effectiveness of a district's safety programs. Increased workers' compensation costs represent a direct or indirect increased cost to the organization, which results in a decrease in the amount of dollars available to other areas of the organization. High workers' compensation costs may also be an indicator of lower job satisfaction or low employee morale.

Factors That Influence This Measure

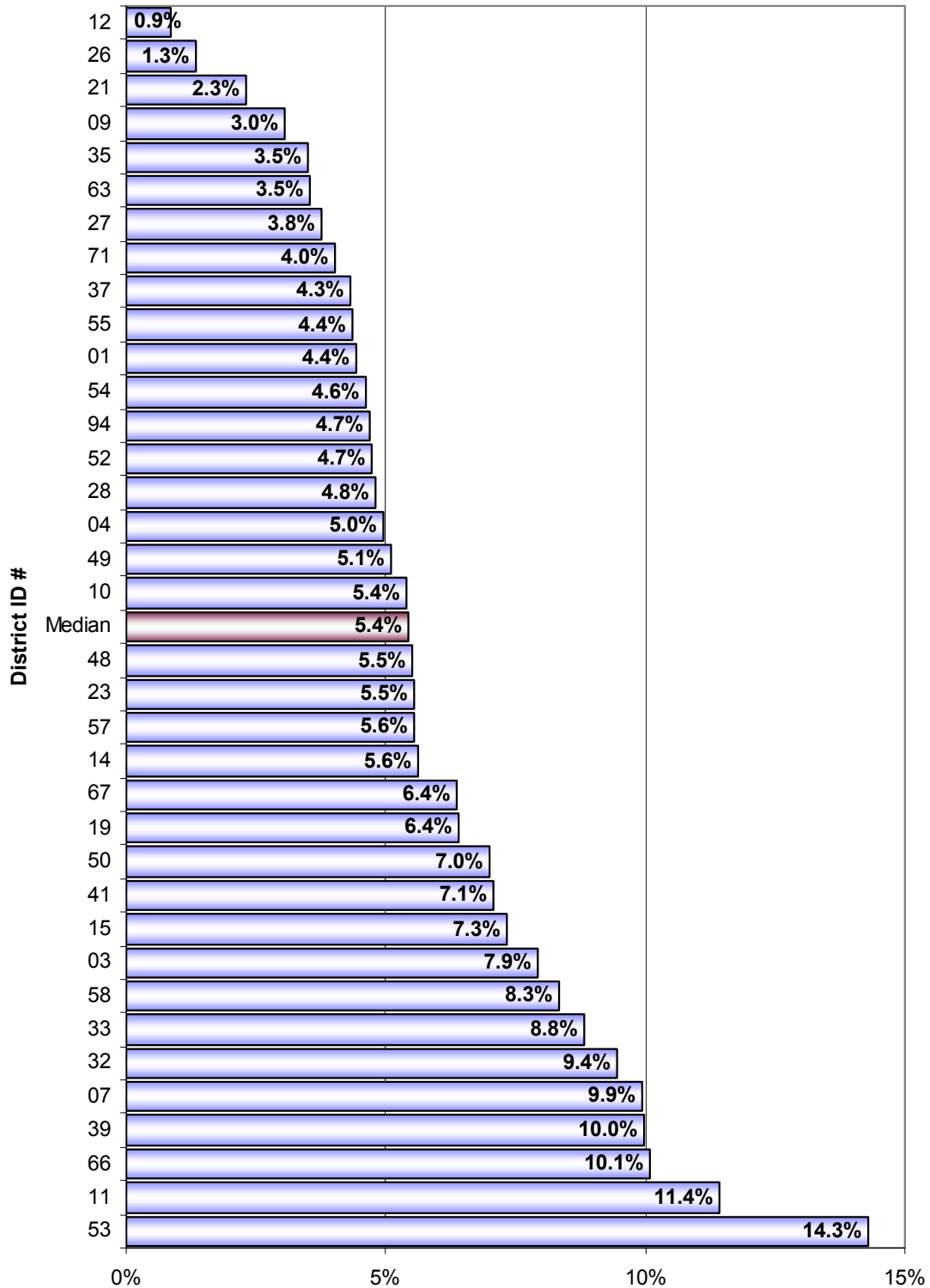
- Workers compensation costs may be influenced by geographic location (winter climate versus a warm climate)
- Availability of providers and reasonable & customary charges also influence workers compensation costs.
- Workers' compensation costs are influenced by organizational support for safety training programs.
- Composition of the workforce (whether positions such as custodians, maintenance and bus drivers are in house or outsourced) will influence workers' compensation costs.
- Costs will be influenced by funding mechanism (self funded, fully insured, state plan etc.)

Analysis of the data

- FY 08 > 36 districts responded
- FY 08 > Low = 0.9%; High = 14.3%; Median = 5.4%

Performance Measurement & Benchmarking for K12 Operations

Approved Workers' Compensation Claims



Key Performance Indicator

EEO Charges Filed by Employees

Number of Equal Employment Opportunity (EEO) charges filed by employees *divided by* total number of employees.

Why This Measure Is Important

This is a general indicator of employee morale that can have an impact on employee productivity and may act as a barometer on the quality of supervision. EEO charges increase the administrative costs associated with investigations and remedies. It is also an indicator of the effectiveness of supervisory training. High instances of alleged employee misconduct reflect a negative public image of the district.

Factors that Influence This Measure

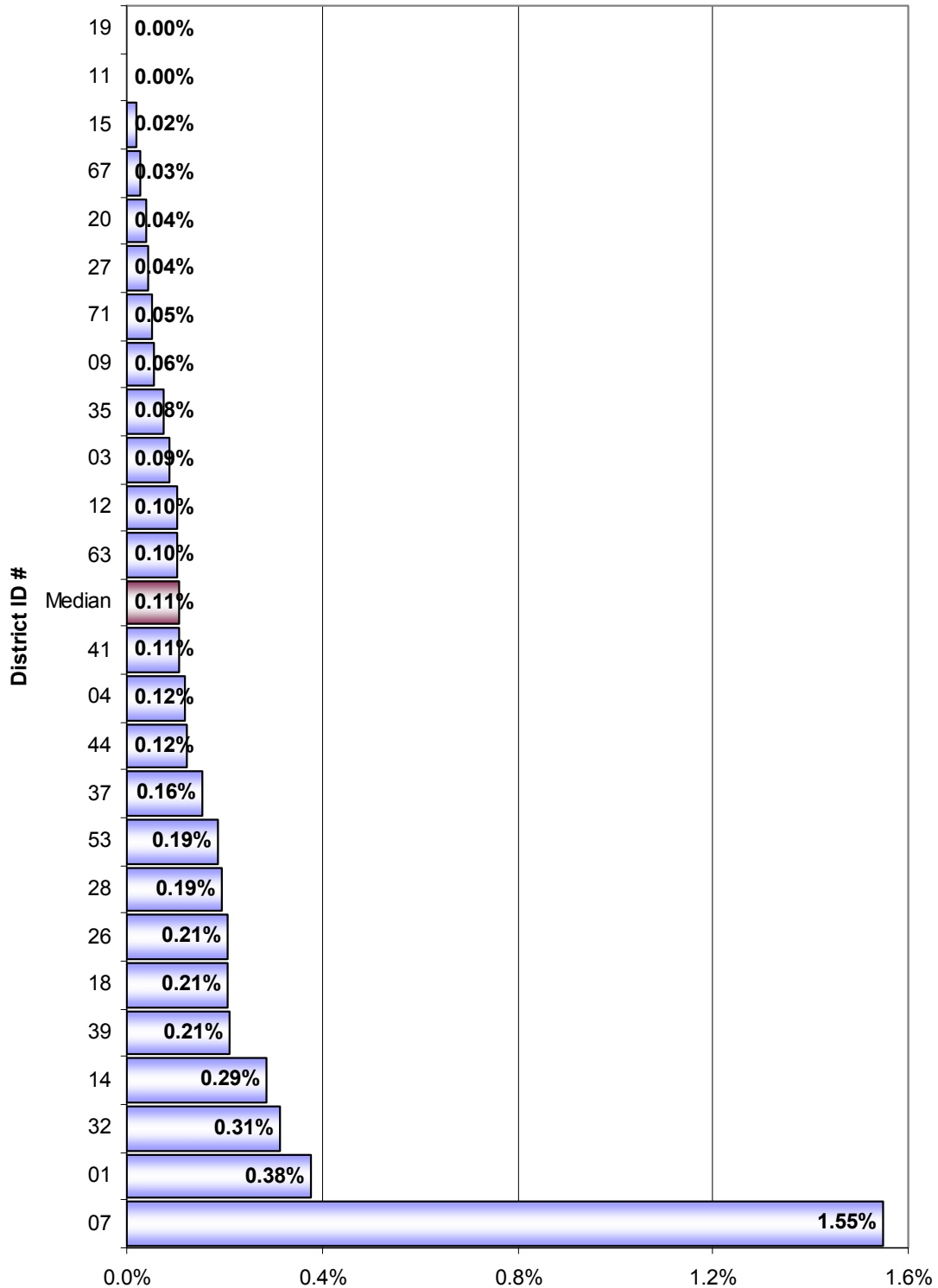
- State and local laws defining discrimination will impact
- Board Policy and organizational protocol for resolution
- Organizational climate
- Quality and level of supervisory training
- Quality and level of EEO Awareness training for all employees
- Indicator as to the effectiveness of supervisors and managers

Analysis of the data)

- FY 08 > 25 districts responded
- FY 08 > Low = 0.00%; High = 1.55%; Median = 0.11%

Performance Measurement & Benchmarking for K12 Operations

EEO Charges Filed by Employees



Key Performance Indicator

Health Benefits Expenses per Employee (ACCRA Adjusted¹⁶)

Cost for active employees *divided by* number of active employees eligible for health benefits.

Why This Measure Is Important

It is important to all districts to have a competitive benefit package to attract and retain employees. However, health-care costs represent an increasing percentage of overall employee costs. Rapid increases in health-care costs make it even more critical for districts to ensure that their health-care dollars are well spent and their benefits are competitive.

Health-care costs are an important component of the total compensation package of employees. While it is important to provide good benefits, it is also important to do it at a competitive cost, compared with other organizations that are competing for the same applicants.

Factors That Influence This Measure

- Costs may be influenced by district wellness programs and promoting healthy lifestyles
- Plan benefits and coverage (individual, individual & spouse, family, etc.) are major factors in determining costs.
- Costs are influenced by availability and competitiveness of providers.
- Costs are influenced by geographic location (reasonable and customary charges for each location).
- Costs may vary based on plan structure (fully insured, self insured, minimum premium etc.).
- Increased costs in health care will mean less money available for salary or other benefits.

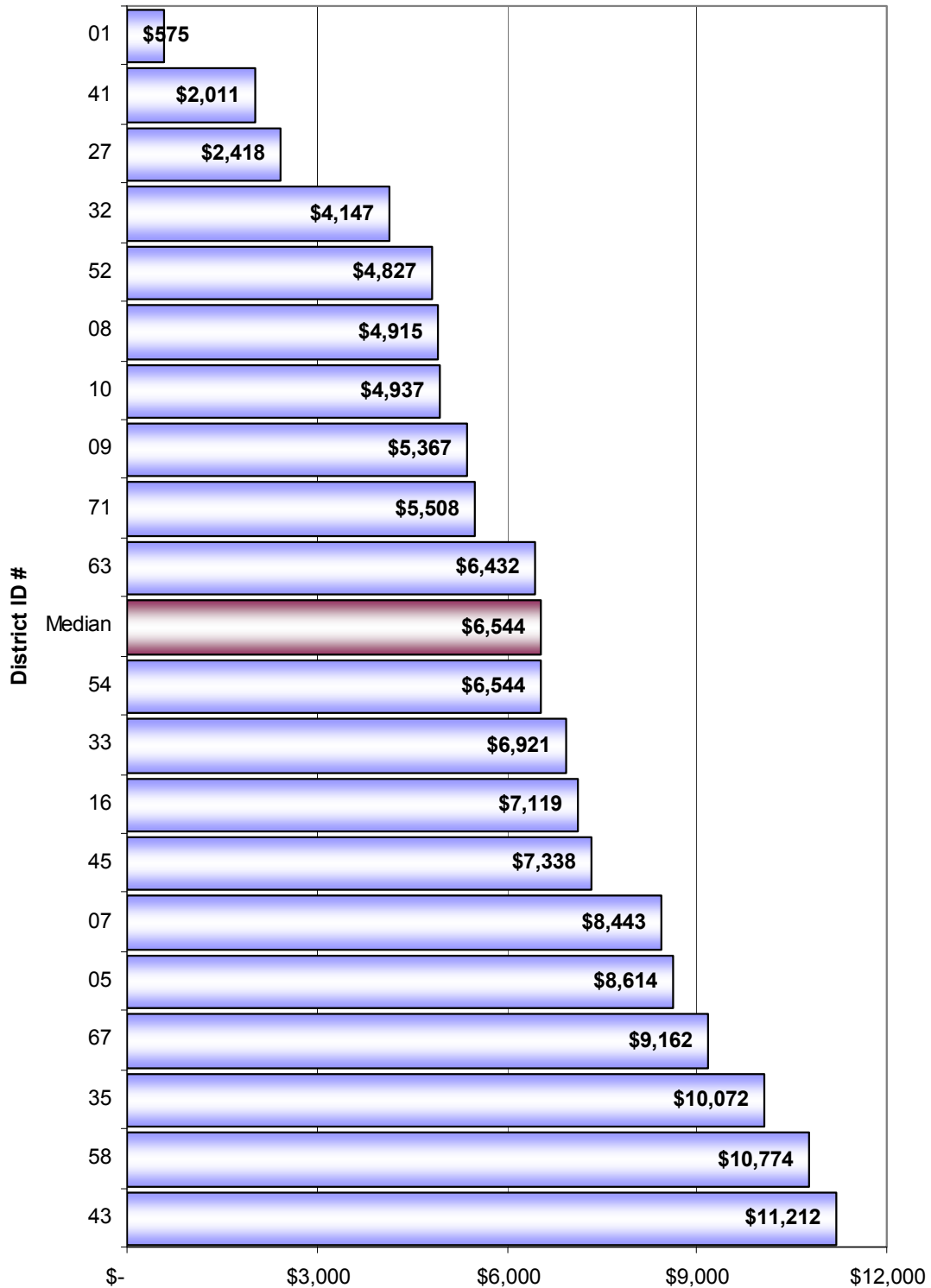
Analysis of the data

- FY 08 > 20 districts responded
- FY 08 > Low = \$575; High = \$11,212; Median = \$6,544

¹⁶ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Health Benefits Expense per Employee (ACCRA Adjusted)



Key Performance Indicator

Average Number of Lost Work Days Due to Workers' Compensation per Claim

Number of total lost workdays due to workers' compensation for all teachers *plus* number of total lost workdays due to workers' compensation for all school-based administrators and supervisors *plus* number of total lost workdays due to workers' compensation for all non-school based administrators and supervisors *plus* number of total lost workdays due to workers' compensation for all school-based non-teachers (include both union and non union) *plus* number of total lost workdays due to workers' compensation for all non-school-based non-teachers (include both union and non union) *divided by* number of approved workers' compensation claims.

Why This Measure Is Important

Increased lost work days due to workers' compensation represent a direct or indirect increased cost to the organization, which results in a decrease in the amount of dollars available to other areas of the organization and to productivity.

Lost work days costs are an indicator of the effectiveness of safety programs. High workers' compensation costs may be an indicator of lower job satisfaction or low employee morale.

Factors That Influence This Measure

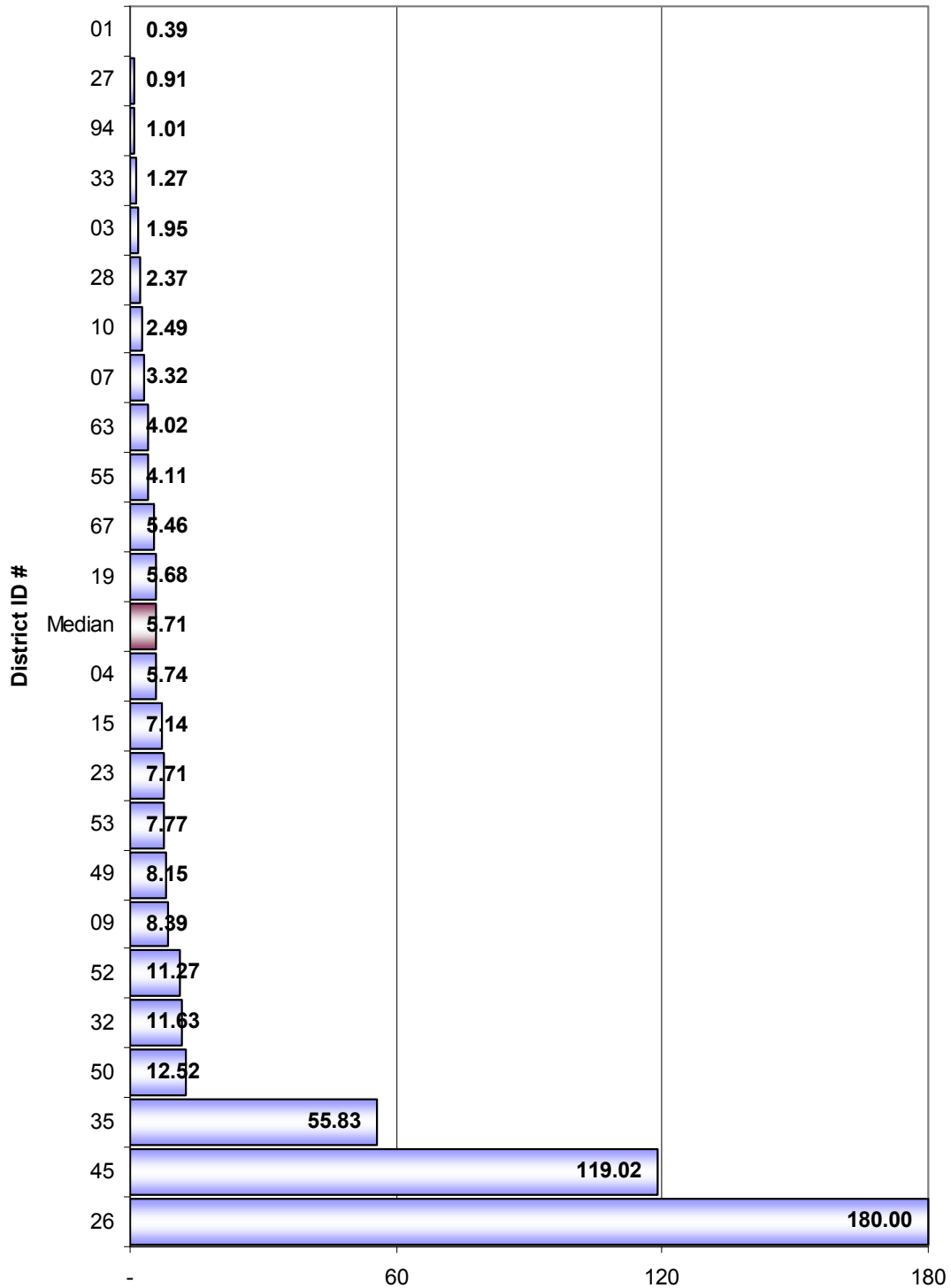
- Lost work days may be influenced by geographic location (winter climate vs. warm climate)
- Availability of providers and reasonable & customary charges also influence workers compensation costs.
- Lost work-days are influenced by organizational support for safety training programs, such as return to light duty programs.
- Composition of the workforce (whether positions such as custodians, maintenance and bus drivers are in house or outsourced) will influence workers' compensation lost work-days.
- Costs will be influenced by funding mechanisms (self funded, fully insured, state plan etc.)

Analysis of the data

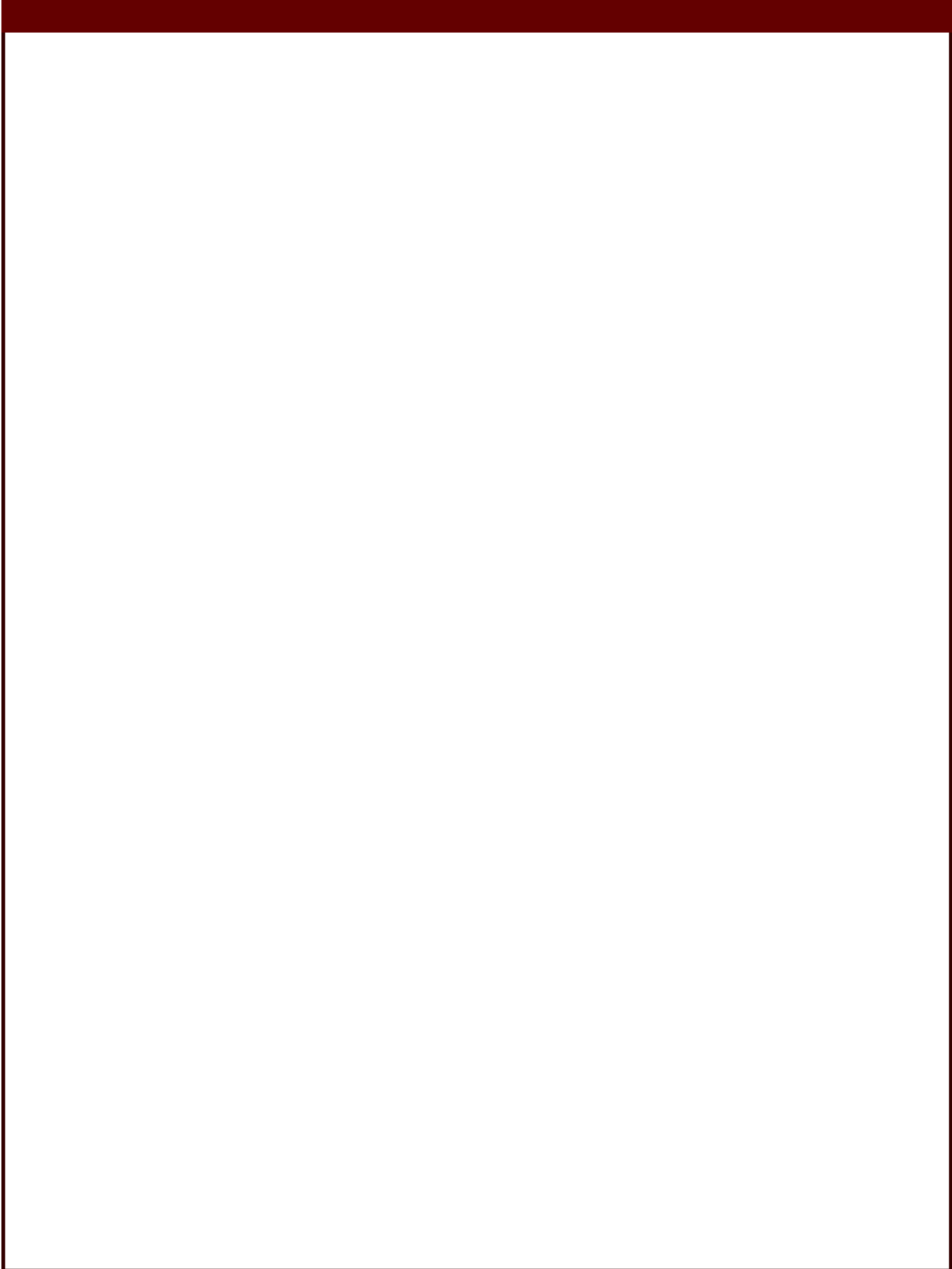
- FY 08 > 24 districts responded
- FY 08 > Low = 0.39; High = 180.00; Median = 5.71

Performance Measurement & Benchmarking for K12 Operations

Average Number of Lost Work Days Due to Workers' Compensation per Claim



Key Performance Indicator



Human Resources Development

Human Resources FTEs – Benefits

Total number of staff in Benefits.

Why This Measure Is Important

This indicates the number of staff (FTEs) districts use to support their benefits services, e.g., health, dental, and vision coverage, 403(b) plans, and wellness programs for employees and retirees.

Factors That Influence This Measure

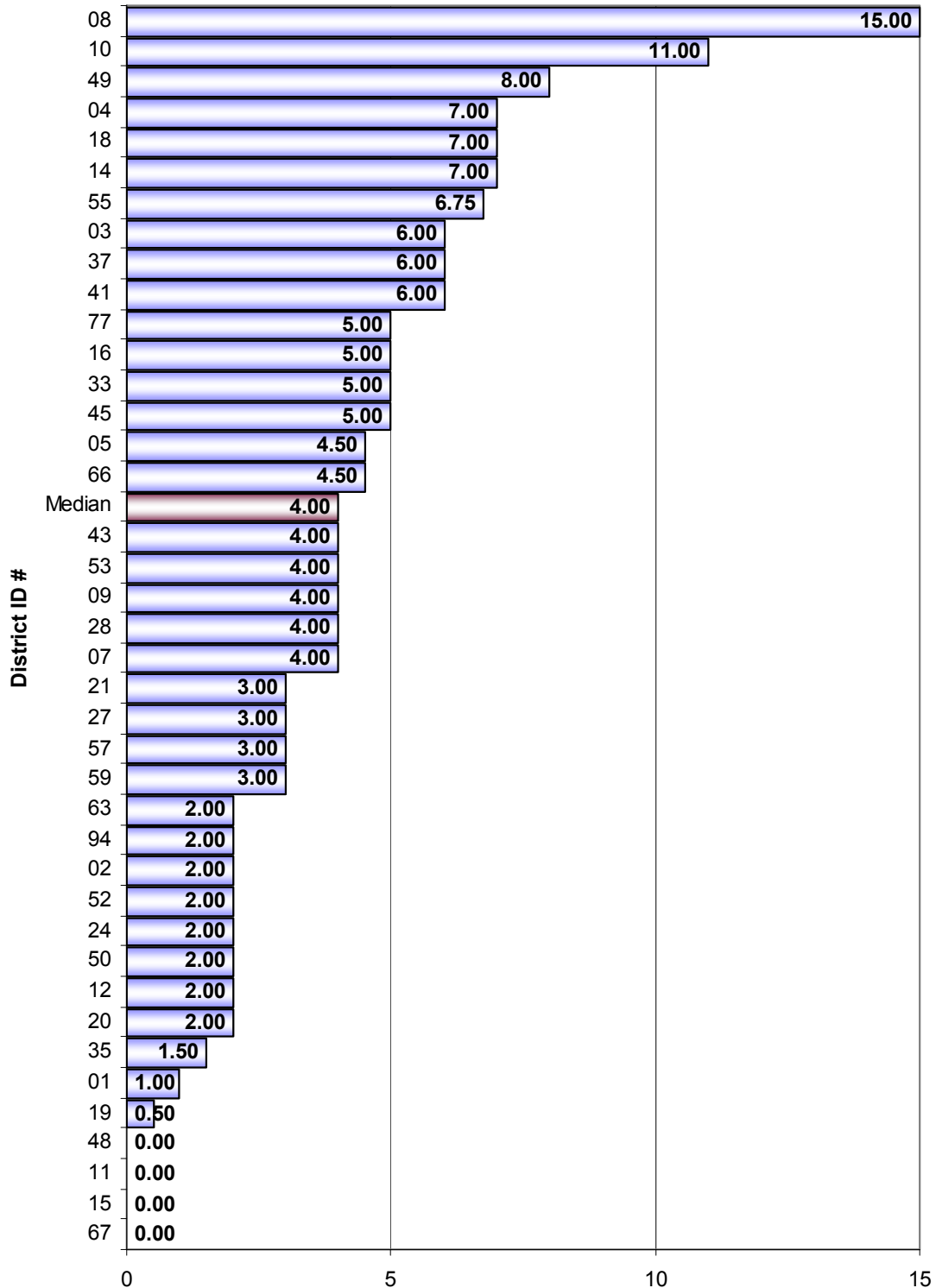
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit

Analysis of the data

- FY 08 > 40 districts responded
- FY 08 > High = 15.00; Low = 0.00; Median = 4.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Benefits



Key Performance Indicator

Human Resources FTEs – Compensation

Total number of staff in Compensation.

Why This Measure Is Important

This indicates the number of staff (FTEs) districts use to provide compensation services, e.g., job analysis, organizational design, maintaining/designing salary and bonus plans.

Factors That Influence This Measure

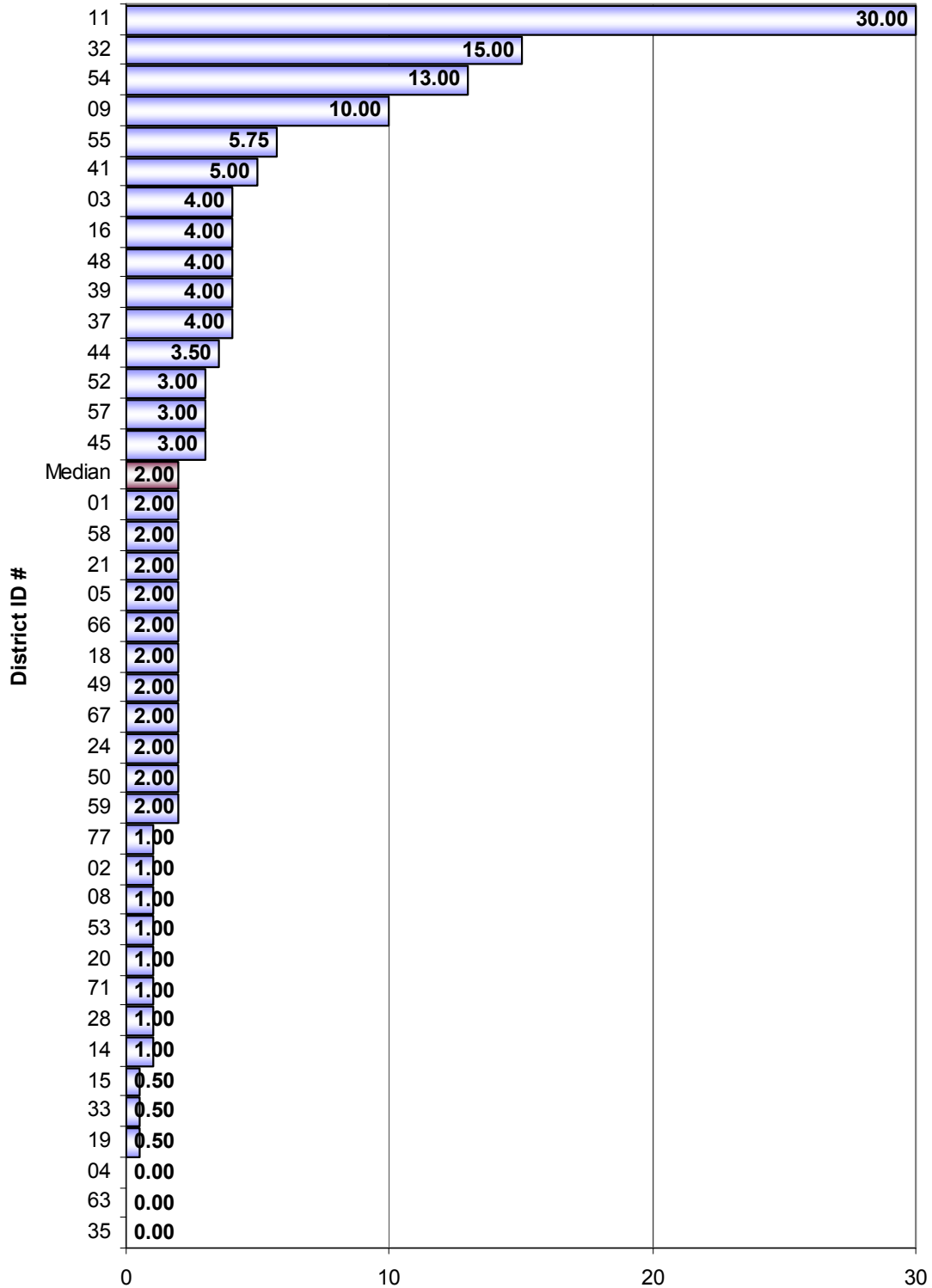
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit

Analysis of the data

- FY 08 > 40 districts responded
- FY 08 > High = 30.00; Low = 0.00; Median = 2.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Compensation



Key Performance Indicator

Human Resources FTEs – Employee Relations

Total number of staff in Employee Relations.

Why This Measure Is Important

This indicates the number of district staff (FTEs) used to provide employee relations services, e.g., compliance and regulatory mandates, such as FMLA, EEOC and Title VII.

Factors That Influence This Measure

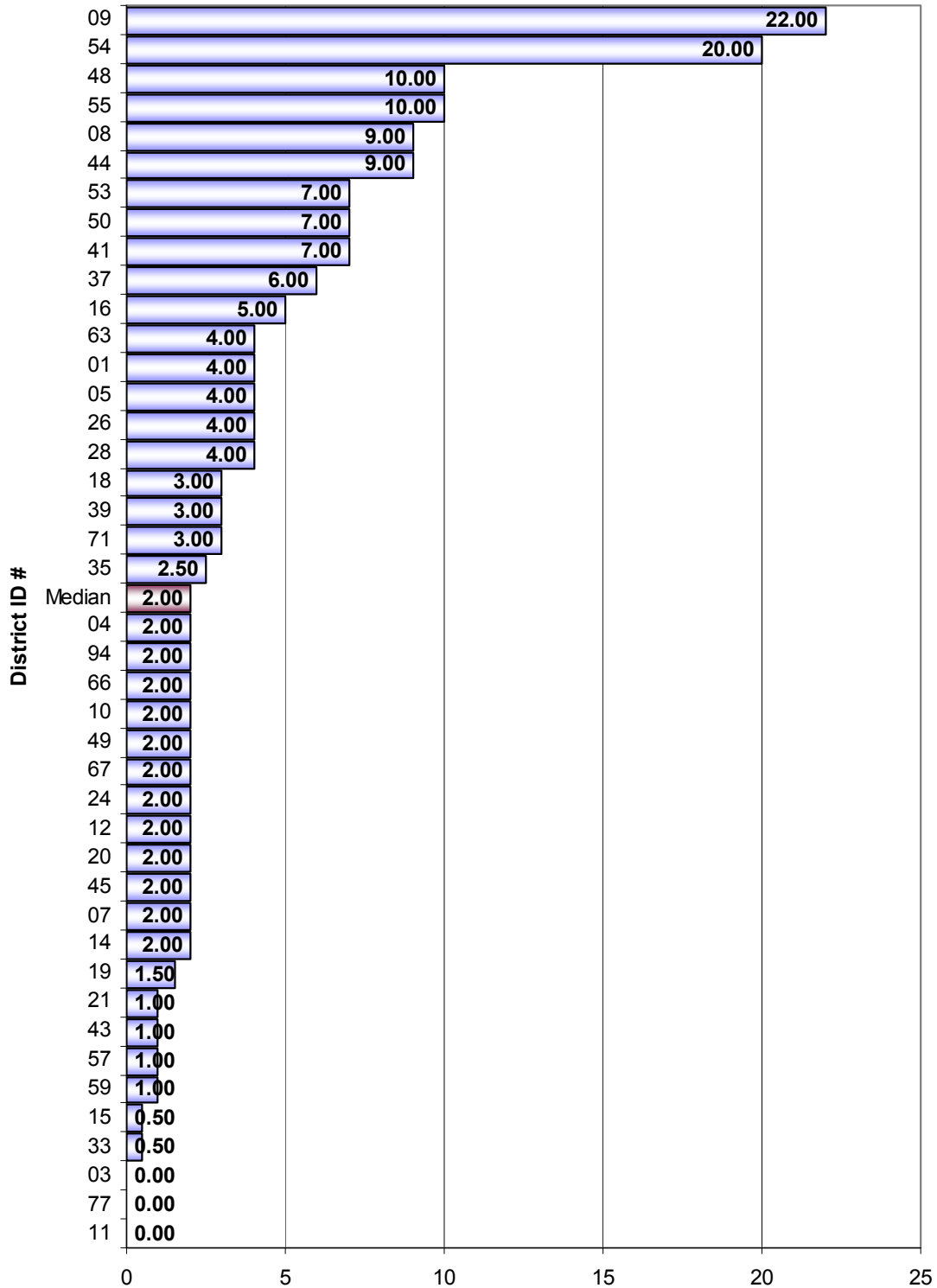
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit

Analysis of the data

- FY 08 > 42 districts responded
- FY 08 > High = 22.00; Low = 0.00; Median = 2.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Employee Relations



Key Performance Indicator

Human Resources FTEs – Employee Service Center

Total number of staff in Employee Service Center

Why This Measure Is Important

This indicates the number of district staff (FTEs) used to support their Employee Service Center, which includes all on-boarding activities, first point of HR contact for all employees and managers who provide tier 1 & 2 HR support.

Factors That Influence This Measure

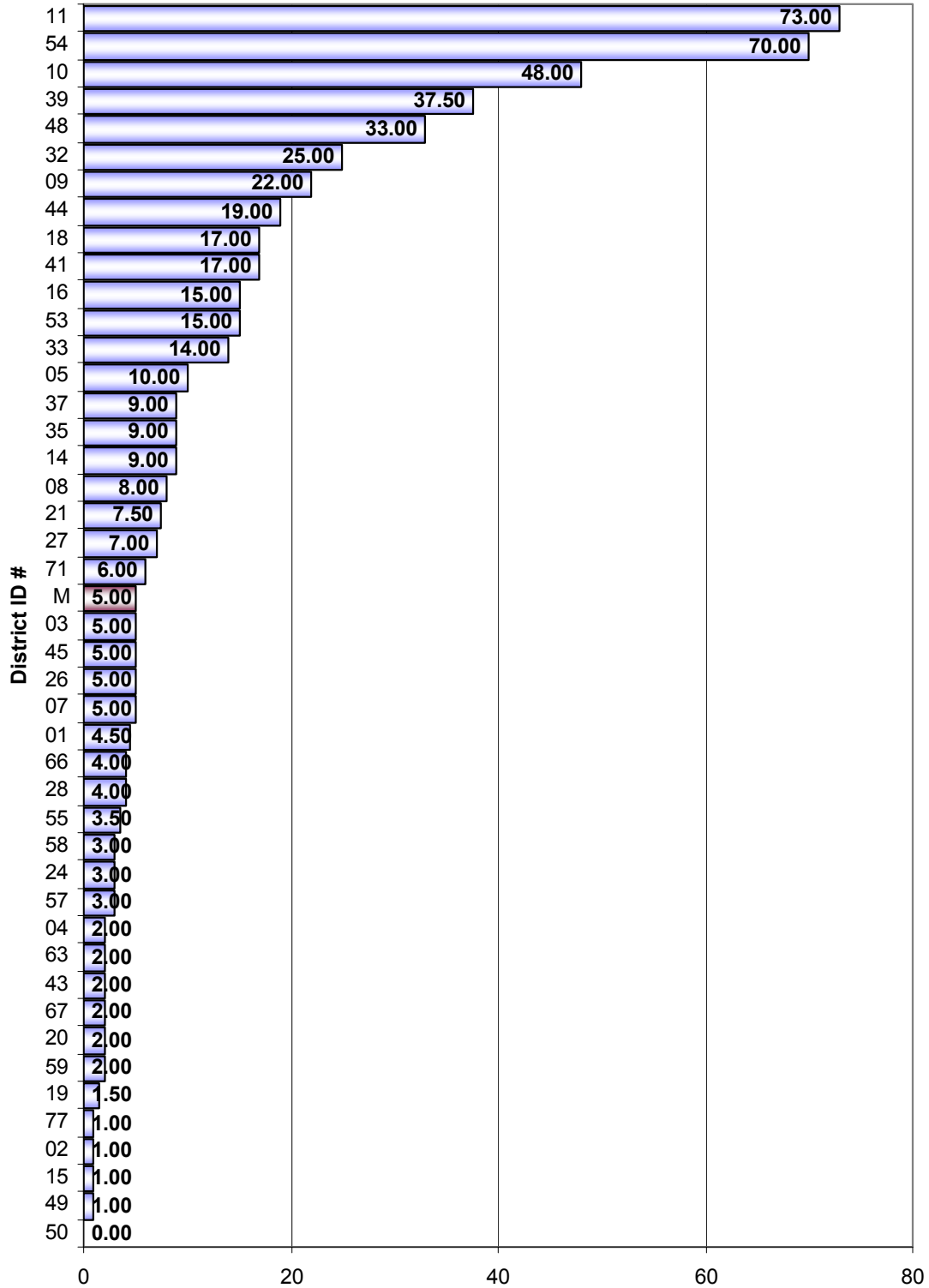
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit
- Complexity of technology

Analysis of the data

- FY 08 > 44 districts responded
- FY 08 > High = 73.00; Low = 0.00; Median = 5.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Employee Service Center



Key Performance Indicator

Human Resources FTEs – Human Resources Information Systems

Total number of staff in Human Resources Information Systems.

Why This Measure Is Important

This indicates the number of district staff (FTEs) that are used to support Human Resources Information Systems that include providing reports, maintaining data quality assurance and the system of recordkeeping.

Factors That Influence This Measure

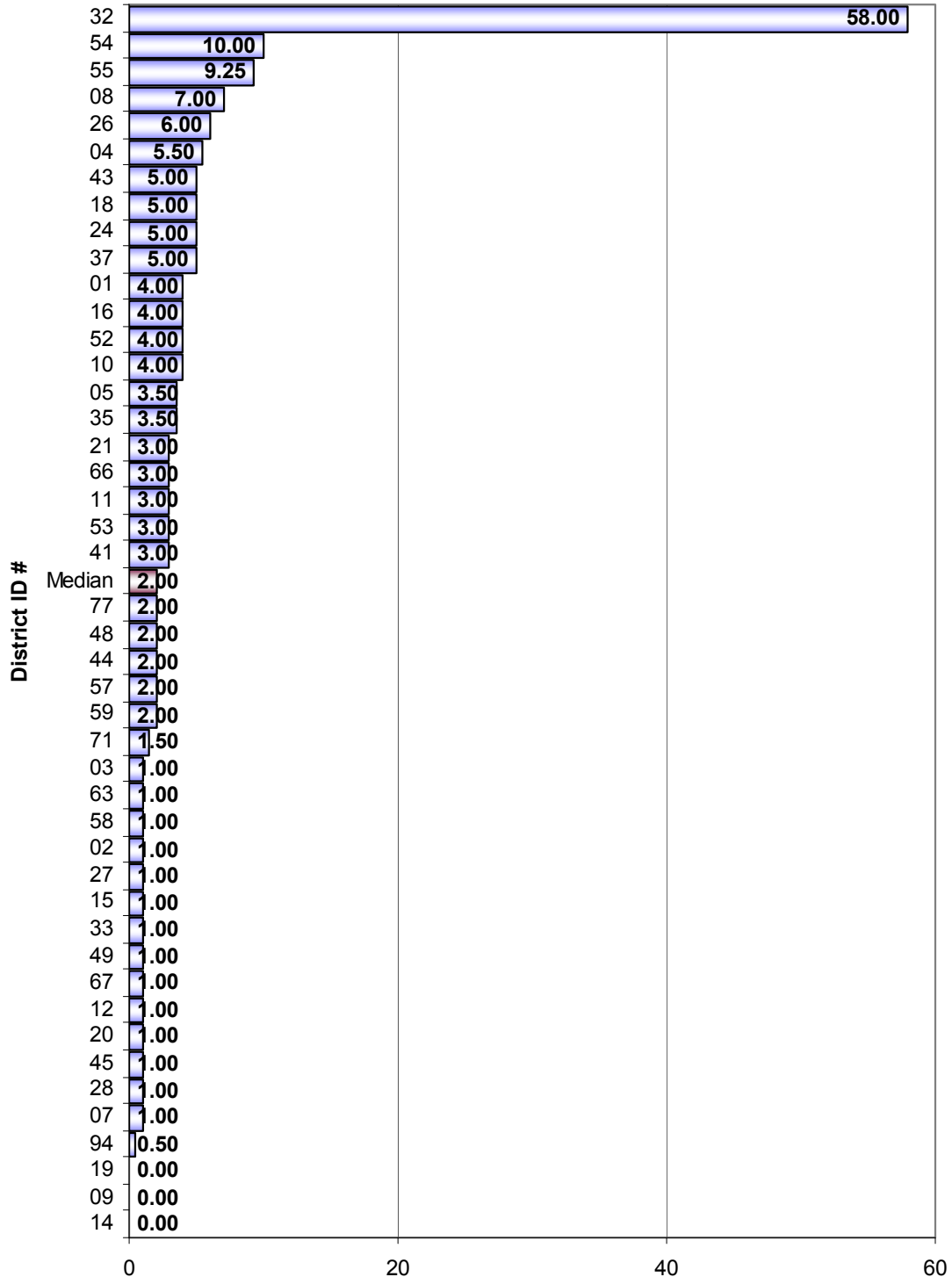
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit
- Complexity of technology

Analysis of the data

- FY 08 > 45 districts responded
- FY 08 > High = 58.00; Low = 0.00; Median = 2.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Human Resources Information Systems



Key Performance Indicator

Human Resources FTEs – Labor Relations

Total number of staff in Labor Relations.

Why This Measure Is Important

This indicates the number of staff (FTEs) districts use to support their labor relations functions, including union contract negotiations, contract language interpretations, and grievance processing from local filings to mediation/arbitration.

Factors That Influence This Measure

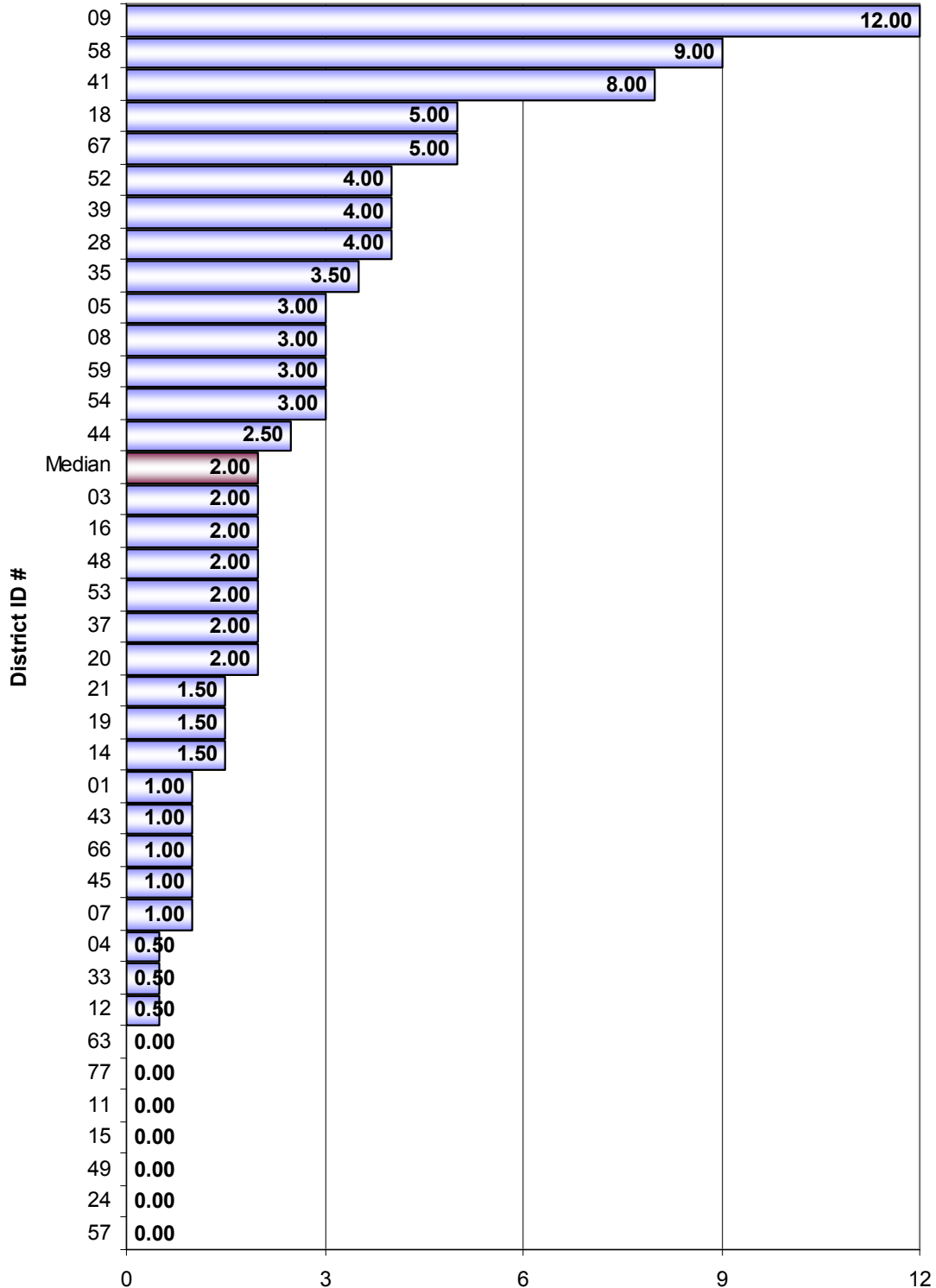
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit

Analysis of the data

- FY 08 > 38 districts responded
- FY 08 > High = 12.00; Low = 0.00; Median = 2.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Labor Relations



Key Performance Indicator

Human Resources FTEs – Payroll

Total number of staff in Payroll.

Why This Measure Is Important

This indicates the number of district staff (FTEs) used to support payroll functions, which include processing payroll, year-end tax reconciliation, and voluntary and involuntary deductions.

Factors That Influence This Measure

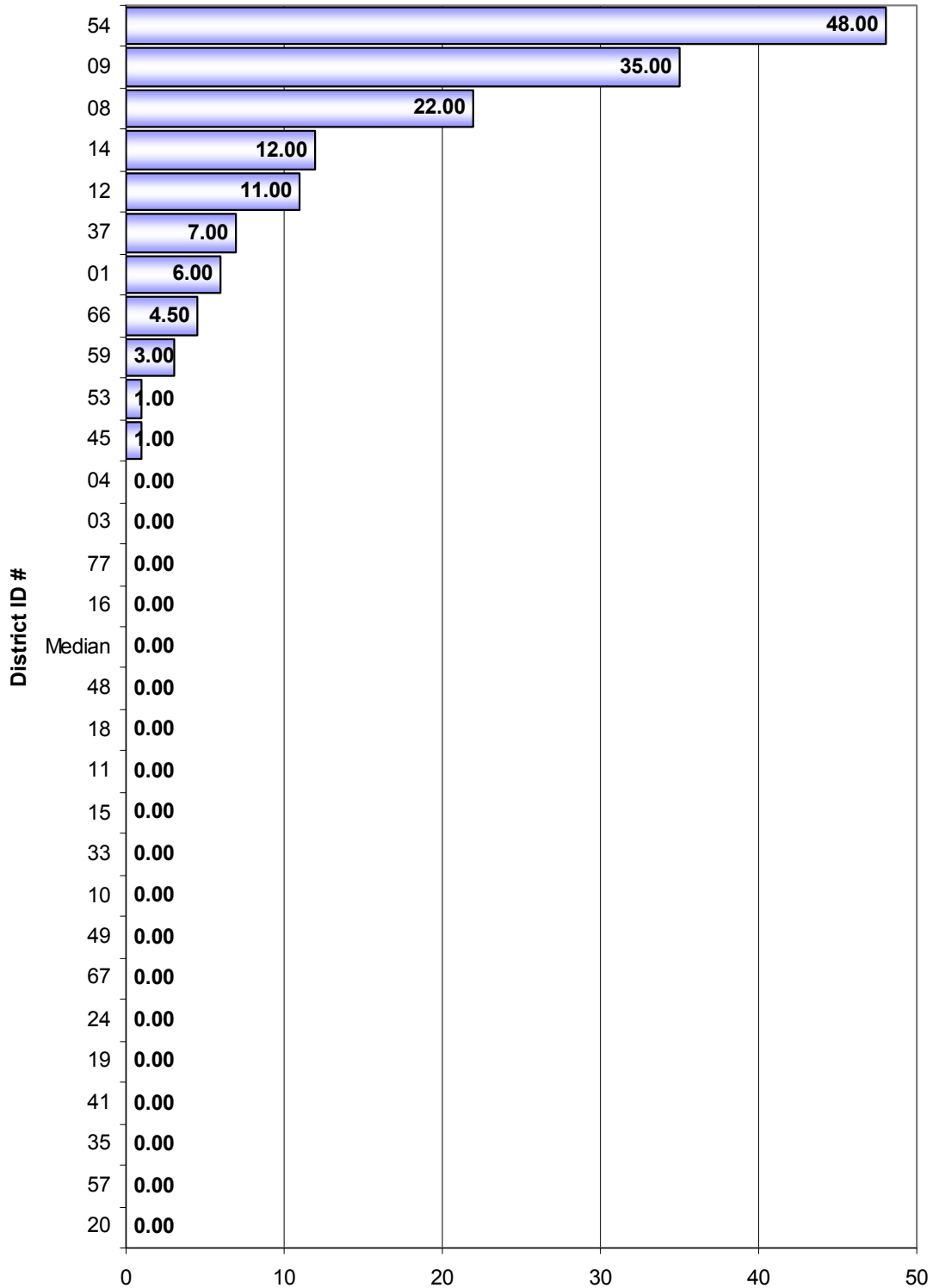
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit
- Complexity of technology

Analysis of the data

- FY 08 > 29 districts responded
- FY 08 > High = 48.00; Low = 0.00; Median = 0.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Payroll



Key Performance Indicator

Human Resources FTEs - Recruitment

Total number of staff in Recruitment.

Why This Measure Is Important

This measure indicates the number of district staff (FTEs) that support all activities involved in the identification and sourcing of candidates as well as marketing the district as an employer of choice.

Factors That Influence This Measure

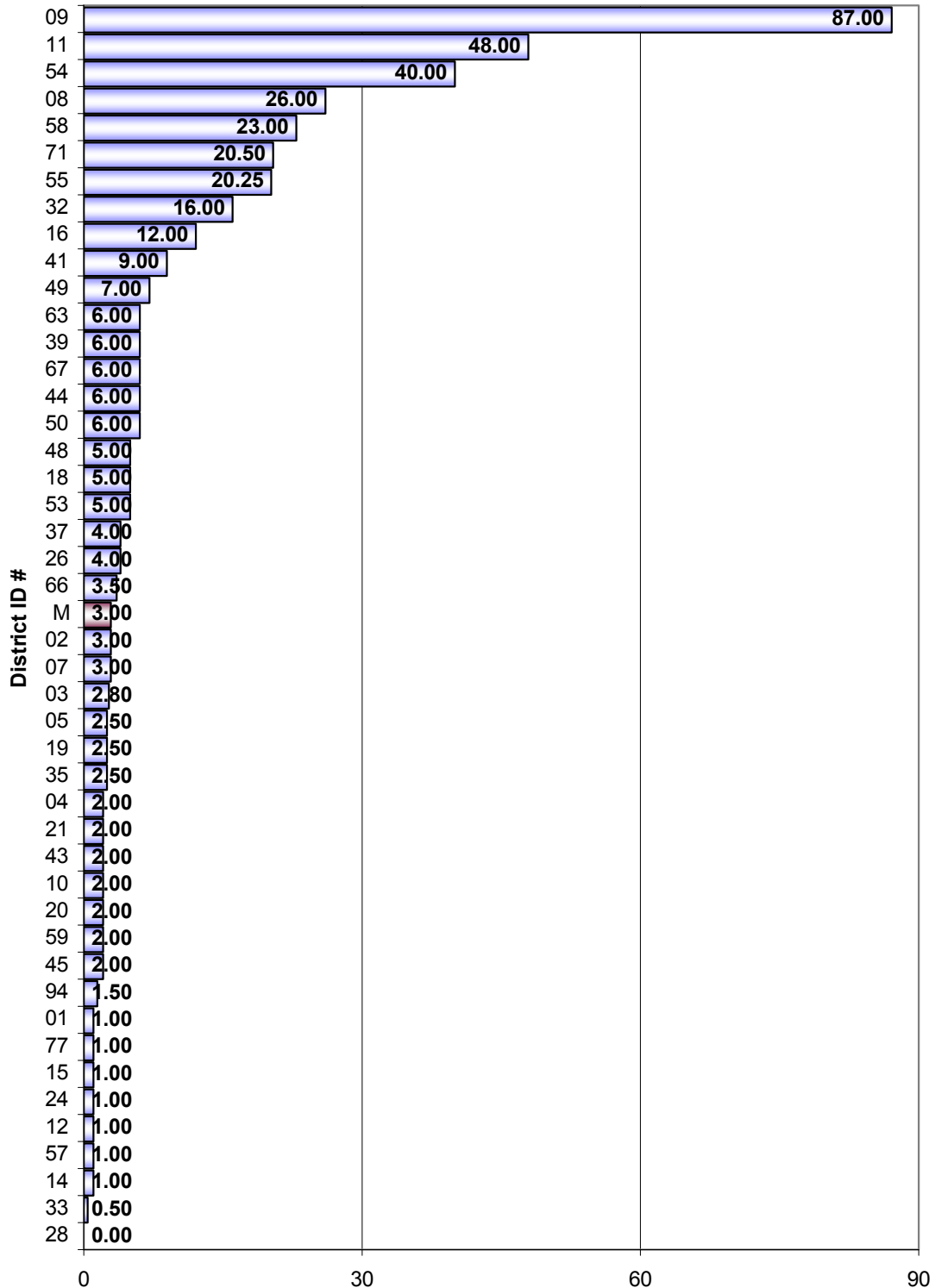
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit
- Complexity of data

Analysis of the data

- FY 08 > 45 districts responded
- FY 08 > High = 87.00; Low = 0.00; Median = 3.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Recruitment



Key Performance Indicator

Human Resources FTEs – Risk Management

Total number of staff in Risk Management.

Why This Measure Is Important

This measure indicates the number of district staff (FTEs) that support the Risk Management functions, which include workers' compensation, OSHA 2000 compliance, etc.

Factors That Influence This Measure

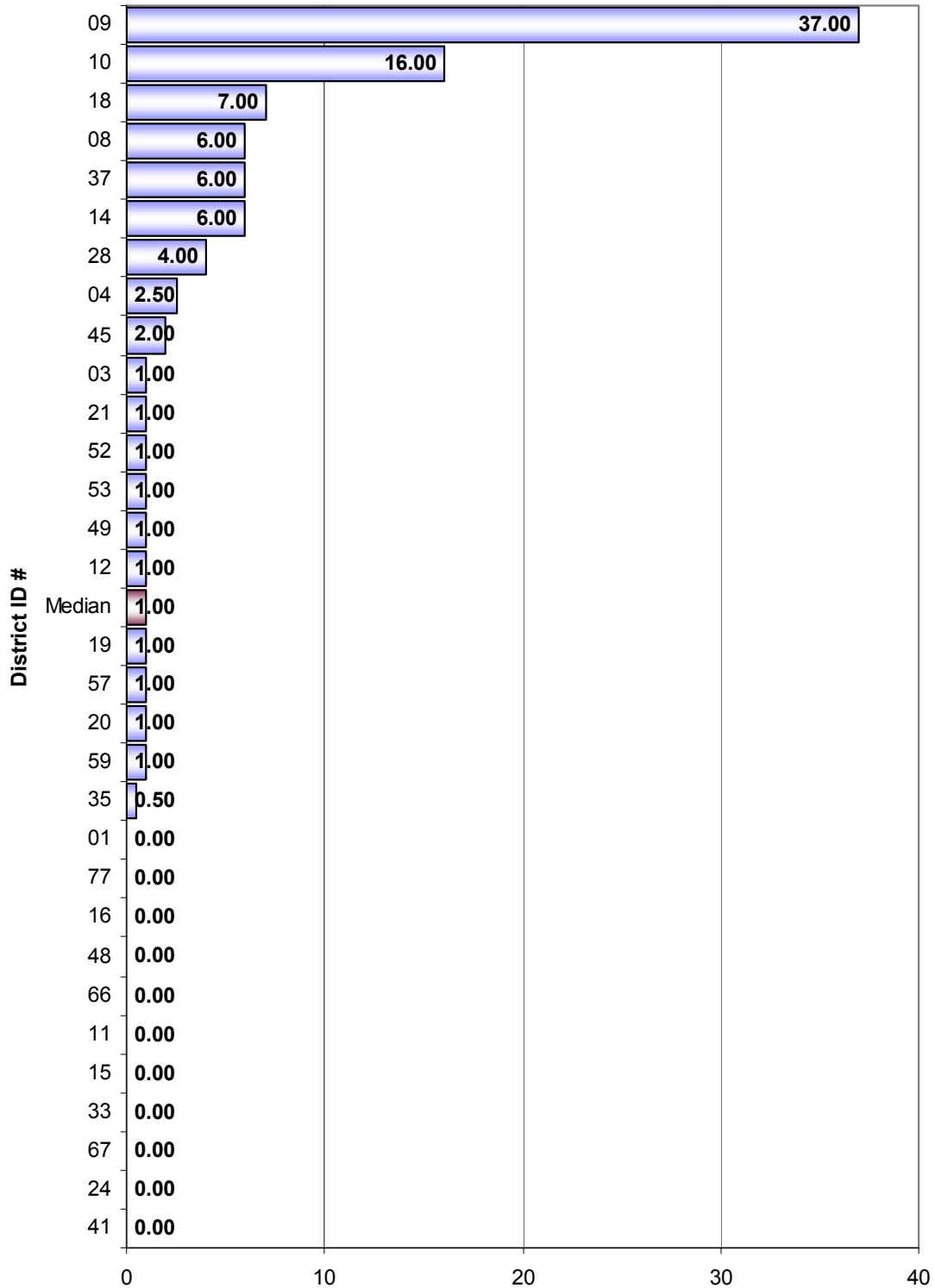
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit

Analysis of the data

- FY 08 > 31 districts responded
- FY 08 > High = 37.00; Low = 0.00; Median = 1.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Risk Management



Key Performance Indicator

Human Resources FTEs - Staffing

Total number of staff in Staffing.

Why This Measure Is Important

This measure indicates the number of district staff (FTEs) that support the processing of new-hire paperwork and making employee rate and status changes.

Factors That Influence This Measure

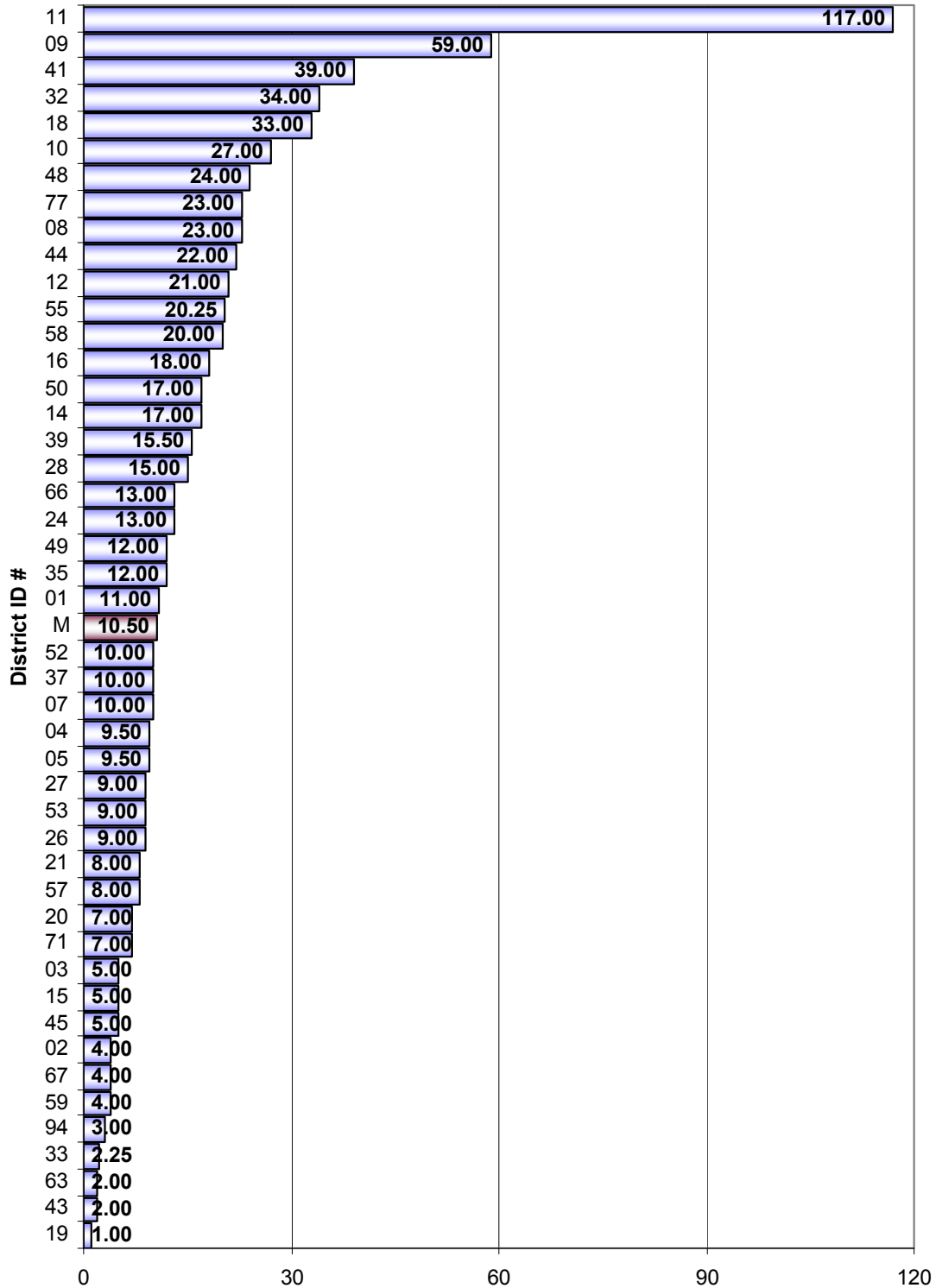
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit

Analysis of the data

- FY 08 > 46 districts responded
- FY 08 > High = 117.00; Low = 1.00; Median = 10.50

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Staffing



Key Performance Indicator

Human Resources FTEs – Training

Total number of staff in Training.

Why This Measure Is Important

This indicates the number of district staff (FTEs) that provide training, including mentoring and induction programs for teachers and providing NCLB training for paraprofessionals.

Factors That Influence This Measure

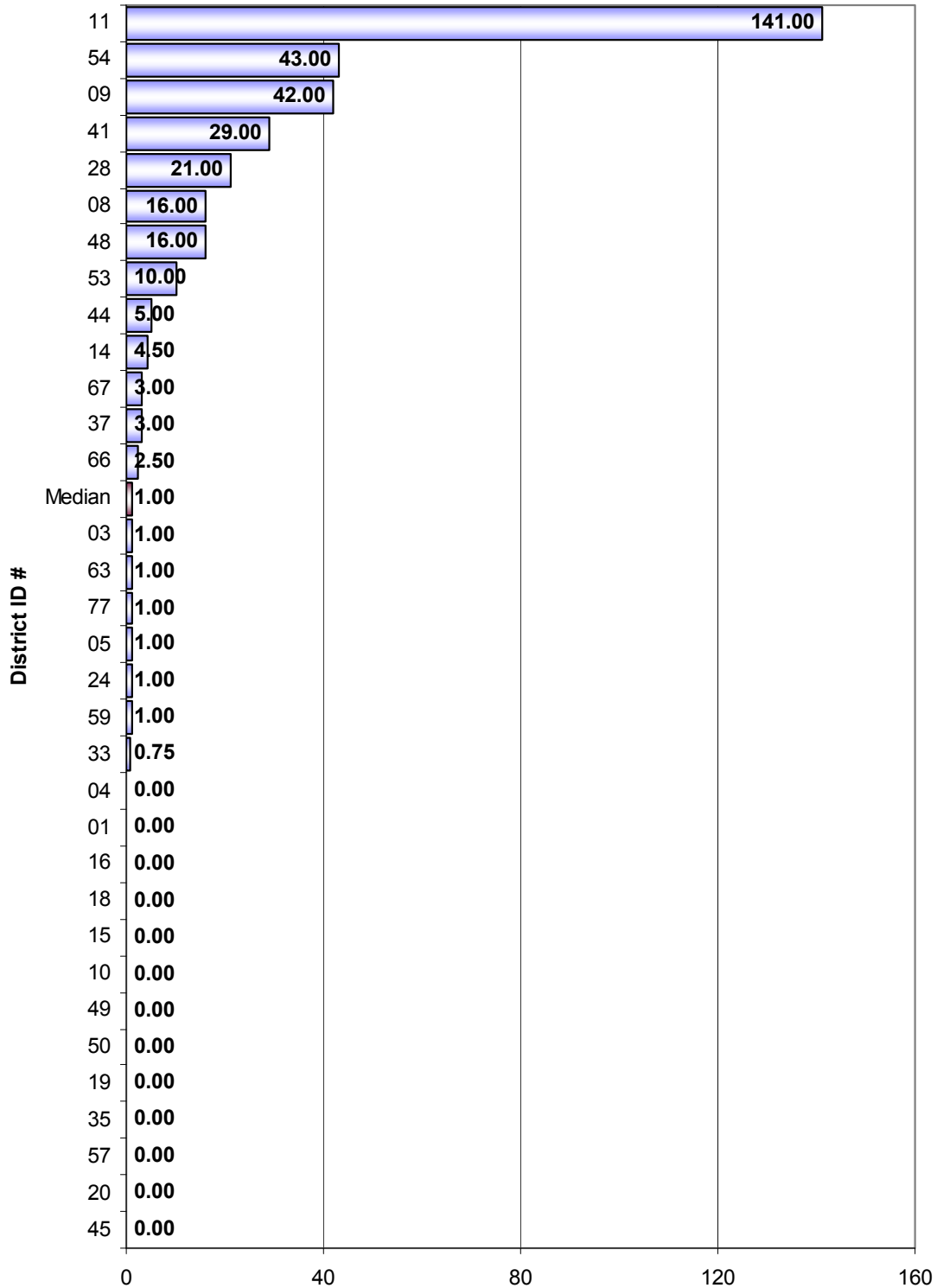
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit

Analysis of the data

- FY 08: 33 districts responded
- FY 08: High = 141.00; Low = 0.00; Median = 1.00

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs - Training



Key Performance Indicator

Human Resources FTEs as Percent of District FTEs

Total number of FTEs in HR.

Why This Measure Is Important

This measures the direct and indirect costs of providing personnel services.

Factors That Influence This Measure

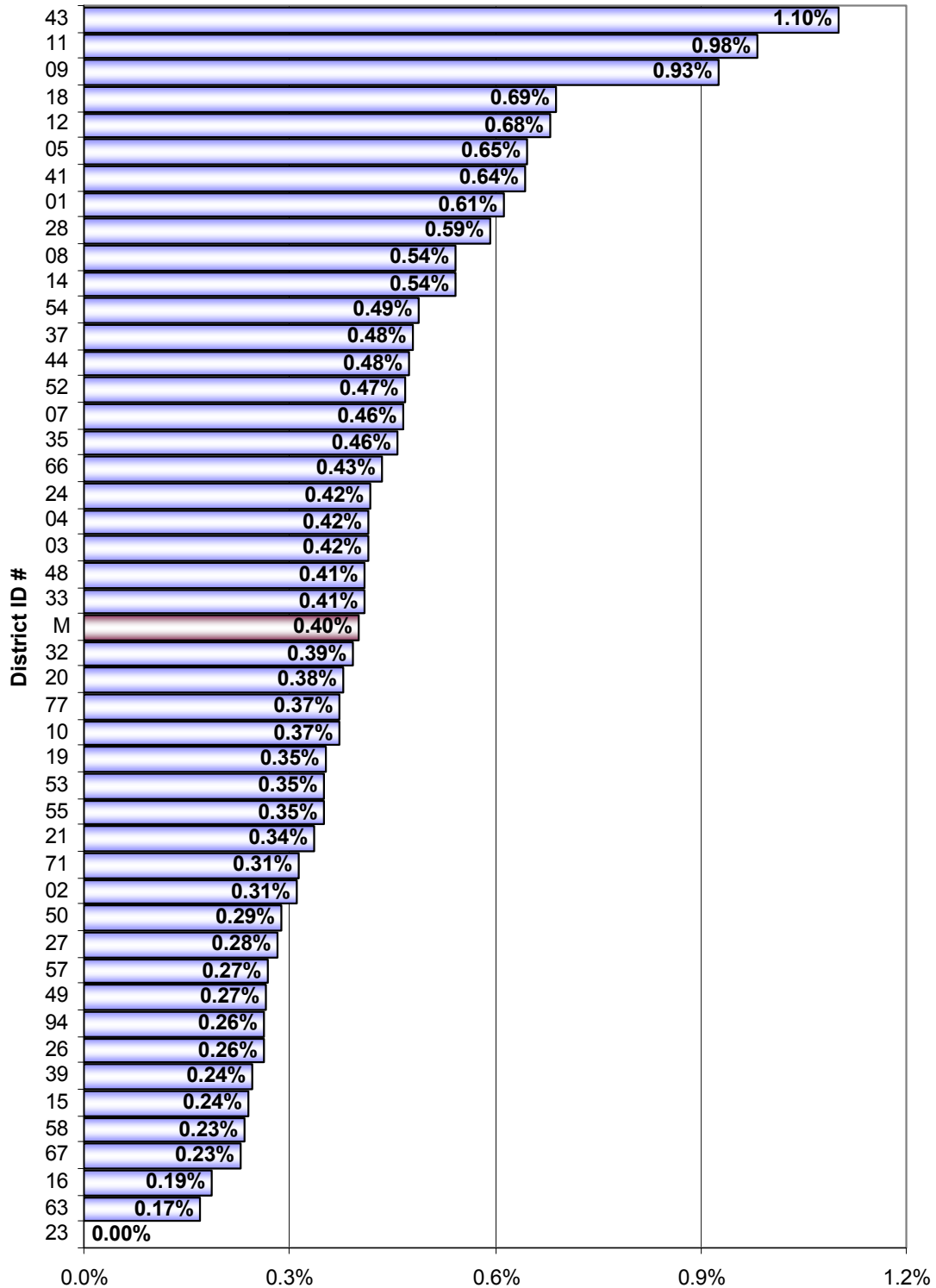
- Budget
- Personnel transactions completed on daily, weekly, monthly and yearly basis
- Complaints and/or compliments directed toward unit

Analysis of the data

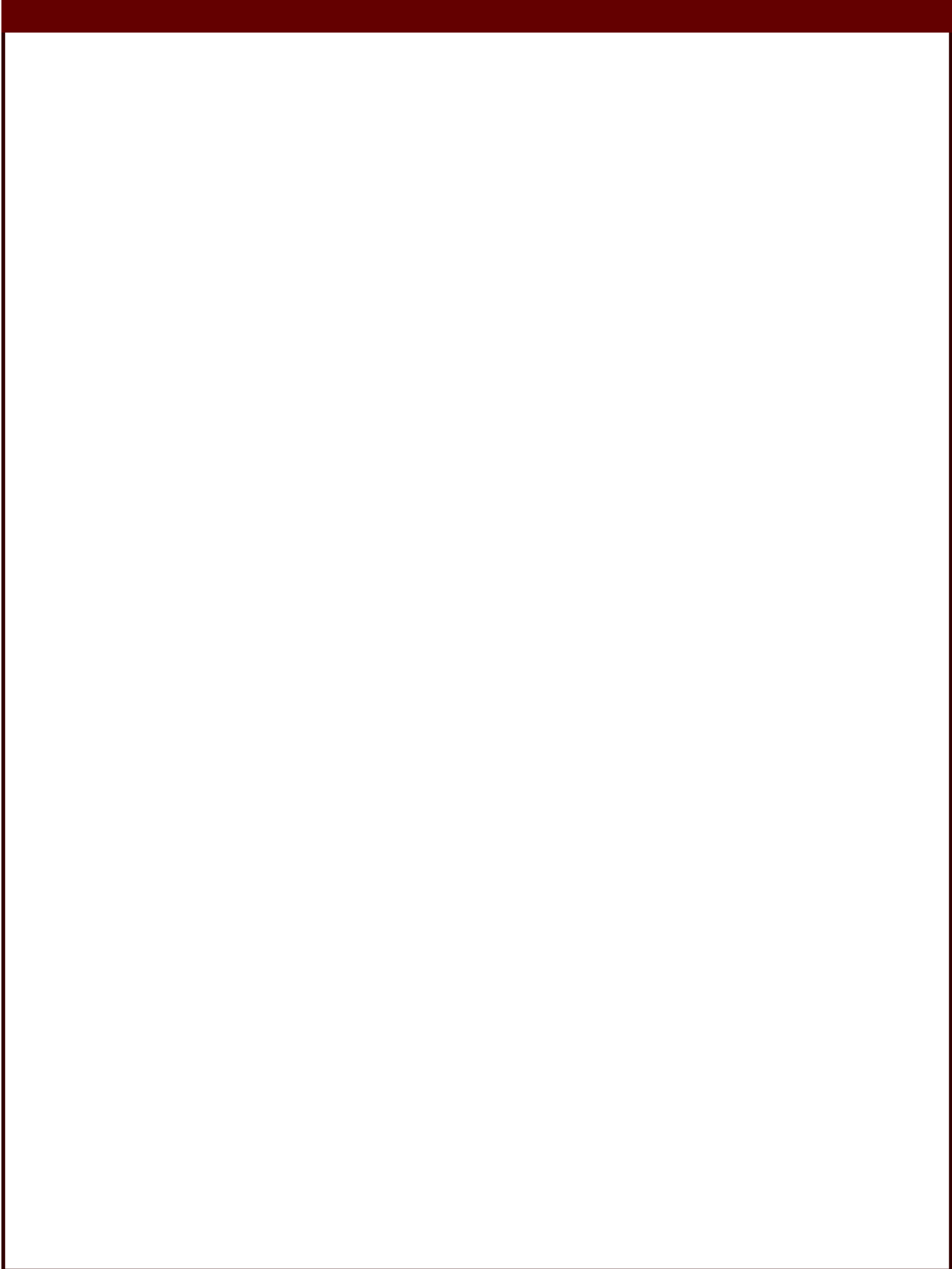
- FY 08 > 46 districts responded
- FY 08 > High = 1.10%; Low = 0.00%; Median = 0.40%

Performance Measurement & Benchmarking for K12 Operations

Human Resources FTEs as Percent of District FTEs



Key Performance Indicator



Operations & School Support

Average Cycle Time (in Days) to Complete Transfers¹⁷

Length of time to complete personnel transfers.

Why This Measure Is Important

This measure serves not only as a gauge from a customer service perspective, but also validates internal processes. Cycle time to complete employee actions is directly correlated to payroll accuracy and employee (customer) satisfaction. In addition, a reduction (improvement) in this measure results in a financial savings from a labor perspective and a reduced drain on IT resources.

Factors That Influence This Measure

- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the cycle time for completion of employee actions.
- HR staff performance and culture – identification of expeditious personnel action, entry and completion as a measure of quality will highlight this measure to HR staff.
- Volume of personnel actions incoming to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. actions received over the summer may be completed more quickly due to lower overall volume).

Analysis of the data

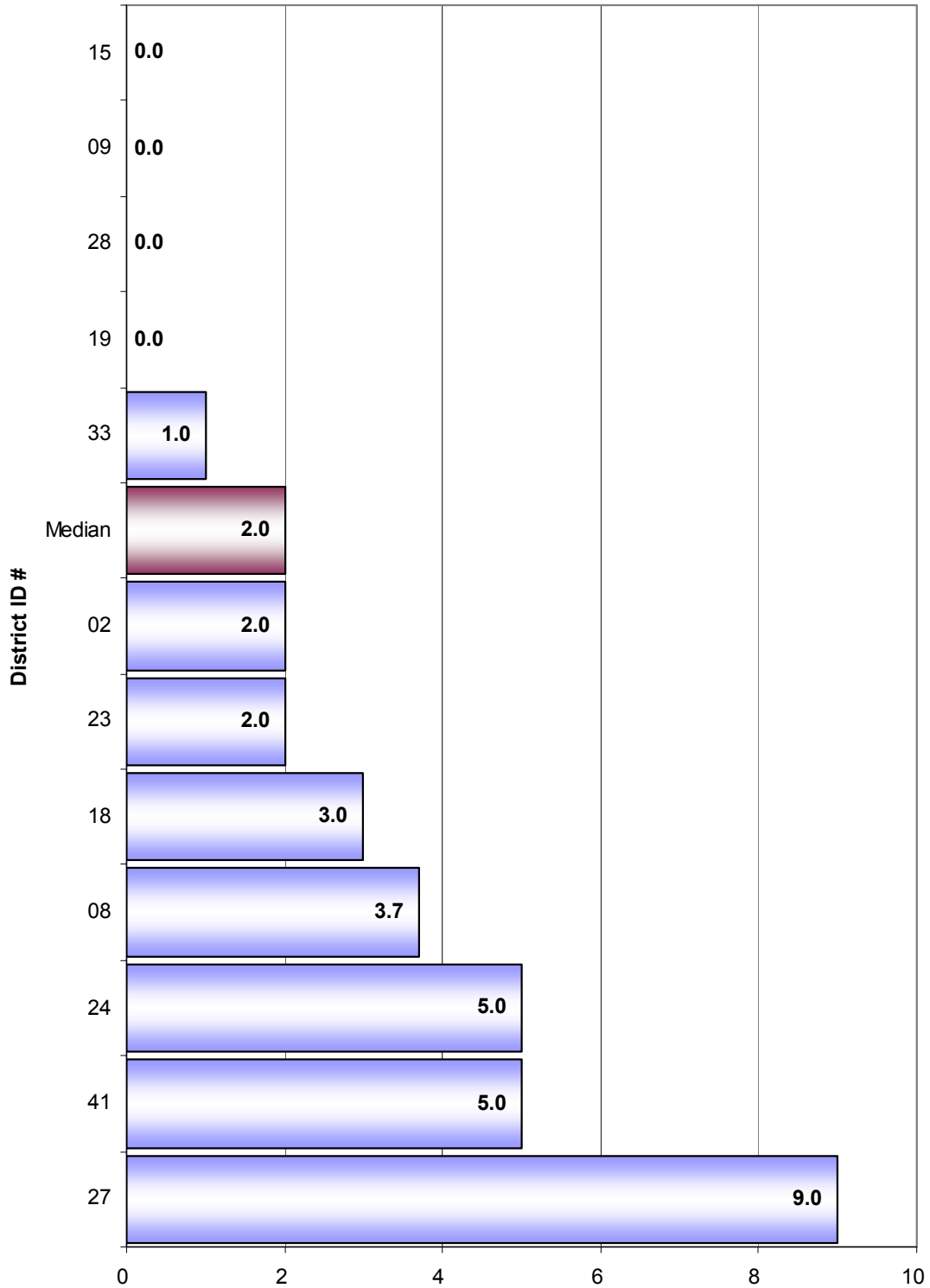
- FY 08 > 12 districts responded
- FY 08 > Low = 0.0; High = 9.0; Median = 2.0

¹⁷ There are 6 cycle time measures reported here. Since 0.0 days (zero days) is not an achievable statistic, either the districts did not respond to this measure or reported cycle times less than a full day. The unit of measure for this indicator will be refined on future surveys.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Average Cycle Time (in Days) to Complete Transfers



Average Cycle Time (in Days) to Complete Displacements

Length of time to complete displacements (lay-offs, position closings).

Why This Measure Is Important

This measure serves not only as a gauge from a customer service perspective, but also validates internal processes. Cycle time to complete employee actions is directly correlated to payroll accuracy and employee (customer) satisfaction. In addition, a reduction (improvement) in this measure results in a financial savings from a labor perspective and a reduced drain on IT resources.

Factors That Influence This Measure

- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the cycle time for completion of employee actions.
- HR staff performance and culture – identification of expeditious personnel action, entry and completion as a measure of quality will highlight this measure to HR staff.
- Volume of personnel actions incoming to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. actions received over the summer may be completed more quickly due to lower overall volume).

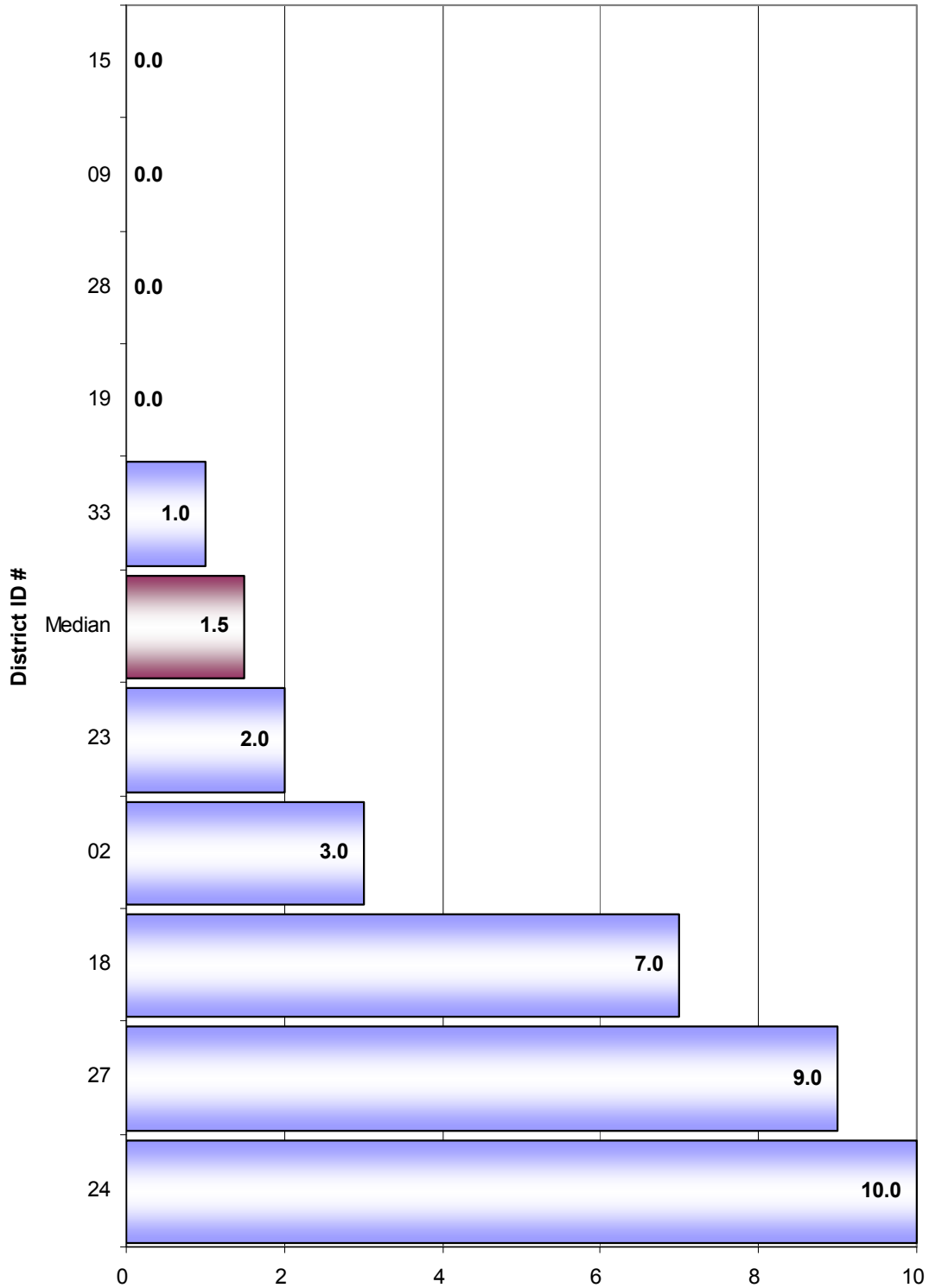
Analysis of the data

- FY 08 > 10 districts responded
- FY 08 > Low = 0.0; High = 10.0; Median = 1.5

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Average Cycle Time (in Days) to Complete Displacements



Average Cycle Time (in Days) to Complete Promotions and Demotions

Length of time to complete promotions and demotions.

Why This Measure Is Important

This measure serves not only as a gauge from a customer service perspective, but also validates internal processes. Cycle time to complete employee actions is directly correlated to payroll accuracy and employee (customer) satisfaction. In addition, a reduction (improvement) in this measure results in a financial savings from a labor perspective and a reduced drain on IT resources.

Factors That Influence This Measure

- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the cycle time for completion of employee actions.
- HR staff performance and culture – identification of expeditious personnel action, entry and completion as a measure of quality will highlight this measure to HR staff.
- Volume of personnel actions incoming to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. actions received over the summer may be completed more quickly due to lower overall volume).

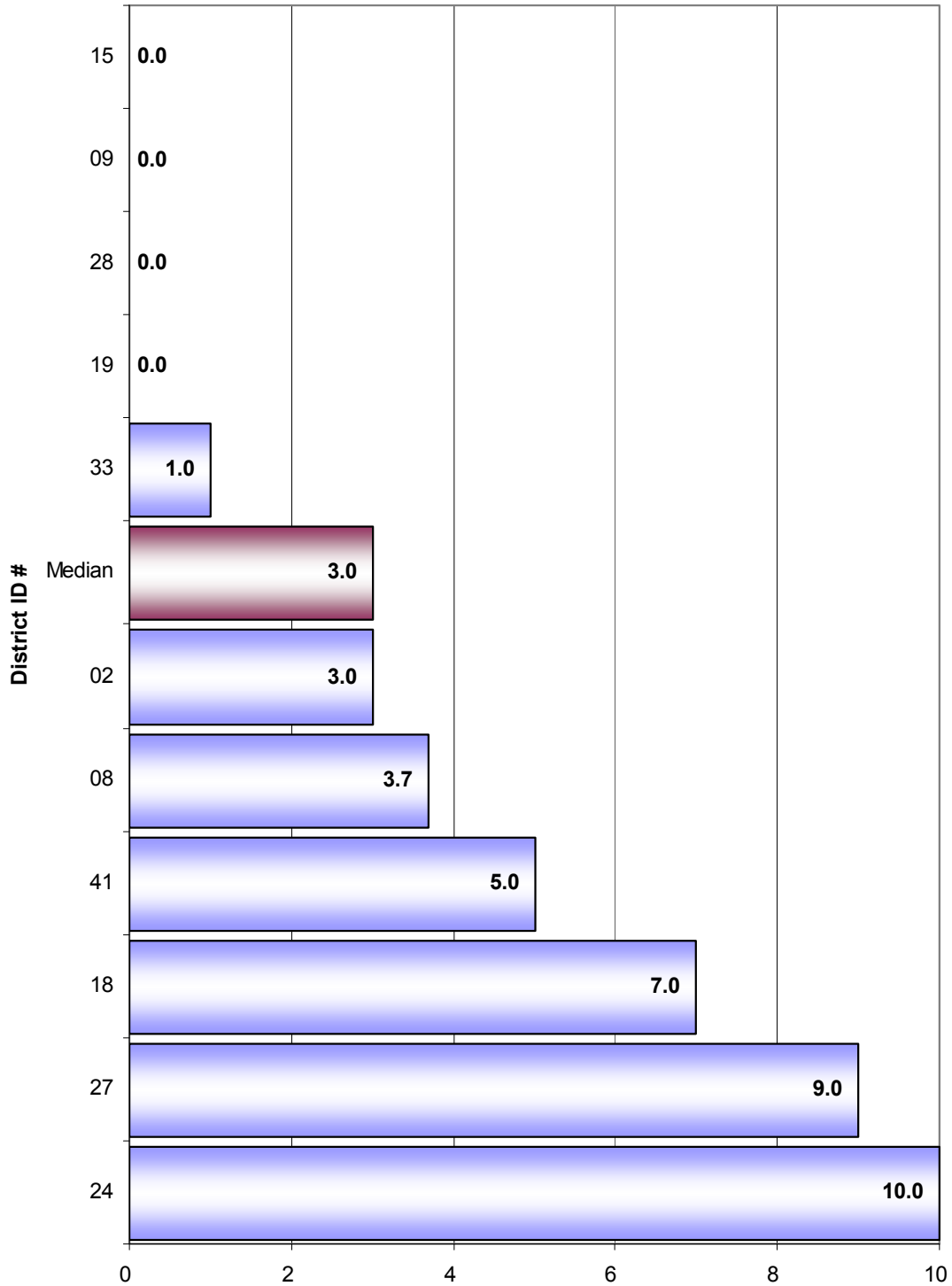
Analysis of the data

- FY 08 > 11 districts responded
- FY 08 > Low = 0.0; High = 10.0; Median = 3.0

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Average Cycle Time (in Days) to Complete Promotions and Demotions



Average Cycle Time (in Days) to Complete Pay Rate Changes

Length of time to complete pay rate changes.

Why This Measure Is Important

This measure serves not only as a gauge from a customer service perspective, but also validates internal processes. Cycle time to complete employee actions is directly correlated to payroll accuracy and employee (customer) satisfaction. In addition, a reduction (improvement) in this measure results in a financial savings from a labor perspective and a reduced drain on IT resources.

Factors That Influence This Measure

- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the cycle time for completion of employee actions.
- HR staff performance and culture – identification of expeditious personnel action, entry and completion as a measure of quality will highlight this measure to HR staff.
- Volume of personnel actions incoming to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. actions received over the summer may be completed more quickly due to lower overall volume).

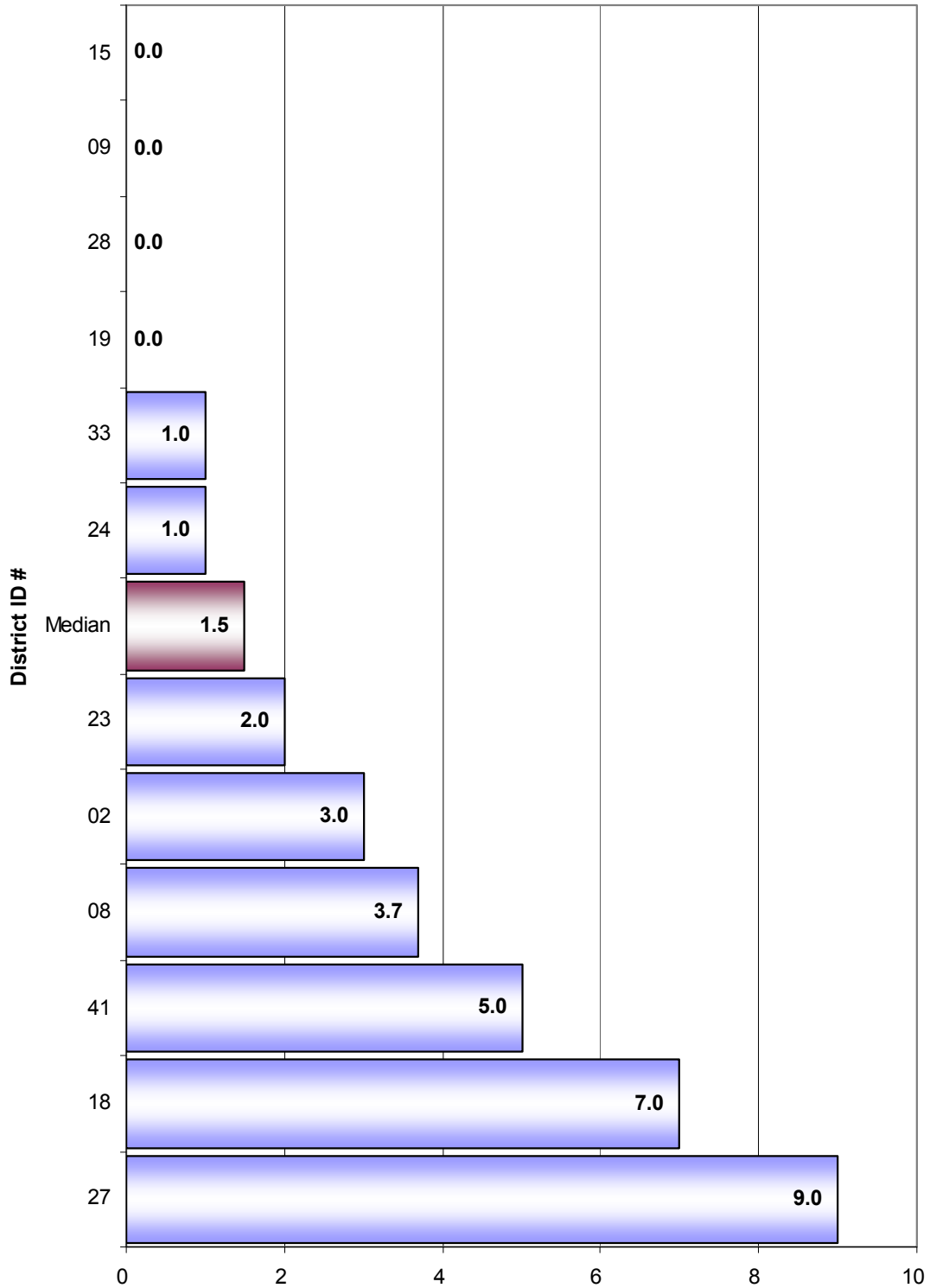
Analysis of the data

- FY 08 > 12 districts responded
- FY 08 > Low = 0.0; High = 9.0; Median = 1.5

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Average Cycle Time (in Days) to Complete Employee Actions



Average Cycle Time (in Days) to Complete Medical Leaves

Length of time to complete medical leaves.

Why This Measure Is Important

This measure serves not only as a gauge from a customer service perspective, but also validates internal processes. Cycle time to complete employee actions is directly correlated to payroll accuracy and employee (customer) satisfaction. In addition, a reduction (improvement) in this measure results in a financial savings from a labor perspective and a reduced drain on IT resources.

Factors That Influence This Measure

- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the cycle time for completion of employee actions.
- HR staff performance and culture – identification of expeditious personnel action, entry and completion as a measure of quality will highlight this measure to HR staff.
- Volume of personnel actions incoming to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. actions received over the summer may be completed more quickly due to lower overall volume).

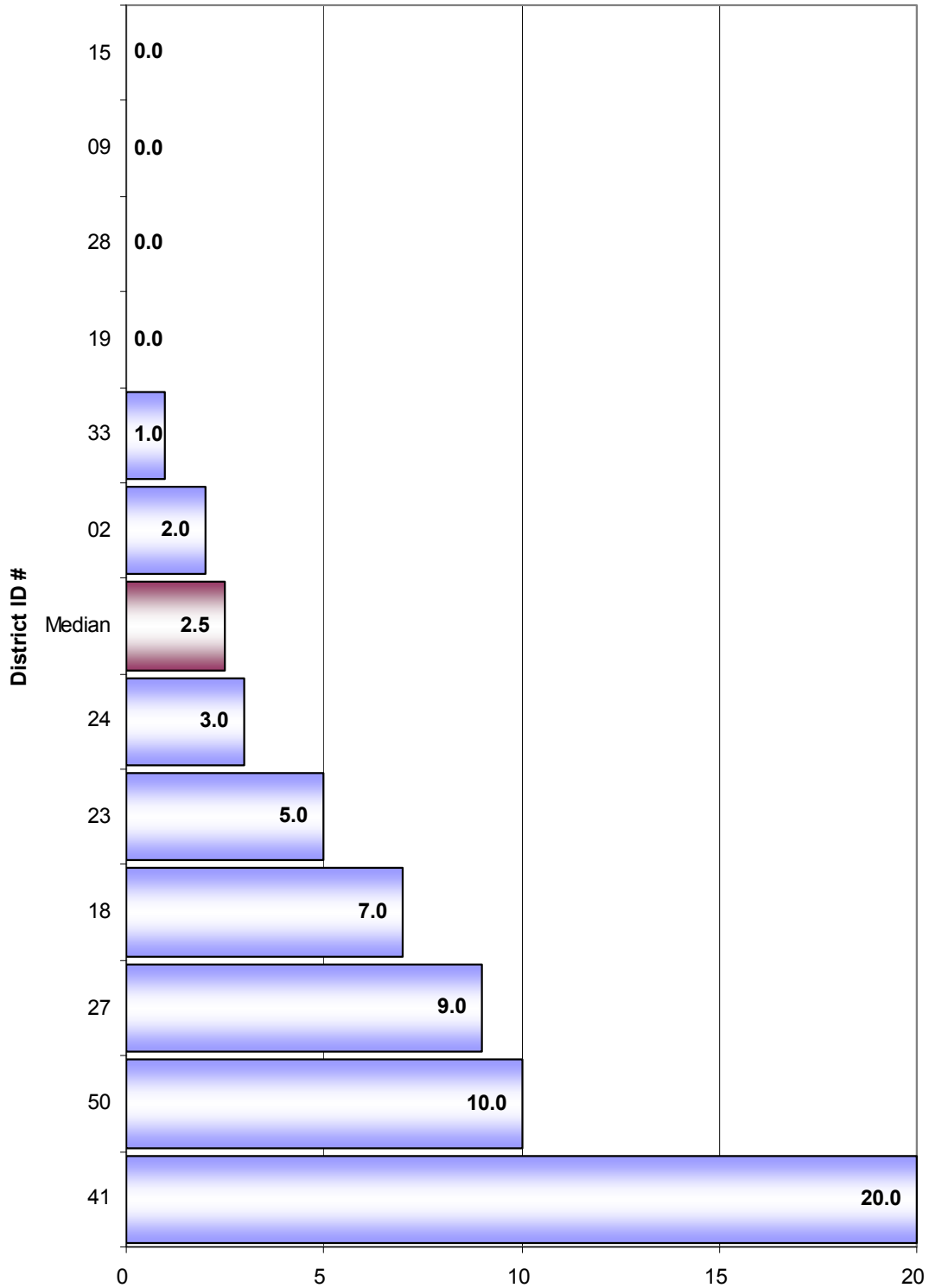
Analysis of the data

- FY 08 > 12 districts responded
- FY 08 > Low = 0.0; High = 20.0; Median = 2.5

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Average Cycle Time (in Days) to Complete Employee Actions



Average Cycle Time (in Days) to Complete Non-Medical Leaves

Length of time to complete non-medical leaves.

Why This Measure Is Important

This measure serves not only as a gauge from a customer service perspective, but also validates internal processes. Cycle time to complete employee actions is directly correlated to payroll accuracy and employee (customer) satisfaction. In addition, a reduction (improvement) in this measure results in a financial savings from a labor perspective and a reduced drain on IT resources.

Factors That Influence This Measure

- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the cycle time for completion of employee actions.
- HR staff performance and culture – identification of expeditious personnel action, entry and completion as a measure of quality will highlight this measure to HR staff.
- Volume of personnel actions incoming to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. actions received over the summer may be completed more quickly due to lower overall volume).

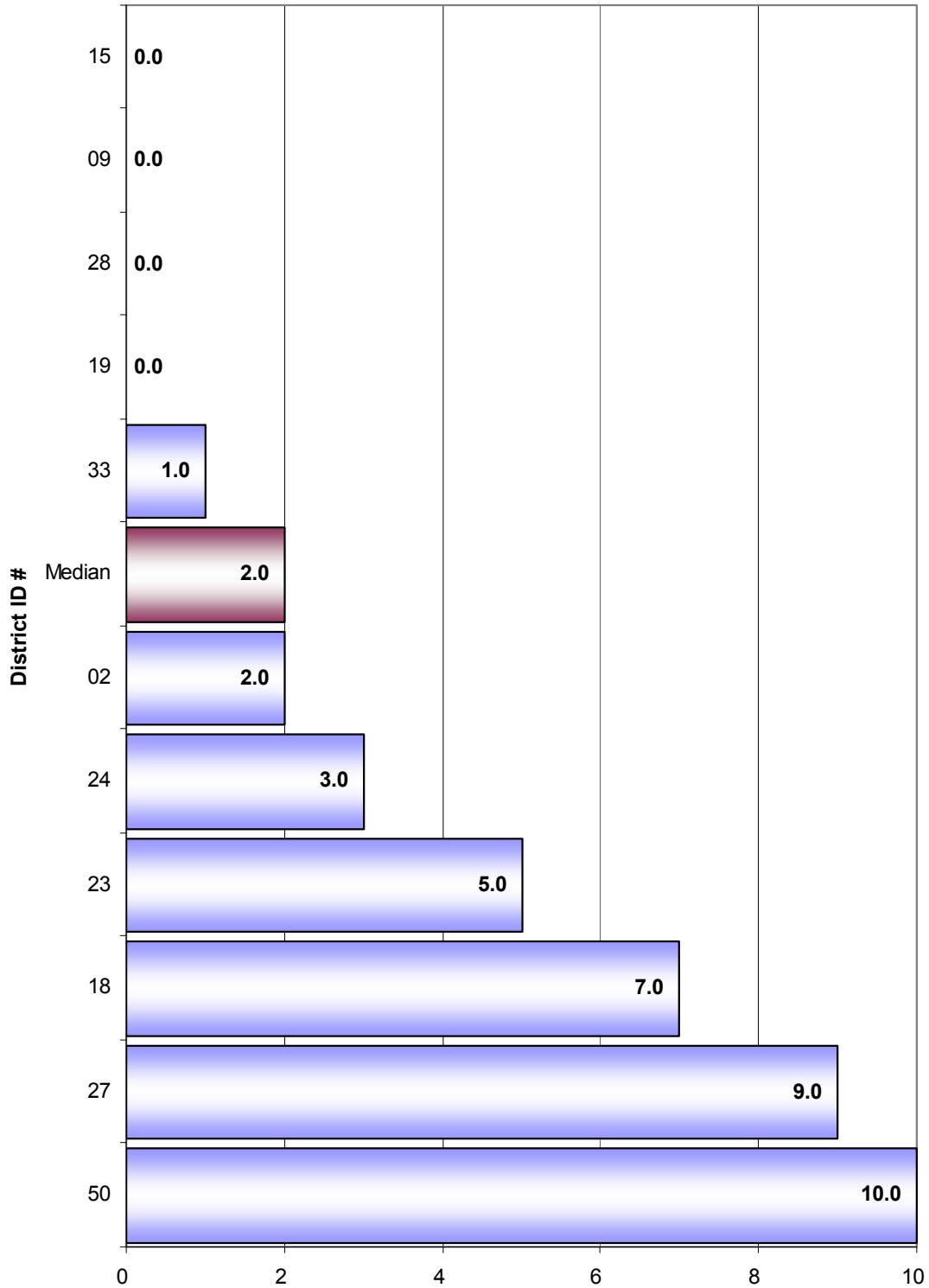
Analysis of the data

- FY 08 > 11 districts responded
- FY 08 > Low = 0.0; High = 10.0; Median = 2.0

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Average Cycle Time (in Days) to Complete Employee Actions



Percentage of Lost Instructional Days Due to Teacher Absences

Number of student attendance days that classroom teachers were absent from their classrooms *divided by* (number of student attendance days in the school year *times* number of classroom teachers).

Why This Measure Is Important

This measure relates to nearly every business unit within a school district because instruction and student learning cannot take place without the continuity of a qualified educator in the classroom. Financially, most districts pay for the cost of substitutes to fill instructional vacancies, while also paying the daily pay rate of the absent teacher through a “paid time off” accrual or policy. This measure tests the effectiveness of HR policies and leadership competencies relative to the management of employee engagement and monitoring of absences.

Factors That Influence This Measure

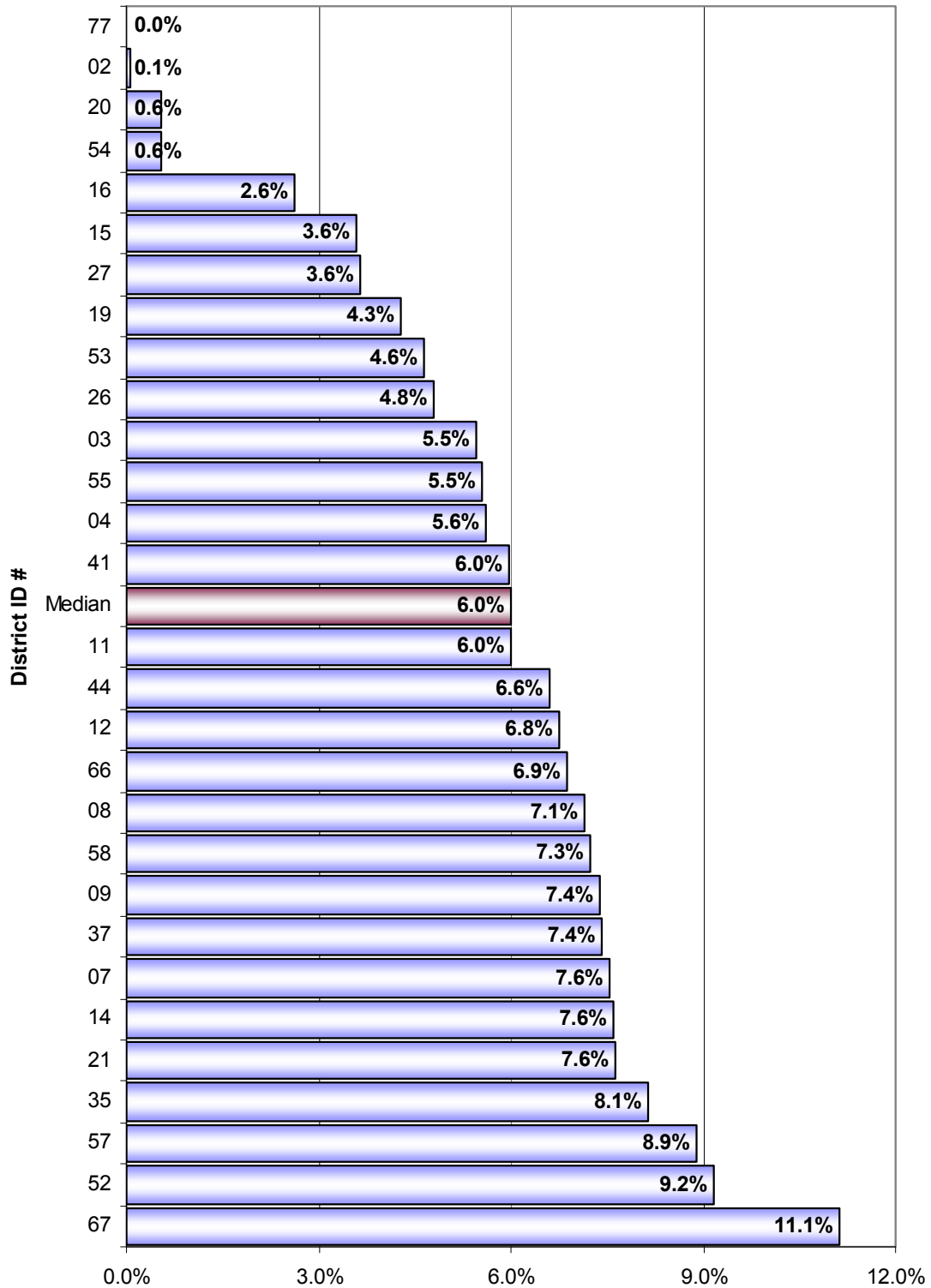
- District policy regarding paid time off
- District performance management philosophy – districts that choose to take a more aggressive approach to the performance management of employees whose absences have been identified to be excessive may produce a lower number of absent days.
- Collective bargaining agreements – some provisions of collective bargaining agreements may allow greater flexibility from the perspective of the employee regarding absences.
- Environmental factors – some uncontrollable factors such as weather, illness, and time of year influence this measure.
- District’s elective absence practices – elective absences, which are at the discretion of the district (i.e. professional development, school business, etc) influence this metric and are usually controlled internally by the district.

Analysis of the data

- FY 08 > 29 districts responded
- FY 08 > Low = 0.0%; High = 11.1%; Median = 6.0%

Performance Measurement & Benchmarking for K12 Operations

Percent of Lost Instructional Days Due to Teacher Absences



Key Performance Indicator

Payroll Transaction Accuracy

(Number of on cycle pay checks issued *minus* number of on cycle payroll errors) *plus* (number of supplement payroll checks for the fiscal year *minus* number of supplement payroll errors for the fiscal year) *plus* (number of special handling checks for the fiscal year *minus* number of special handling payroll errors for the fiscal year) *divided by* number of on cycle pay checks issued for the fiscal year *plus* number of supplement payroll checks for the fiscal year *plus* number of special handling checks for the fiscal year.

Why This Measure Is Important

Data related to payroll transaction processing is often tied to other data elements within an organization. As such, it is critically important that the foundational data be accurate. Additionally, data housed and processed by the payroll function is closely tied to extrinsic motivational factors for employees such as direct compensation and benefits. Ensuring the accuracy of this data and the transactions associated with it is a key driver of customer satisfaction.

Factors That Influence This Measure

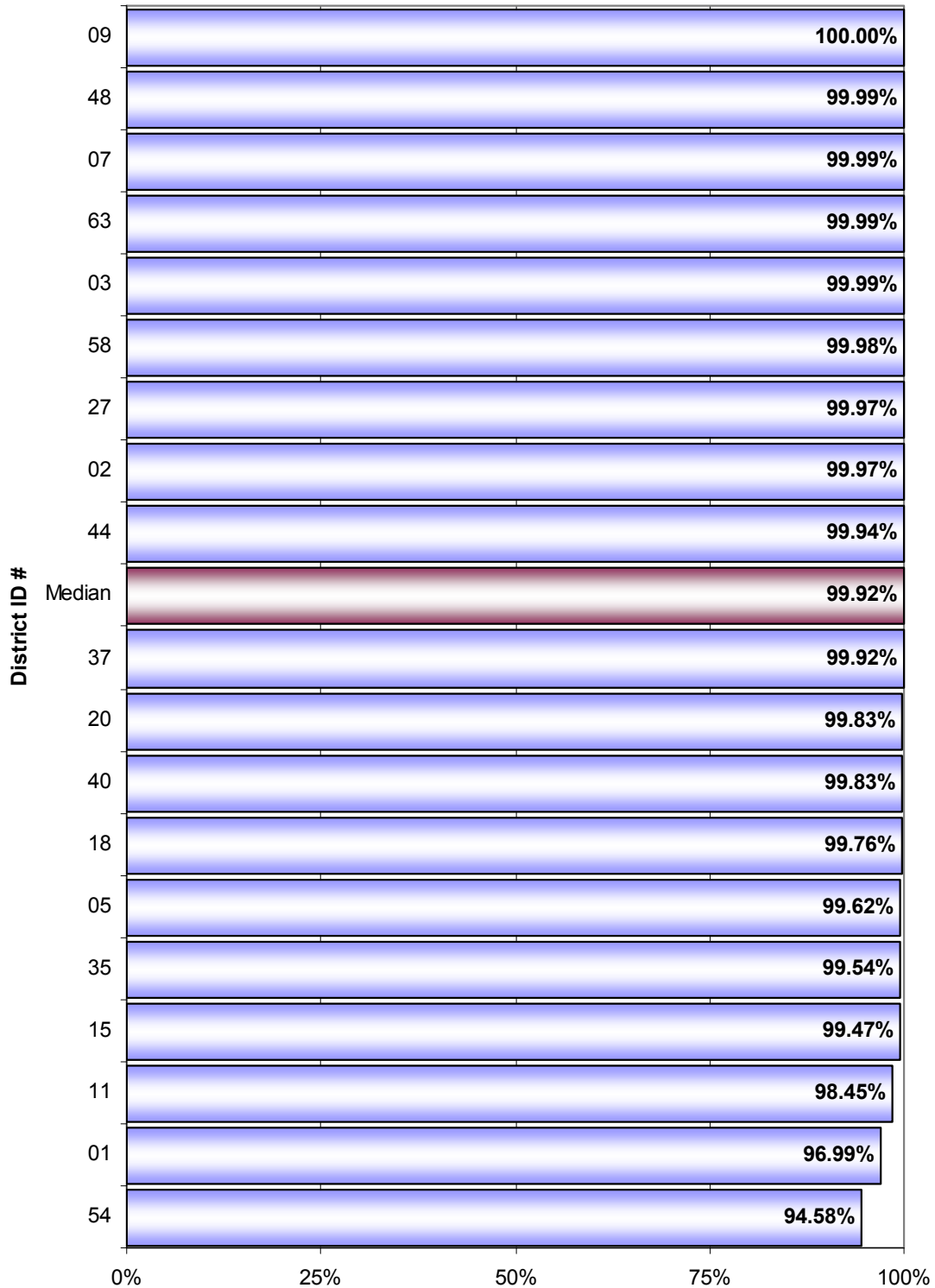
- Payroll staff training/development
- Accuracy of input data – the data elements required to complete or process a payroll transaction is often provided by sources outside of payroll. Therefore, the accuracy of the data provided will directly correlate with the accuracy of the transaction.
- Volume of payroll transactions – increased volume of transactions will yield a greater possibility for errors, while also increasing the perception of the payroll staff that less time is available to complete each transaction.
- Timeline required – short timelines or approaching deadlines by which transactions must be completed may cause payroll staff members to process the transaction with less attention, therefore increasing errors.
- Complexity of technology.

Analysis of the data

- FY 08 > 19 districts responded
- FY 08 > High = 100.00%; Low = 94.58%; Median = 99.92%

Performance Measurement & Benchmarking for K12 Operations

Payroll Transaction Accuracy



Key Performance Indicator

Response Time (in Hours) for HR Requests – E-Mail

Indicate response time for each type of contact listed below in hours by 0.25 hour increments – e-mail

Why This Measure Is Important

Work processes within high performing Human Resources functions are customer focused, driven by customer requirements, and indirectly linked to student outcomes. Expedient response times to customer inquiries are widely accepted as a key customer requirement within most organizations and are often perceived by customers as the sole measure of high performance.

Factors That Influence This Measure

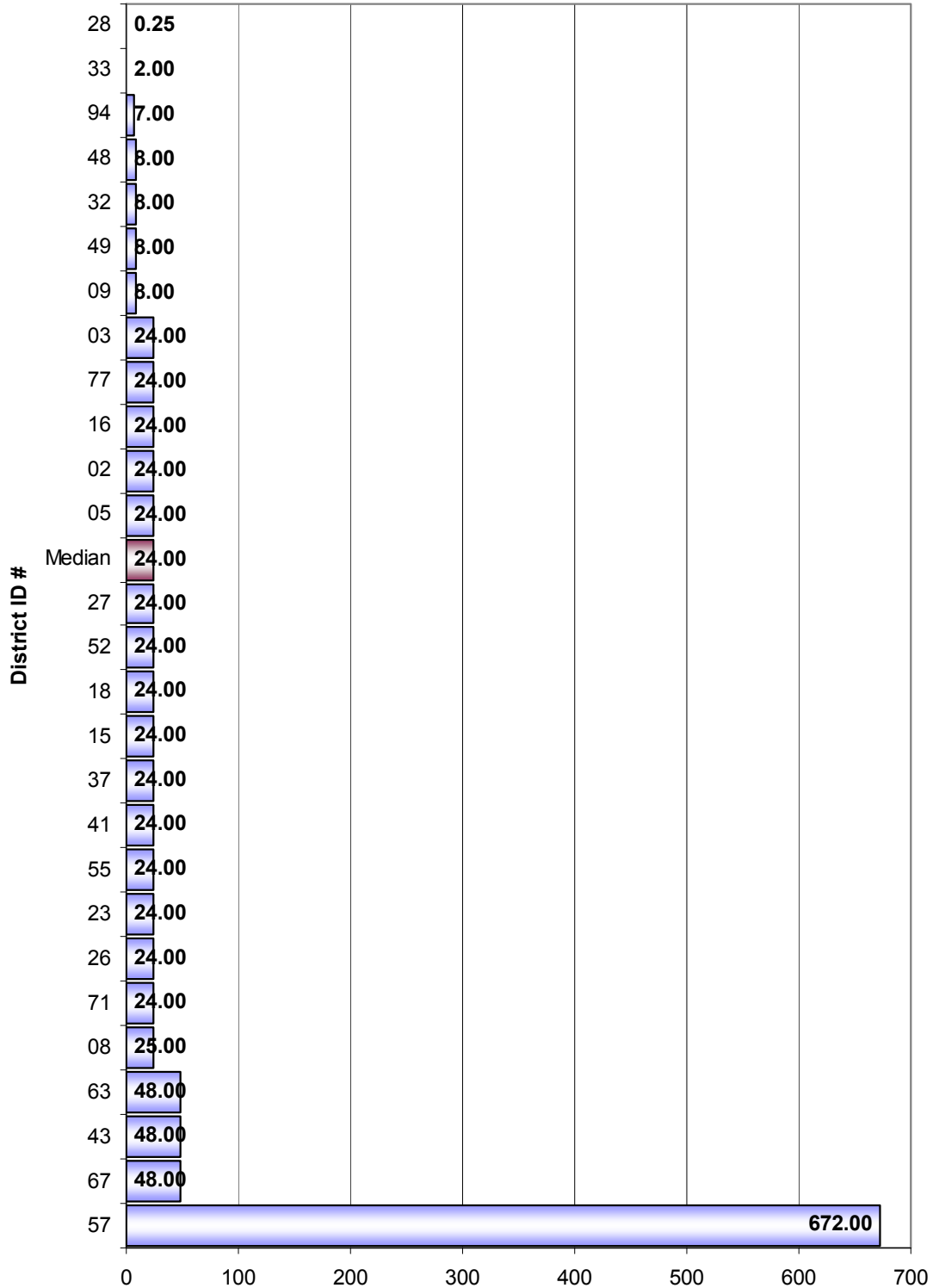
- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the response time to HR requests.
- HR staff performance and culture – identification of expeditious response to customer inquiries as a measure of quality will highlight this measure to HR staff.
- Volume of incoming requests to HR
- Timing – The cyclical nature of school business may affect the performance of business units (i.e. requests received over the summer may be responded to more quickly due to lower overall volume).

Analysis of the data

- FY 08 > 27 districts responded
- FY 08 > Low = 0.25; High = 672.00; Median = 24.00

Performance Measurement & Benchmarking for K12 Operations

Response Time (in Hours) for HR Requests - E-Mail



Key Performance Indicator

Response Time (in Hours) for HR Requests – Phone & Voice Mail

Indicate response time for each type of contact listed below in hours by 0.25 hour increments – phone & voice mail

Why This Measure Is Important

Work processes within high performing Human Resources functions are customer focused and driven by customer requirements. Expedient response time to customer inquiries is widely accepted as a key customer requirement within most organizations and is often perceived by customers as the sole measure of high performance.

Factors That Influence This Measure

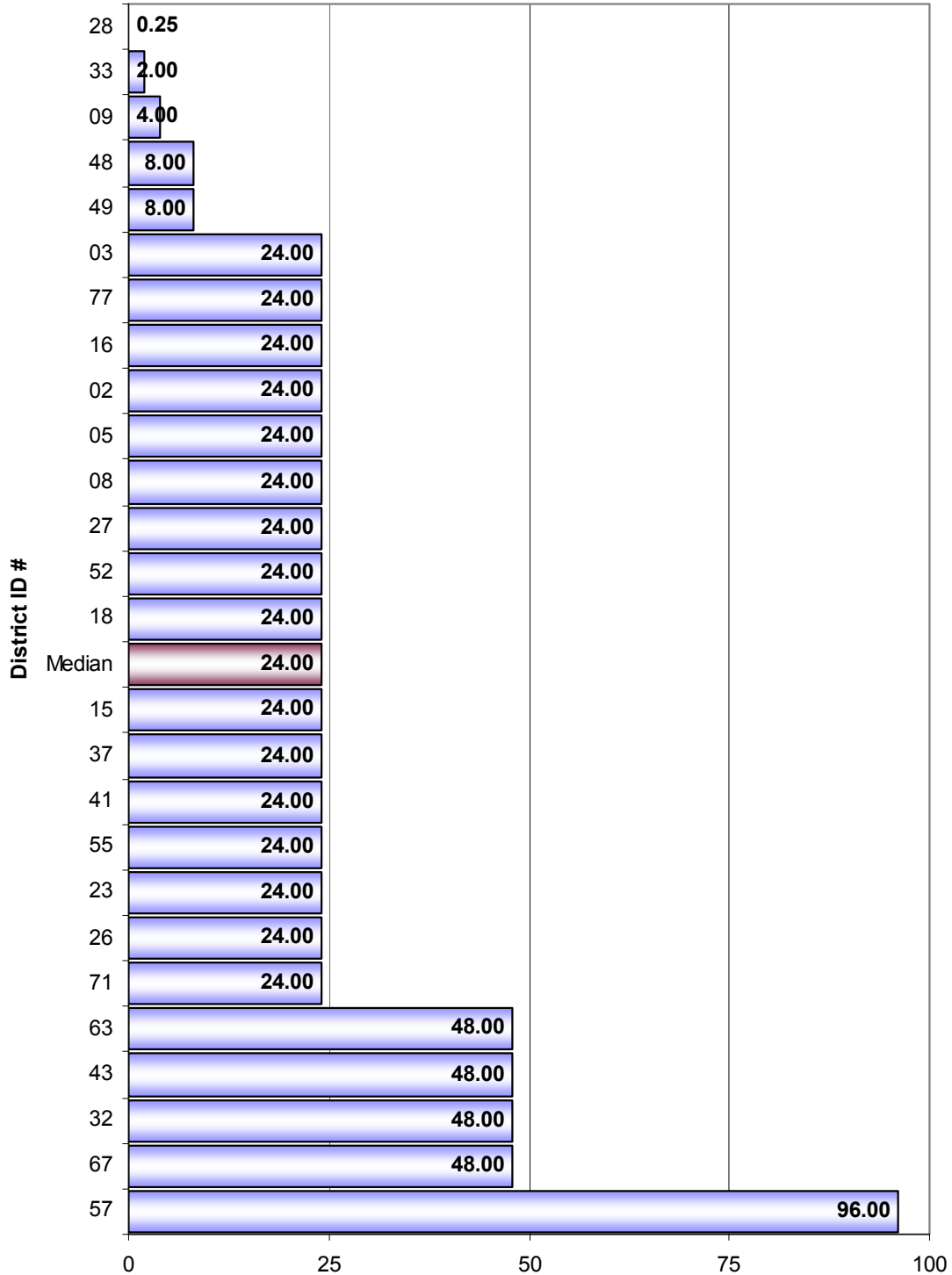
- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the response time to HR requests.
- HR staff performance and culture – identification of expeditious response to customer inquiries as a measure of quality will highlight this measure to HR staff.
- Volume of incoming requests to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. requests received over the summer may be responded to more quickly due to lower overall volume).

Analysis of the data

- FY 08 > 26 districts responded
- FY 08 > Low = 0.25; High = 96.00; Median = 24.00

Performance Measurement & Benchmarking for K12 Operations

Response Time (in Hours) for HR Requests - Phone & Voice Mail



Key Performance Indicator

Response Time (in Hours) for HR Requests – Walk-In

Indicate response time for each type of contact listed below in hours by 0.25 hour increments – walk-in

Why This Measure Is Important

Work processes within high performing Human Resources functions are customer focused and driven by customer requirements. Expedient response time to customer inquiries is widely accepted as a key customer requirement within most organizations and is often perceived by customers as the sole measure of high performance.

Factors That Influence This Measure

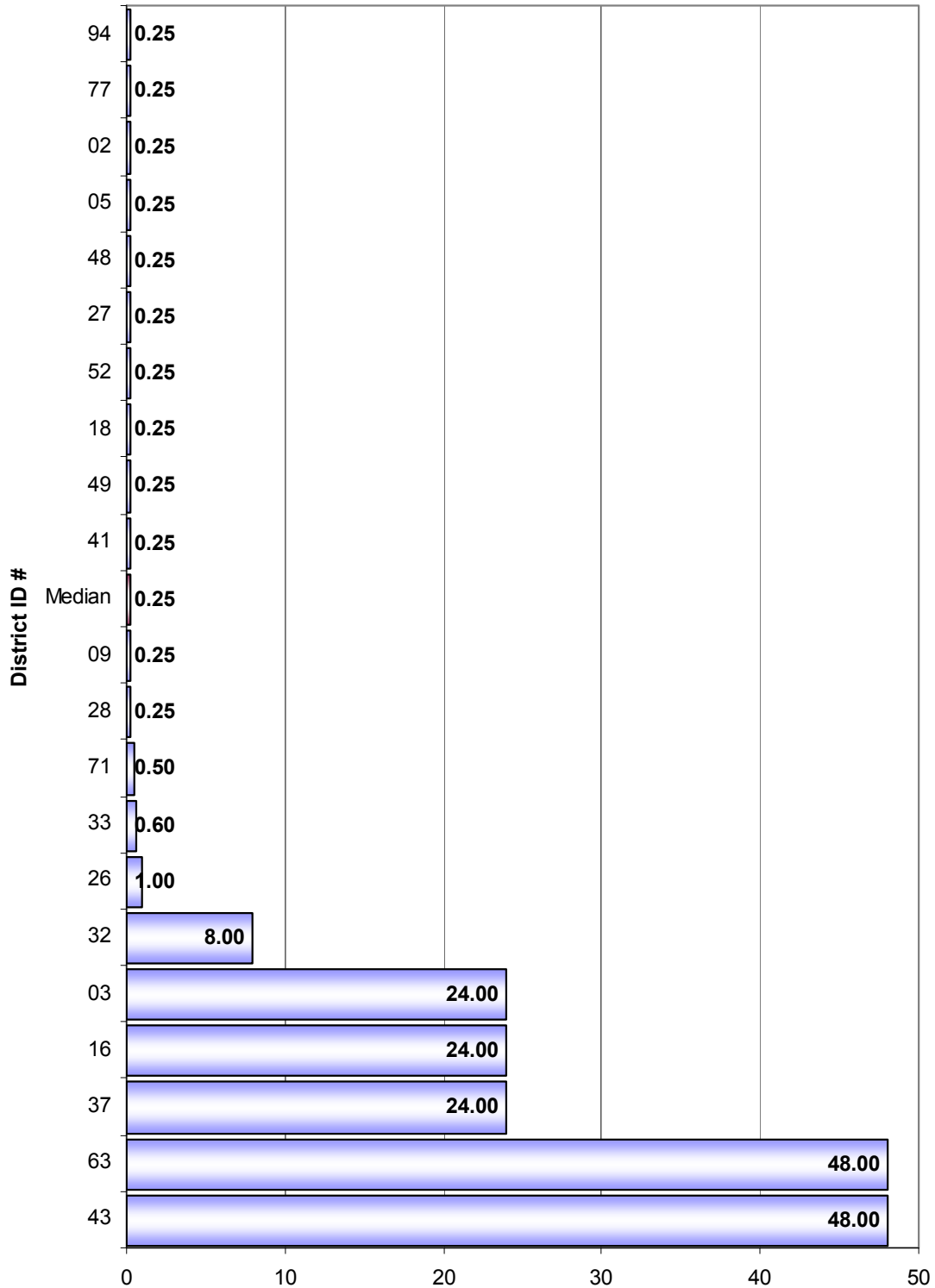
- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the response time to HR requests.
- HR staff performance and culture – identification of expeditious response to customer inquiries as a measure of quality will highlight this measure to HR staff.
- Volume of incoming requests to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. requests received over the summer may be responded to more quickly due to lower overall volume).

Analysis of the data

- FY 08 > 21 districts responded
- FY 08 > Low = 0.25; High = 48.00; Median = 0.25

Performance Measurement & Benchmarking for K12 Operations

Response Time (in Hours) for HR Requests - Walk-In



Key Performance Indicator

Response Time (in Hours) for HR Requests – Written

Indicate response time for each type of contact listed below in hours by 0.25 hour increments – written

Why This Measure Is Important

Work processes within high performing Human Resources functions are customer focused and driven by customer requirements. Expedient response time to customer inquiries is widely accepted as a key customer requirement within most organizations and is often perceived by customers as the sole measure of high performance.

Factors That Influence This Measure

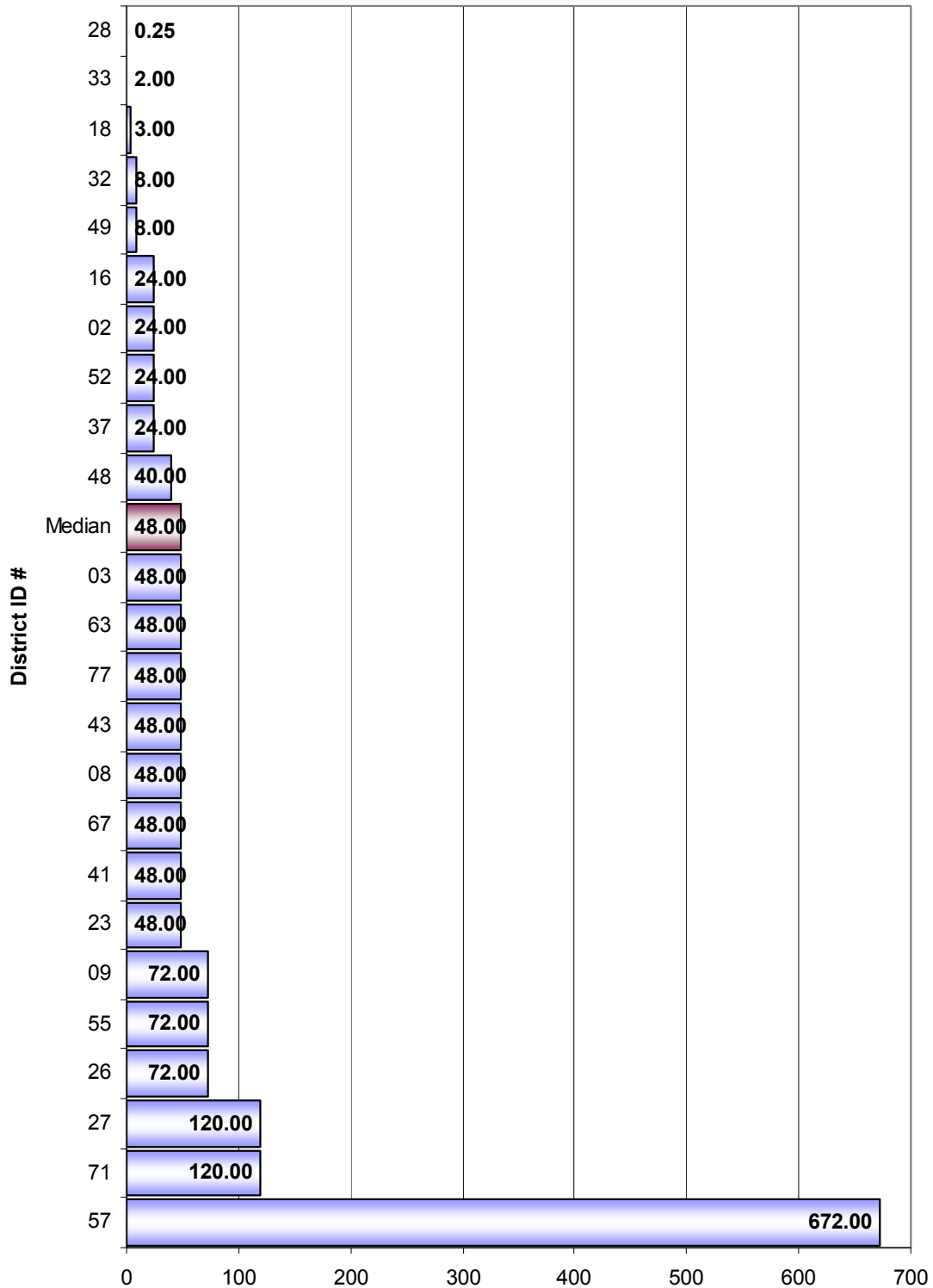
- HR staffing model – the allocation of FTE within the HR function can be closely correlated to the response time to HR requests.
- HR staff performance and culture – identification of expeditious response to customer inquiries as a measure of quality will highlight this measure to HR staff.
- Volume of incoming requests to HR
- Timing – the cyclical nature of school business may affect the performance of business units (i.e. requests received over the summer may be responded to more quickly due to lower overall volume).

Analysis of the data

- FY 08 > 24 districts responded
- FY 08 > Low = 0.25; High = 672.00; Median = 48.00

Performance Measurement & Benchmarking for K12 Operations

Response Time (in Hours) for HR Requests - Written



Key Performance Indicator



Recruitment & Staffing

Teacher Positions Vacant on the First Day of School - Quota Teachers

Number of all unfilled teacher positions on the first day of school *divided by* number of teacher positions on the first day of school (includes both filled and unfilled positions).

Why This Measure Is Important

This measure indicates the effectiveness of a district's recruiting, selection, hiring and staffing processes that ensure schools are fully staffed on the first day of the school year, there is continuity in the classroom, and instructional time for students is maximized.

Factors That Influence This Measure

- Culture
- School leadership
- Funding
- Selection and hiring process of the district

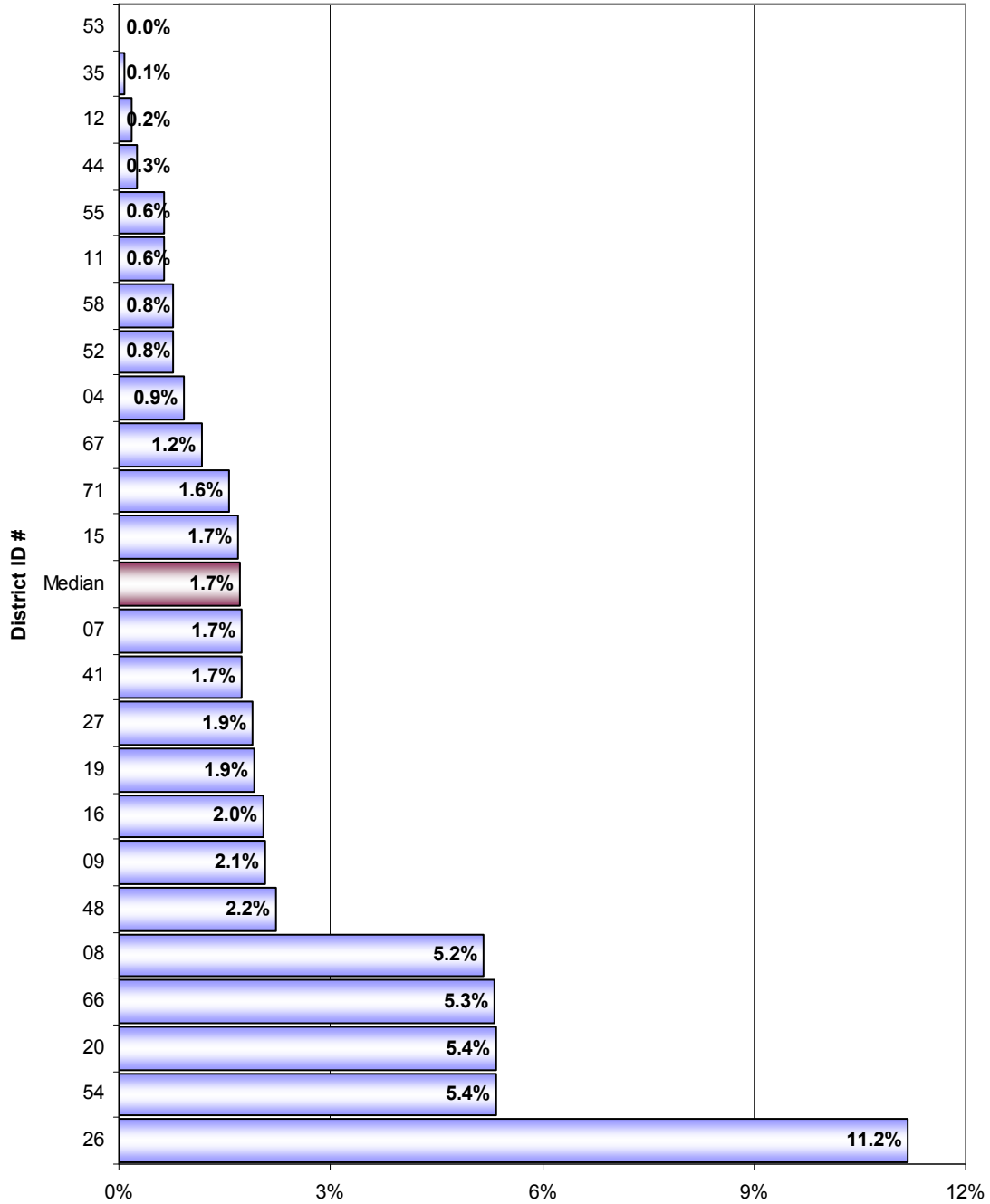
Analysis of the data

- FY 08 > 24 districts responded
- FY 08 > Low = 0.0%; High = 11.2%; Median = 1.7%
- 9 districts reported that 99% or more of their teacher positions were filled on the first day of school (with one districts reporting 100% of the positions filled; and an additional 7 districts reported that 98% of their teacher positions were filled.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Teacher Positions Vacant on the First Day of School - Quota Teachers



Days to Fill Quota and Non-Quota Teacher Vacancies

Number of days to fill quota teacher positions.

Number of days to fill non-quota teacher positions.

Why This Measure Is Important

This measure reflects the instructional loss when there is not continuity in the classroom and in instructional support.

Factors That Influence This Measure

- Culture of community
- Leadership of the school
- Funding

Analysis of the data – Quota Positions

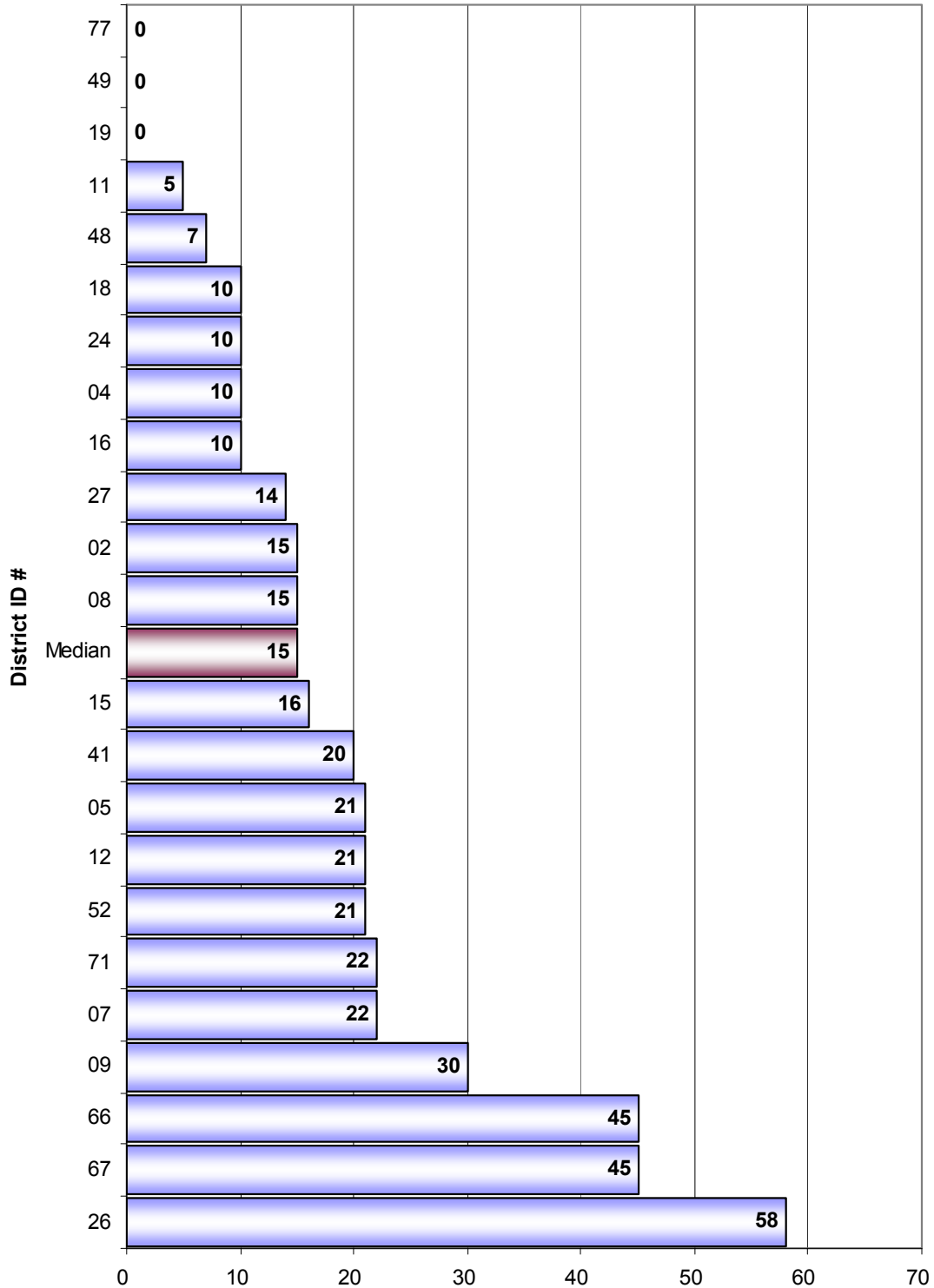
- FY 08 > 23 districts responded
- FY 08 > Low = 0; High = 58; Median = 15
- 17 districts reported that it takes 5-15 days to fill a quota teacher position, which is the equivalent of 1–3 weeks of instructional time.

Analysis of the data – Non-Quota Positions

- FY 08> 16 districts responded;
- FY 08> Low = 0; High = 45; Median = 2.5
- 5-15 are the required number of days to fill non-quota positions in most of the districts that responded.

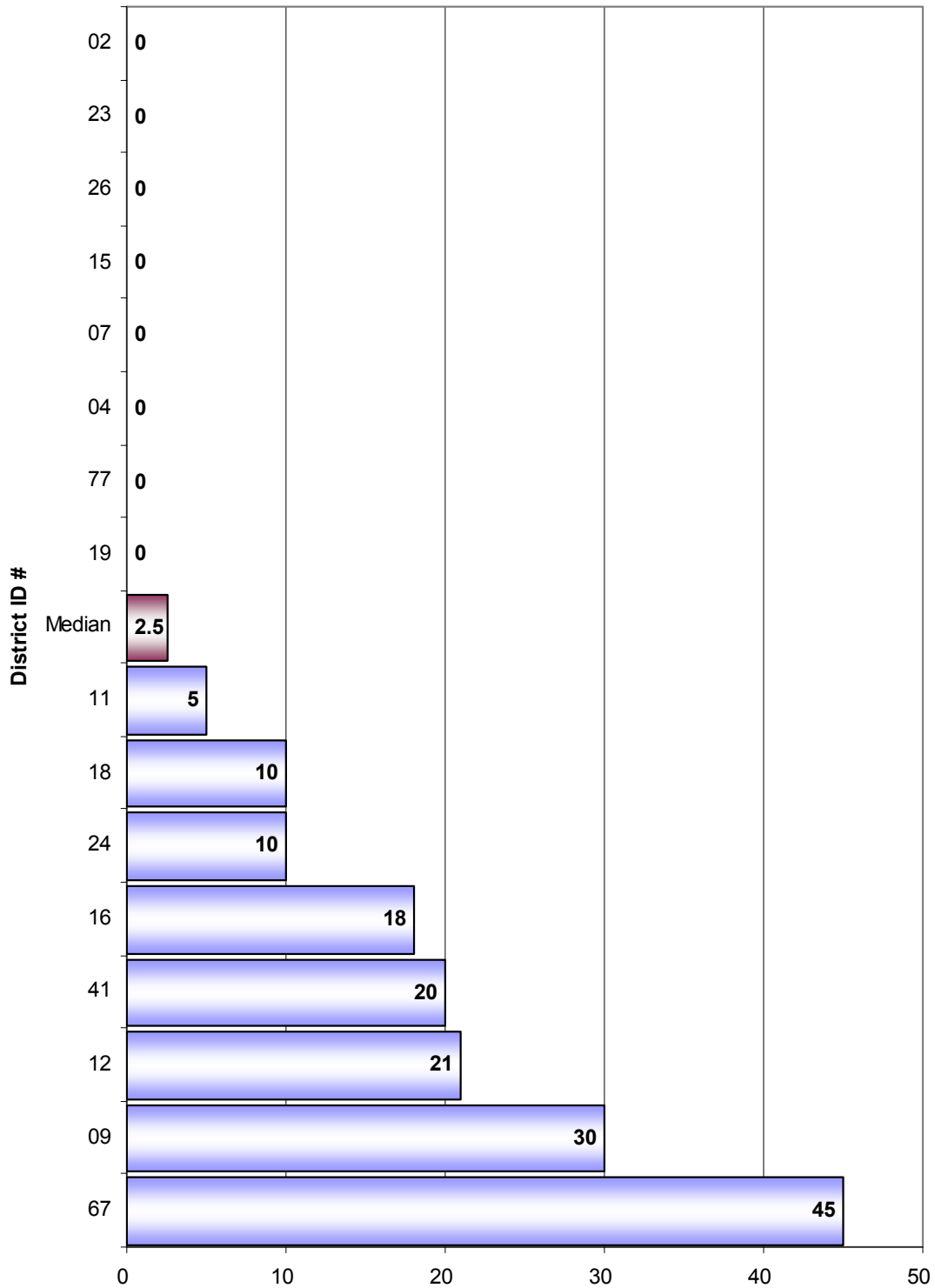
Performance Measurement & Benchmarking for K12 Operations

Days to Fill Quota Teacher Vacancies



Key Performance Indicator

Days to Fill Non-Quota Teacher Vacancies



Teachers Retained After First Year

Average number of teachers retained after first year *divided by* number new hire teachers.

Why This Measure Is Important

A district may re-allocate funds to adopt new mentor/induction programs or revise their current programs. Districts will also have data available to justify making changes in their selection process and engaging local universities about coursework designed to better prepare graduates for urban teaching. By tracking, monitoring and examining retention of first year teachers, districts can measure early attrition rates and thereby manage the cost of bringing in new teachers and maintain desired staff continuity.

Factors That Influence This Measure

- Culture
- Communication
- School Leadership
- Professional development
- Selection and hiring process
- Support

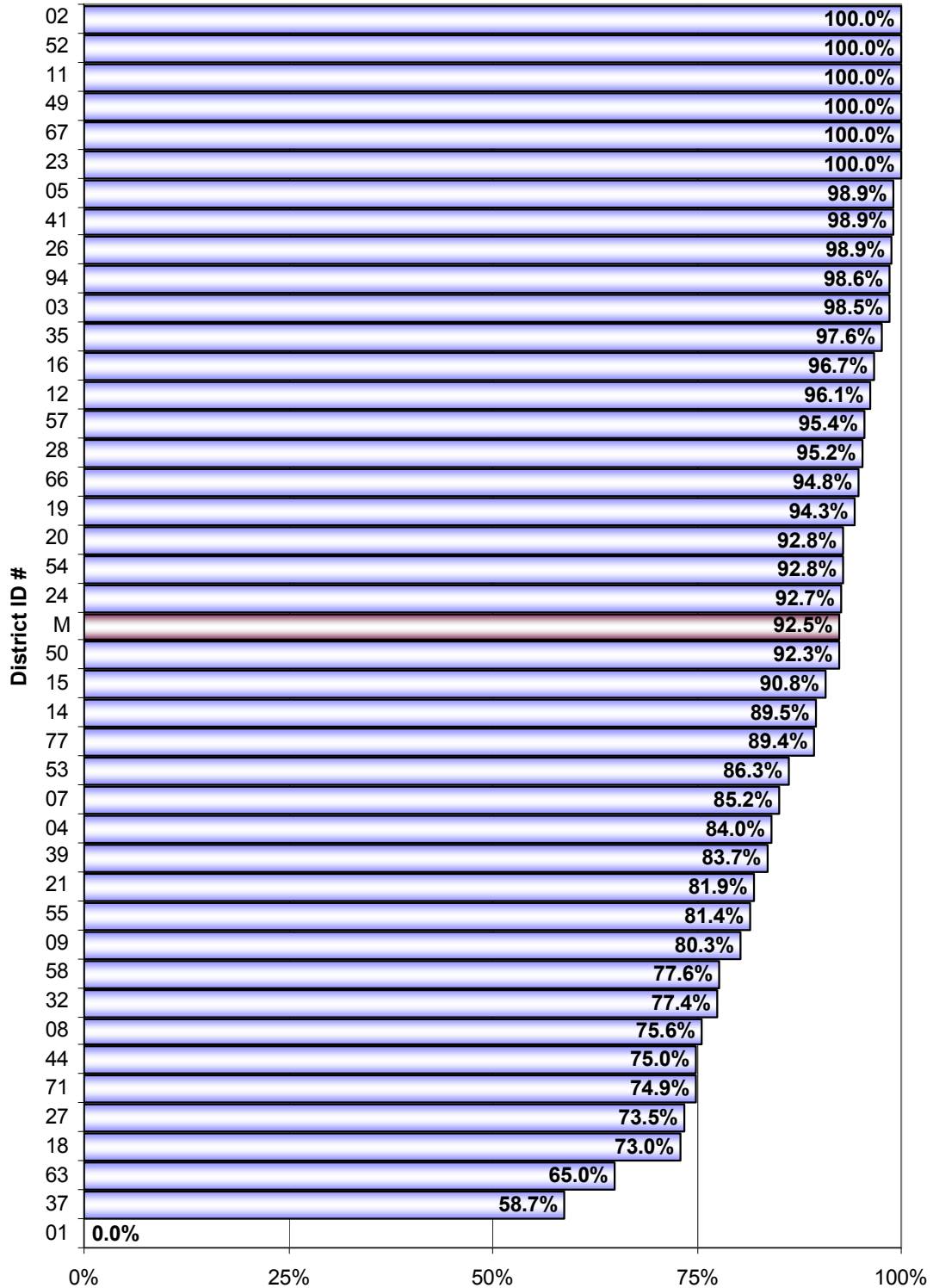
Analysis of the data

- FY 08 > 42 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 92.5%
- 23 districts (55%) reported that 90% or more of their teachers were retained after the first year; with 16 reporting a retention rate of 95% or more and 6 reporting that 100% were retained. An additional 9 districts reported a retention rate between 80-90%.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Teacher Retained After First Year



Teachers Retained After Second and Third Years¹⁸

Number of new teachers hired by the district in FY 2006-07 who remained employed in FY 2007-2008.

Number of new teachers hired by the district in FY 2005-06 who remained employed in FY 2007-2008.

Why This Measure Is Important

A district may re-allocate funds to adopt new mentor/induction programs or revise their current programs. Districts will also have data available to justify making changes in their selection process and engaging local universities about coursework designed to better prepare graduates for urban teaching. By tracking, monitoring and examining retention of second year teachers, districts can measure early attrition rates and thereby manage the cost of bringing in new teachers, revised mentoring/induction program and maintain desired staff continuity

Factors That Influence This Measure

- Culture
- Communication
- School leadership
- Professional development
- Selection and hiring process
- Support

Analysis of the data - Teachers Retained After Second Year

- FY 08 > 40 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 77.8%
- 22 of the districts (55%) retained 75% or more of their second year teachers.

Analysis of the data- Teachers Retained After Third Year

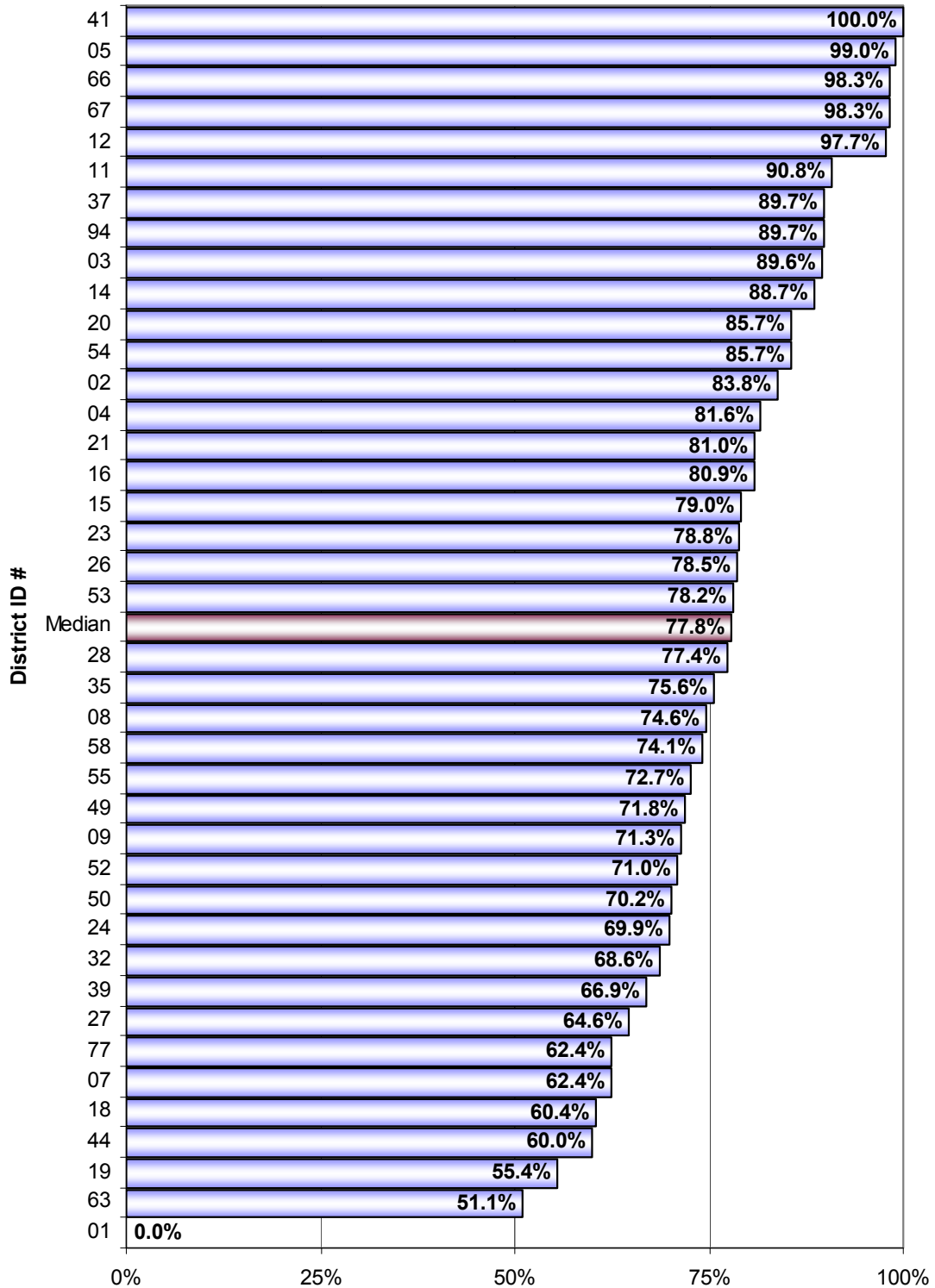
- FY08 > 41 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 65.8%
- 16 of the districts (39%) retained 75% or more of their third year teachers.

¹⁸ The first three years of teaching are generally considered the pre-tenure years.

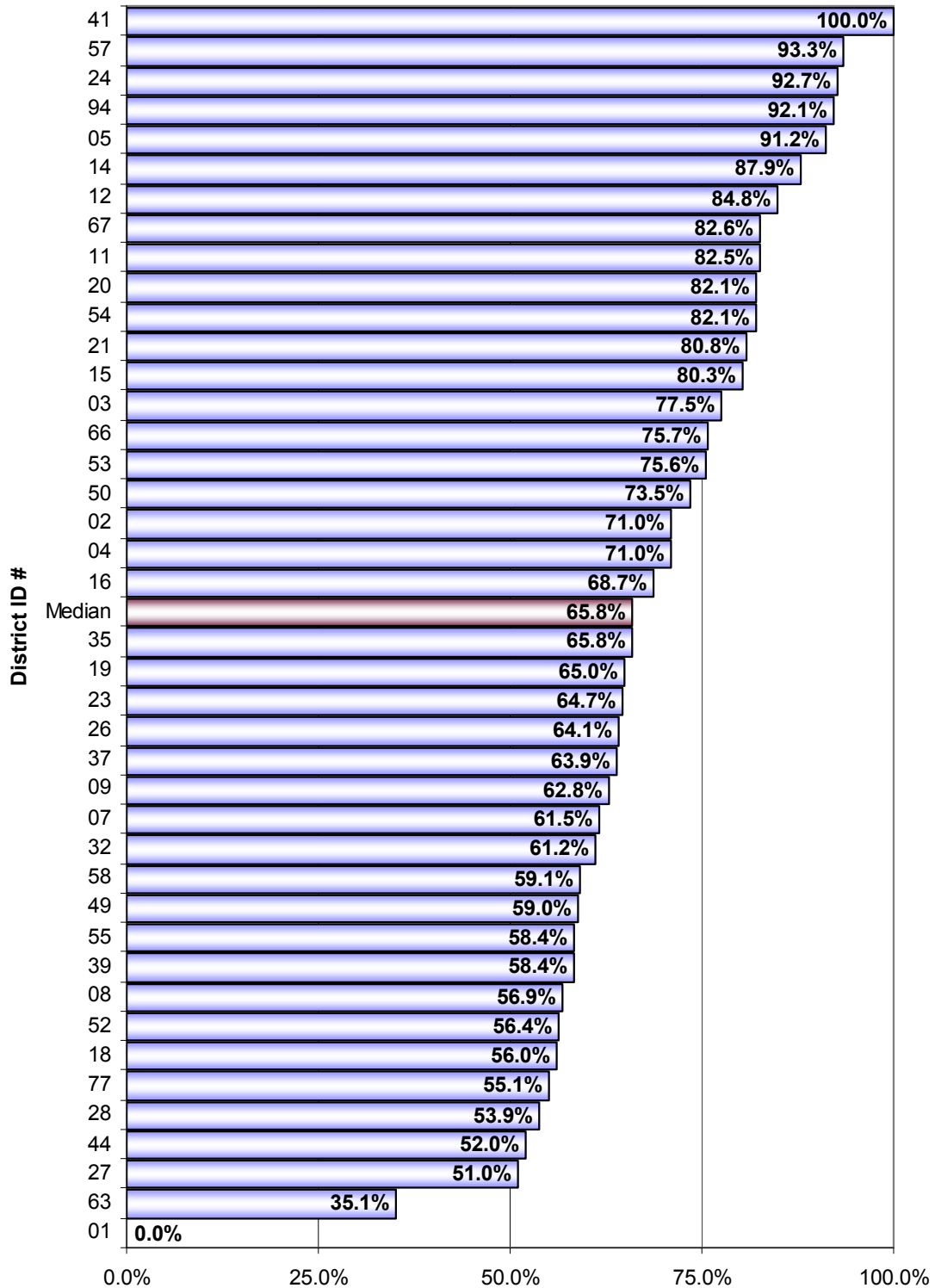
Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Teachers Retained After Second Year



Teachers Retained After Third Year



Teachers Retained After Fourth and Fifth Years

Number of new teachers hired by the district in FY 2004-05 who remained employed by the district in 07-08.

Average number of teachers retained after five years *divided by* number of teachers – full-time, part-time and substitute.

Why This Measure Is Important

The measure of attrition rates helps districts identify “hot spots” by tracking, monitoring and examining teacher retention on a school-by school basis. A low retention rate at a school may indicate the lack of support from the leadership of the district, insufficient professional development, and/or a misunderstanding of district’s mission. A high retention rate may indicate stability and job satisfaction. The data can be used to show that continuity of teaching staff within a school has a positive effect on student achievement.

Factors That Influence This Measure

- Culture
- Communication
- School Leadership
- Professional development
- Selection and hiring process
- Support

Analysis of the data - Teachers Retained after Fourth Year

- FY 08 > 41 districts responded
- FY 08 > High = 100.0%; Low = 0.0%; Median = 63.0%
- 12 of the districts (29%) retained 75% or more of their fourth year teachers.

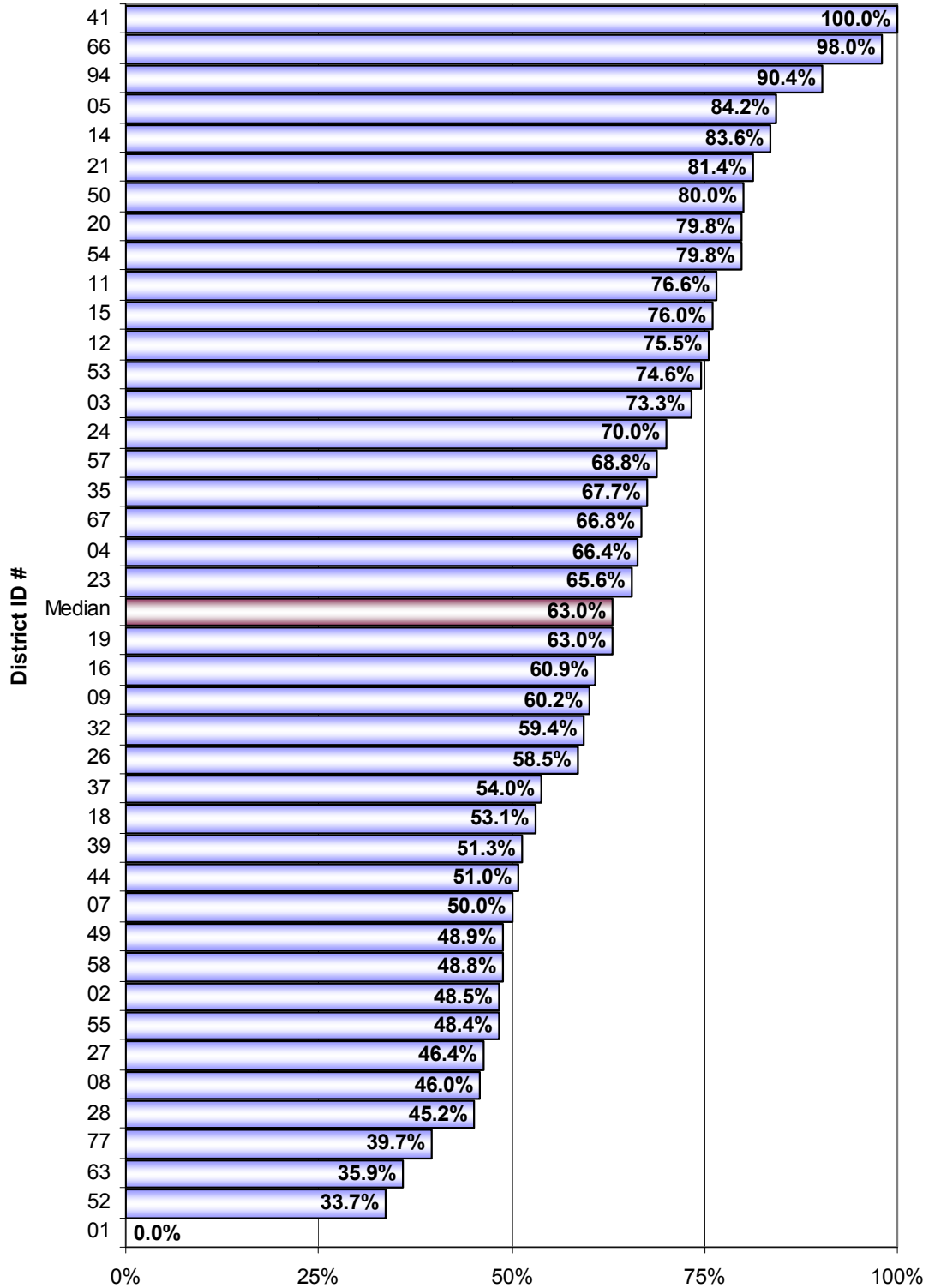
Analysis of the data - Teachers Retained after Fifth Year

- FY 08 > 38 districts responded;
- FY 08 > High = 100.0%; Low = 0.0%; Median = 58.3%
- 7 of the districts (18%) retained 75% or more of their fifth year teachers.

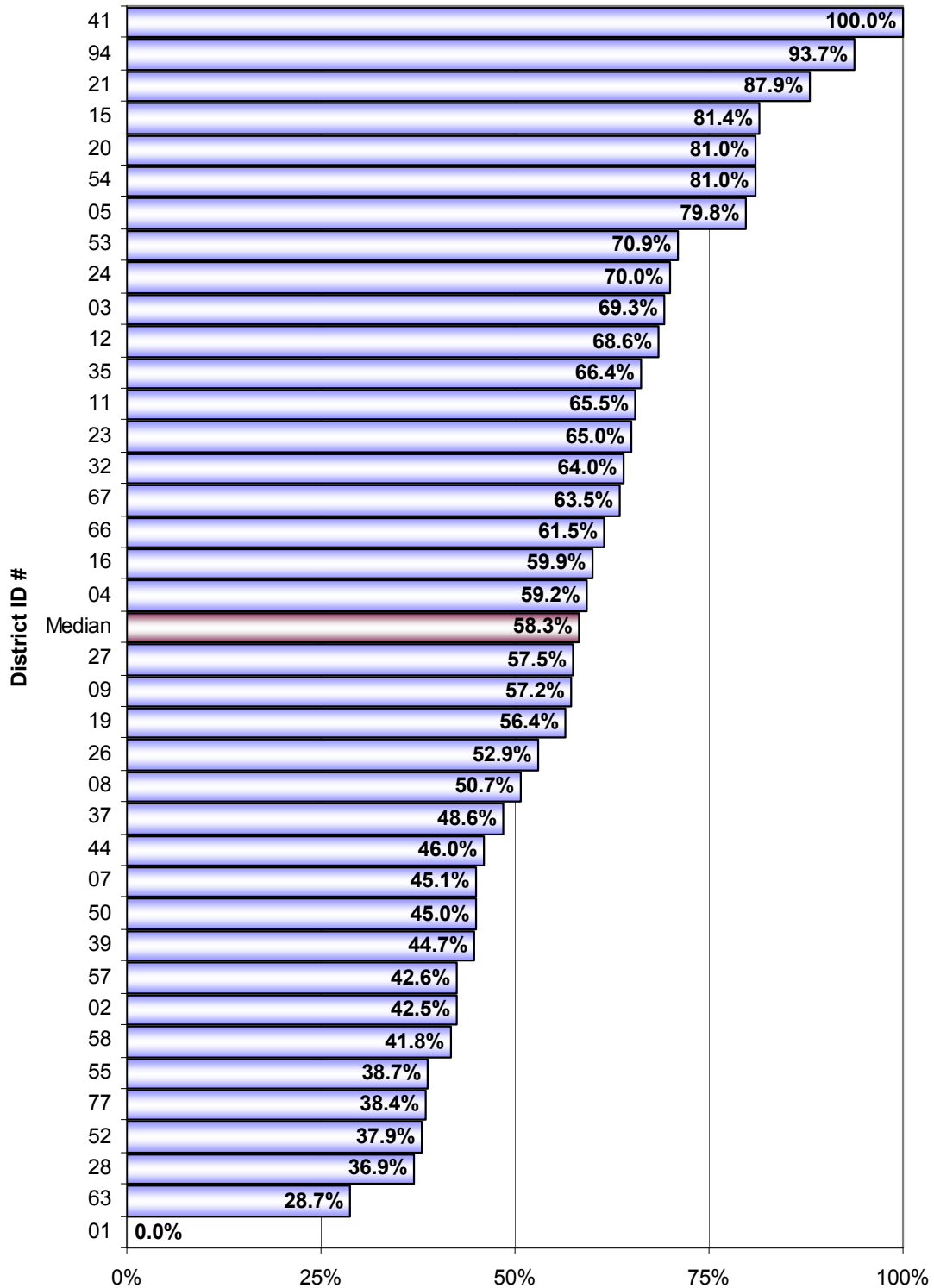
Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Teachers Retained After Fourth Year



Teacher Retained After Fifth Year



Non-Retained, Non-Tenured Teachers

Number of non-retained, non-tenured teachers *divided by* total number of non-tenured teachers.

Why This Measure Is Important

This measure is an indicator of the effectiveness of the selection and mentoring practices of the district. It provides a snapshot of the overall stability in the teaching force of the district as well as individual schools, and suggests a possible correlation with professional development opportunities.

Factors That Influence This Measure

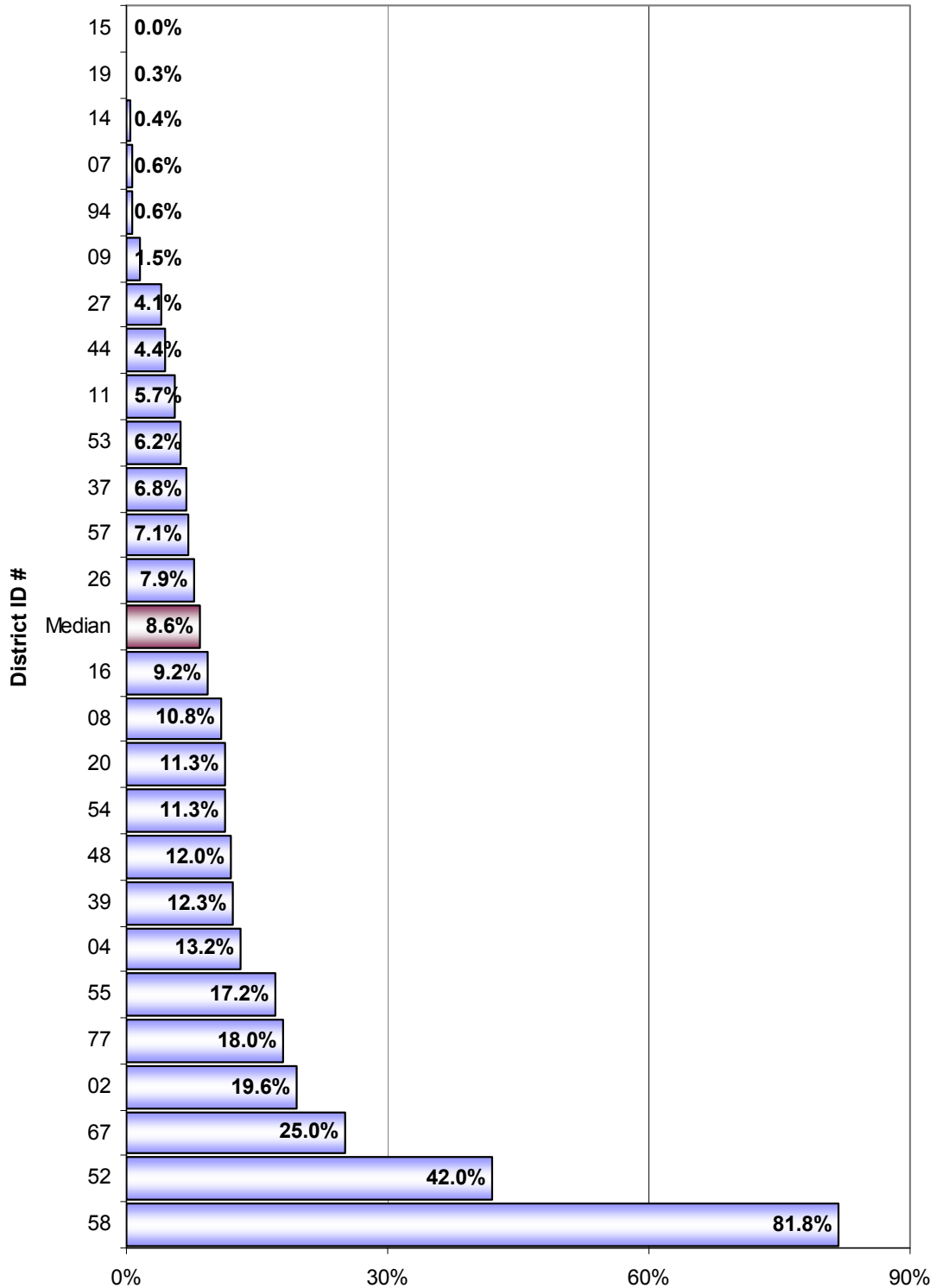
- Union agreements
- Board policy
- School enrollment
- Budget
- Quality of training and professional development
- Selection and hiring practice of the district

Analysis of the data

- FY 08 > 26 districts responded
- FY 08 > Low = 0.0%; High = 81.8%; Median = 8.6%
- A significant number, ranging from 4-25% of non-tenured teachers are not retained.

Performance Measurement & Benchmarking for K12 Operations

Non-Tenured Teachers Recommended for Non-Renewal



Key Performance Indicator

Teachers Fully Credentialed

Number of teachers deemed highly qualified in all their teaching assignments divided by number of teachers subjected to the NCLB audit.

Why This Measure Is Important

Measuring NCLB “HQ” teachers assures that the district has the maximum number of highly qualified teachers (credentialed according to NCLB requirements) on staff. In addition to bringing the district into compliance with federal mandates, this measurement enables district to have data available to correlate relationship between the number of certified teachers and student achievement; to monitor the distribution of highly qualified teachers throughout the district; and to develop and/or modify professional development within the district.

This data impacts federal funding, state and federal requirements, confidence of community in the school.

Factors That Influence This Measure

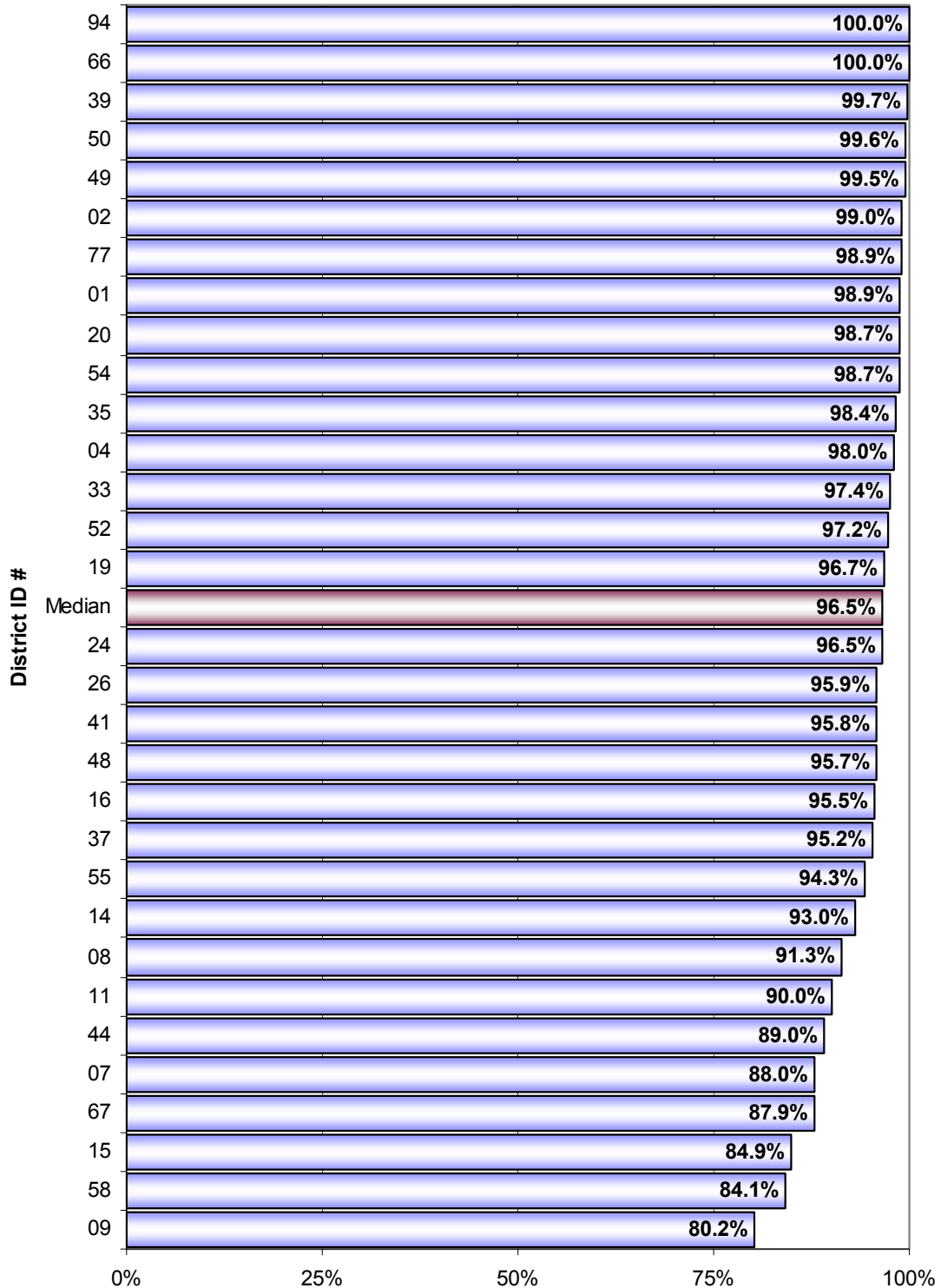
- Teaching assignments
- Professional development
- Availability of HQ teachers
- Hiring practices

Analysis of the data

- FY 08 > 31 districts responded
- FY 08 > High = 100.0%; Low = 80.2%; Median = 96.5%
- 21 districts reported that 95% or more of their teachers were highly qualified in all their teaching assignments with 2 districts reporting that all of their teachers were highly qualified.

Performance Measurement & Benchmarking for K12 Operations

Teachers Fully Credentialed



Key Performance Indicator

Posting Length Requirement (in Days)

Minimum posting requirement time for a vacancy before the position can be staffed.

Why This Measure Is Important

This measure is an indicator of transparency of the vacancies within the district. It allows time for qualified applicants to apply.

Factors That Influence This Measure

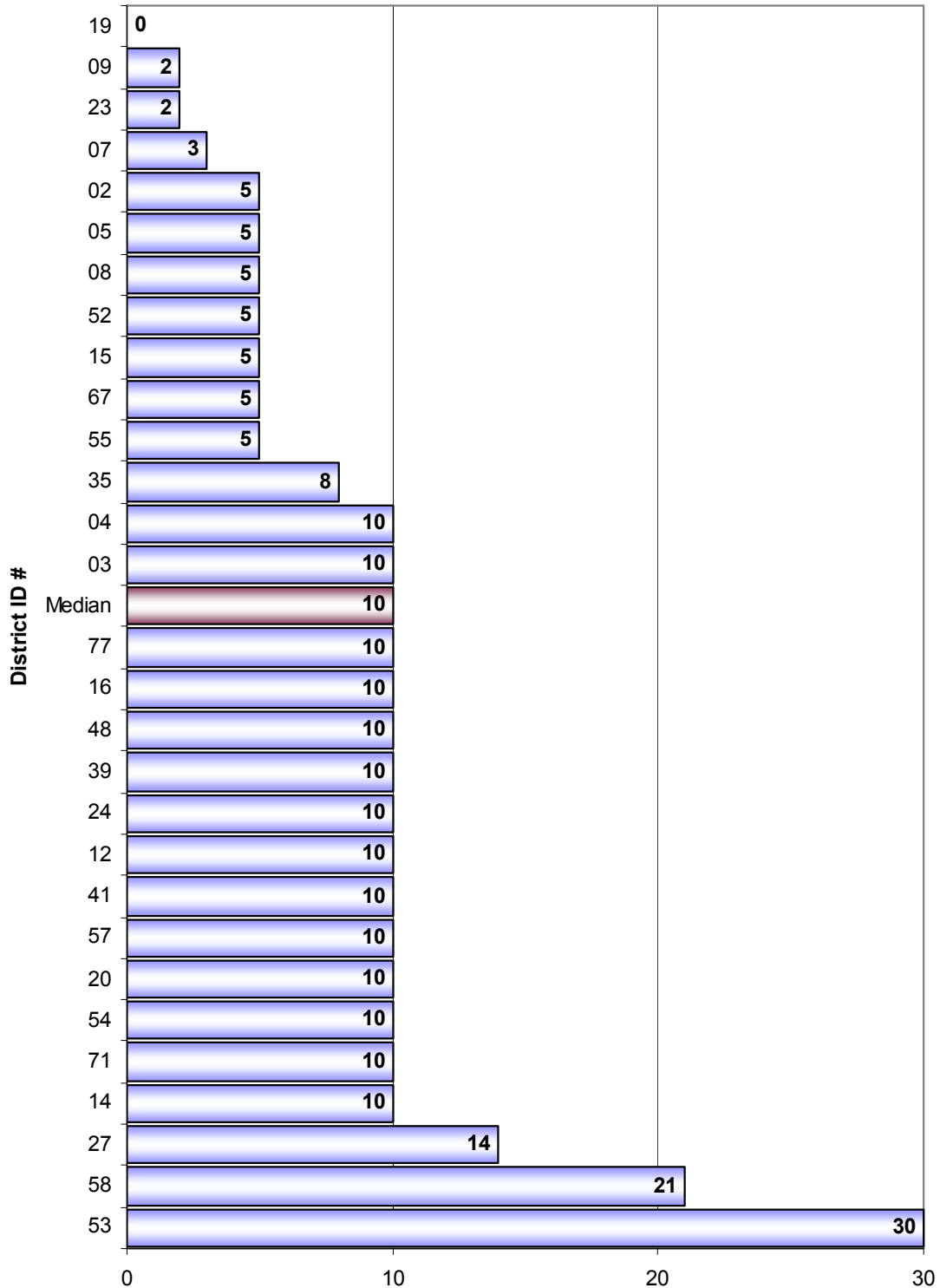
- Organizational skills of administrator
- Response to posted advertisement

Analysis of the data

- FY 08 > 29 districts responded
- FY 08 > Low = 0; High = 30; Median = 10
- 22 districts (75.9%) of the districts require a 5-10 days posting requirement for a vacancy before it can be filled.

Performance Measurement & Benchmarking for K12 Operations

Posting Length Requirement (in Days)



Key Performance Indicator

Total Turnover Rate – All Employees

Total number of employees who resigned, retired or were involuntarily retired/discharged (includes resignations in lieu of terminations) *divided by* total number employees.

Why This Measure Is Important

These measures serve as indicators of district policies, administrative procedures and regulations, and management effectiveness. Measuring these indicators allows the district to further analyze its actions on resources, allocation of funds, policy and support to its employees. They also may serve as measures of workforce satisfaction and organizational climate.

Factors That Influence This Measure

- Compensation and benefits
- Recognition and rewards
- Career path/advancement
- Age distribution of workforce
- Effectiveness of leadership
- Training and professional development

Analysis of the data – Resignation Rate of All Employees

- FY 08 > 44 districts responded
- FY 08 > Low = 2.2%; High = 52.4%; Median = 11.1%

Analysis of the data – Retirement of All Employees

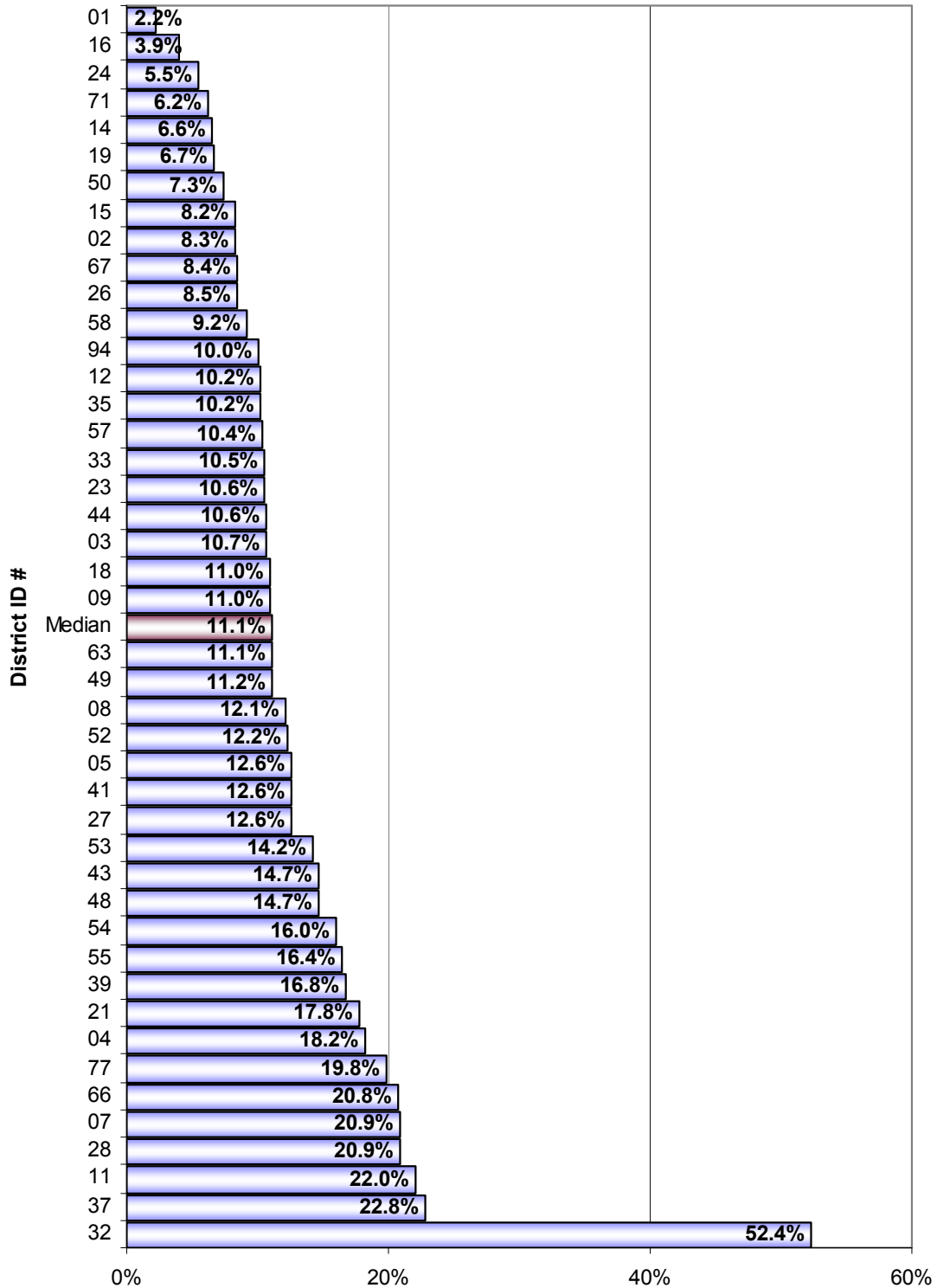
- FY 08 > 45 districts responded
- FY 08 > Low = 0.6%; High = 93.7%; Median = 2.0%

Analysis of the data – Involuntary Terminations of All Employees

- FY 08 > 45 districts responded
- FY 08 > Low = 0.0%; High = 42.0%; Median = 1.3%

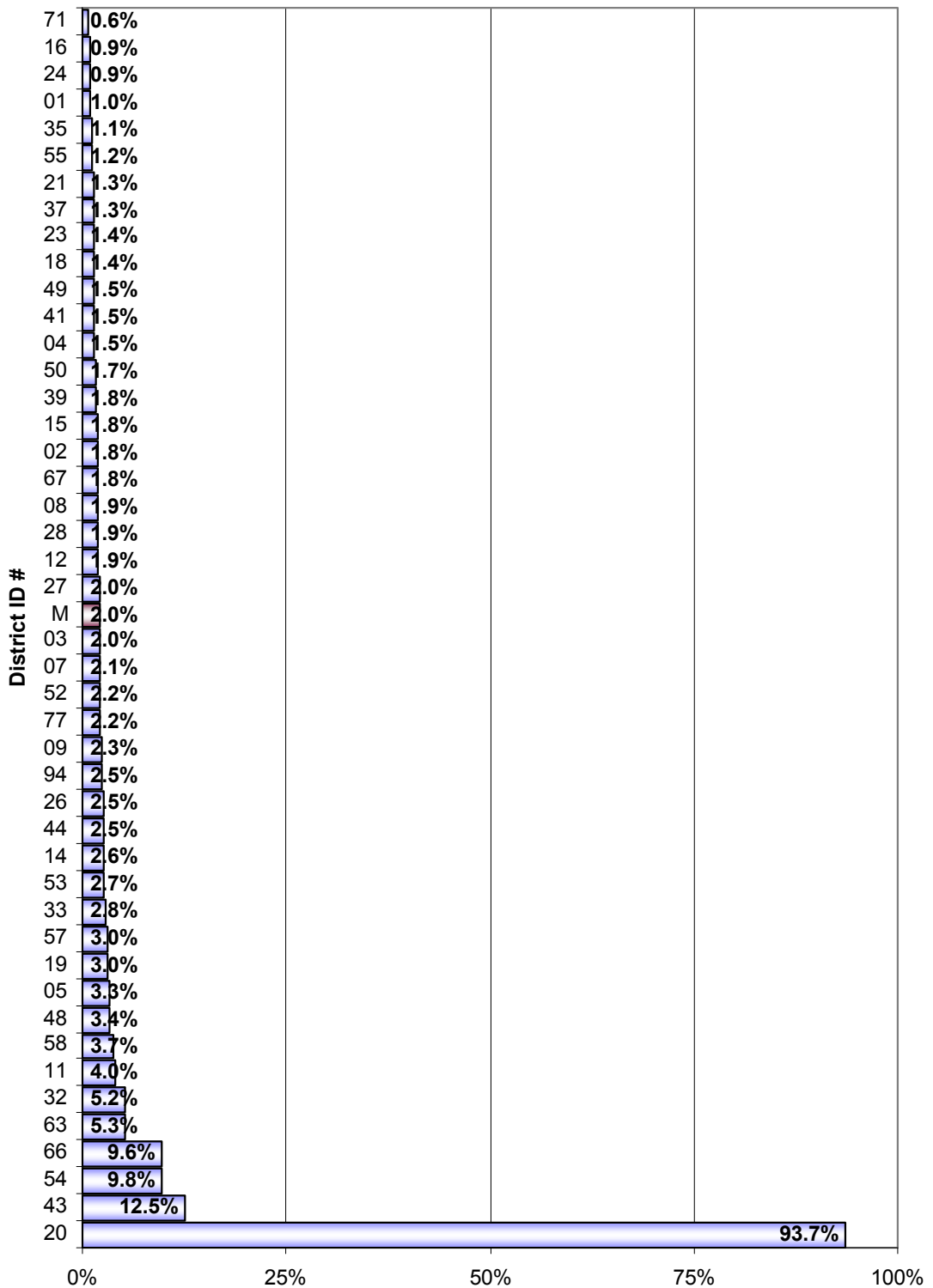
Performance Measurement & Benchmarking for K12 Operations

Turnover Rate - All Employees



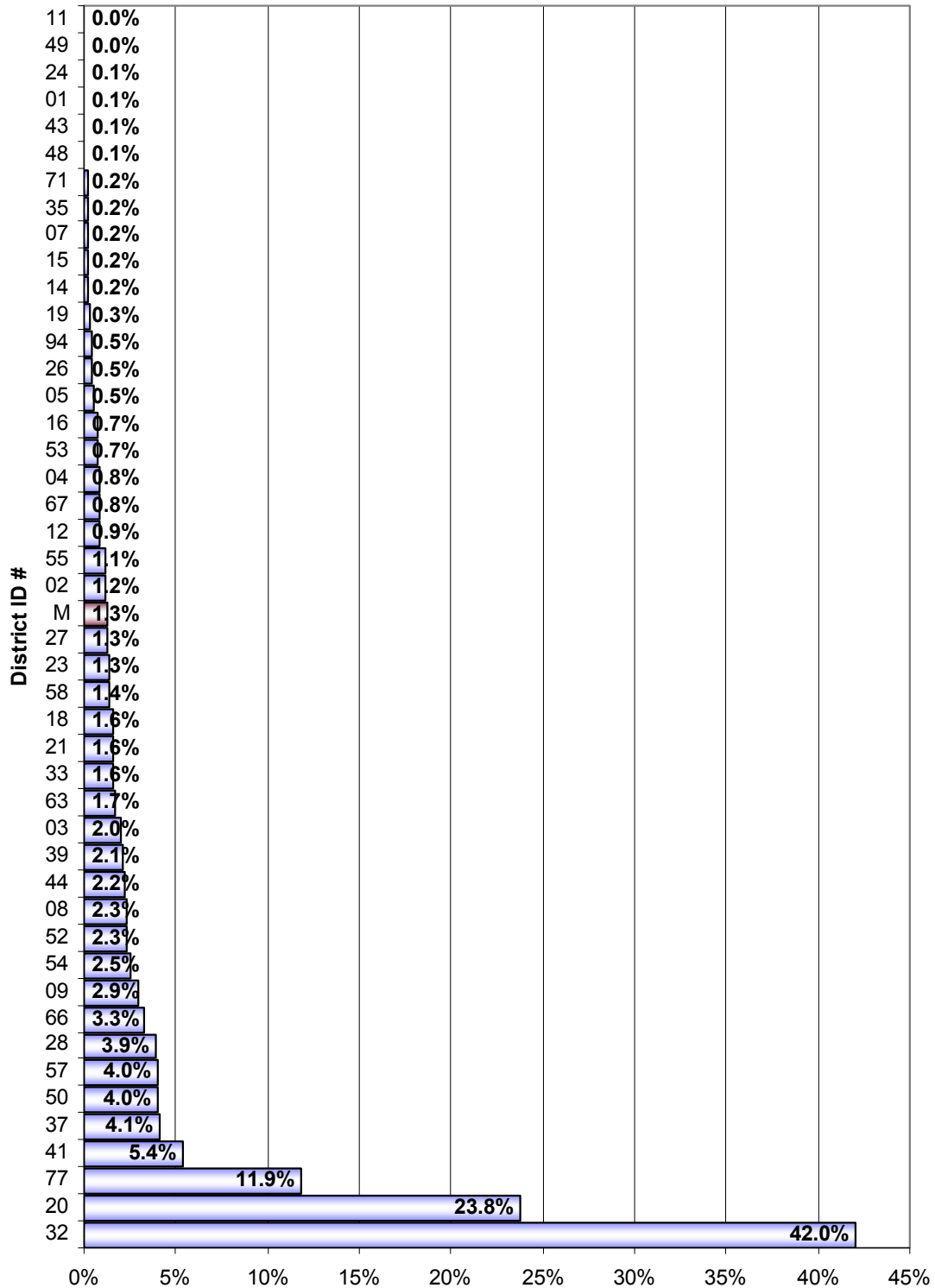
Key Performance Indicator

Turnover Rate - Retired - All Employees



Performance Measurement & Benchmarking for K12 Operations

Turnover Rate - Involuntarily Terminated - All Employees



Key Performance Indicator

Turnover Rate – Retired - Teachers

Total number of full-time teachers *plus* total number of part-time teachers who retired, resigned or were involuntarily retired/discharged (includes resignations in lieu of terminations) *divided by* total number of full-time teachers *plus* number of part-time teachers.

Why This Measure Is Important

These measures may serve as indicators of district policies, administrative procedures and regulations, and management effectiveness. Measuring these allows the district to further analyze its actions in terms of resources, allocation of funds, policy and support to its employees. They also may serve as measures of workforce satisfaction and organizational climate.

Factors That Influence This Measure

- Overall age of workforce
- Early retirement payout options
- State of economy
- Compensation and benefits
- Recognition and rewards
- Career path/advancement
- Age distribution of workforce
- Effectiveness of leadership
- Training and professional development
- Union contracts

Analysis of the data – Teacher Retirements

- FY 08 > 44 districts responded
- FY 08 > Low = 0.7%; High = 15.7%; Median = 2.5%

Analysis of the data – Teacher Resignations

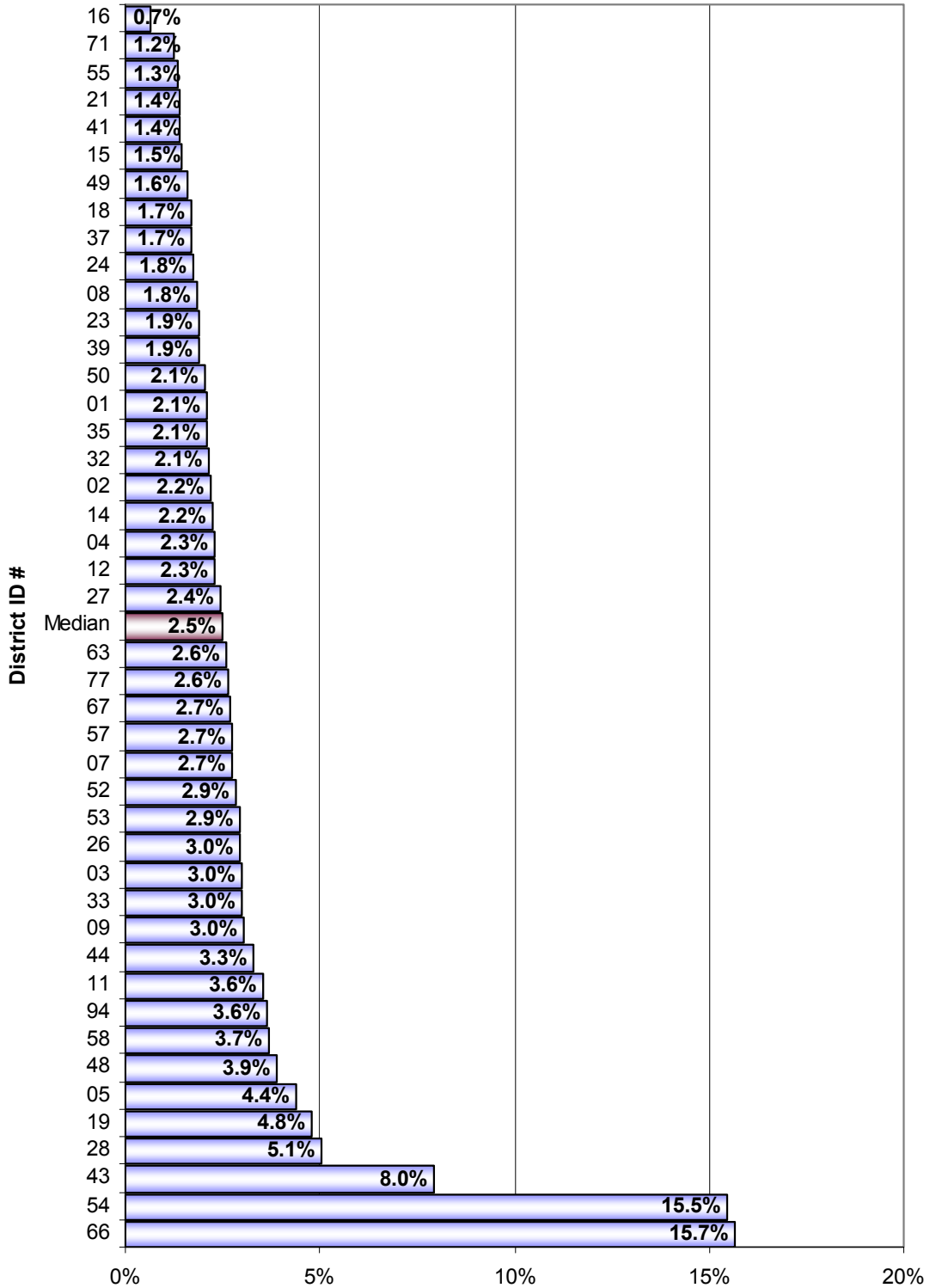
- FY 08 > 45 districts responded
- FY 08 > Low = 0.9%; High = 41.1%; Median = 6.6%

Analysis of the data – Teacher Involuntary Terminations

- FY 08 > 42 districts responded
- FY 08 > Low = 0.0%; High = 16.1%; Median = 0.7%

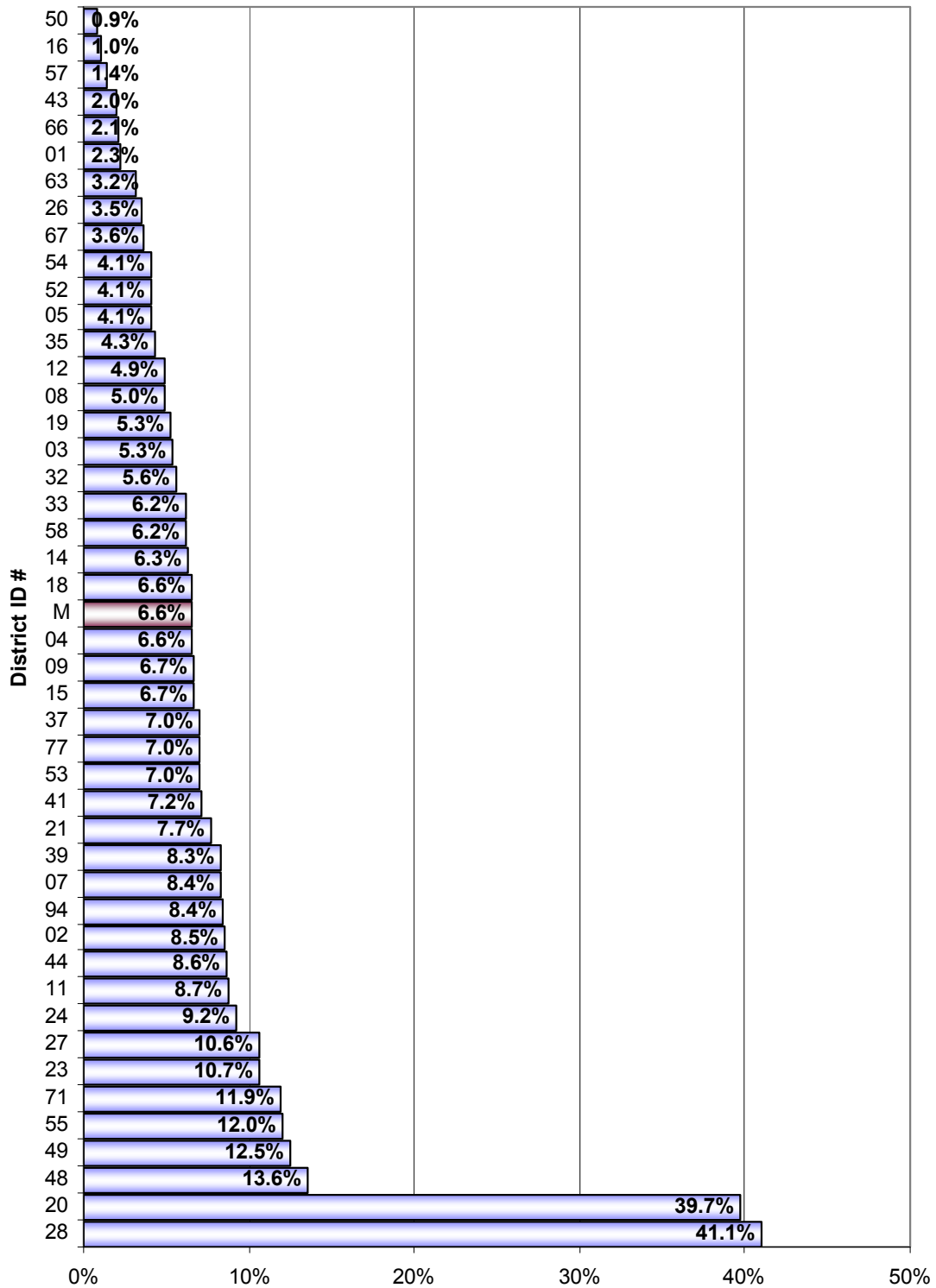
Performance Measurement & Benchmarking for K12 Operations

Turnover Rate - Retired - Teachers



Key Performance Indicator

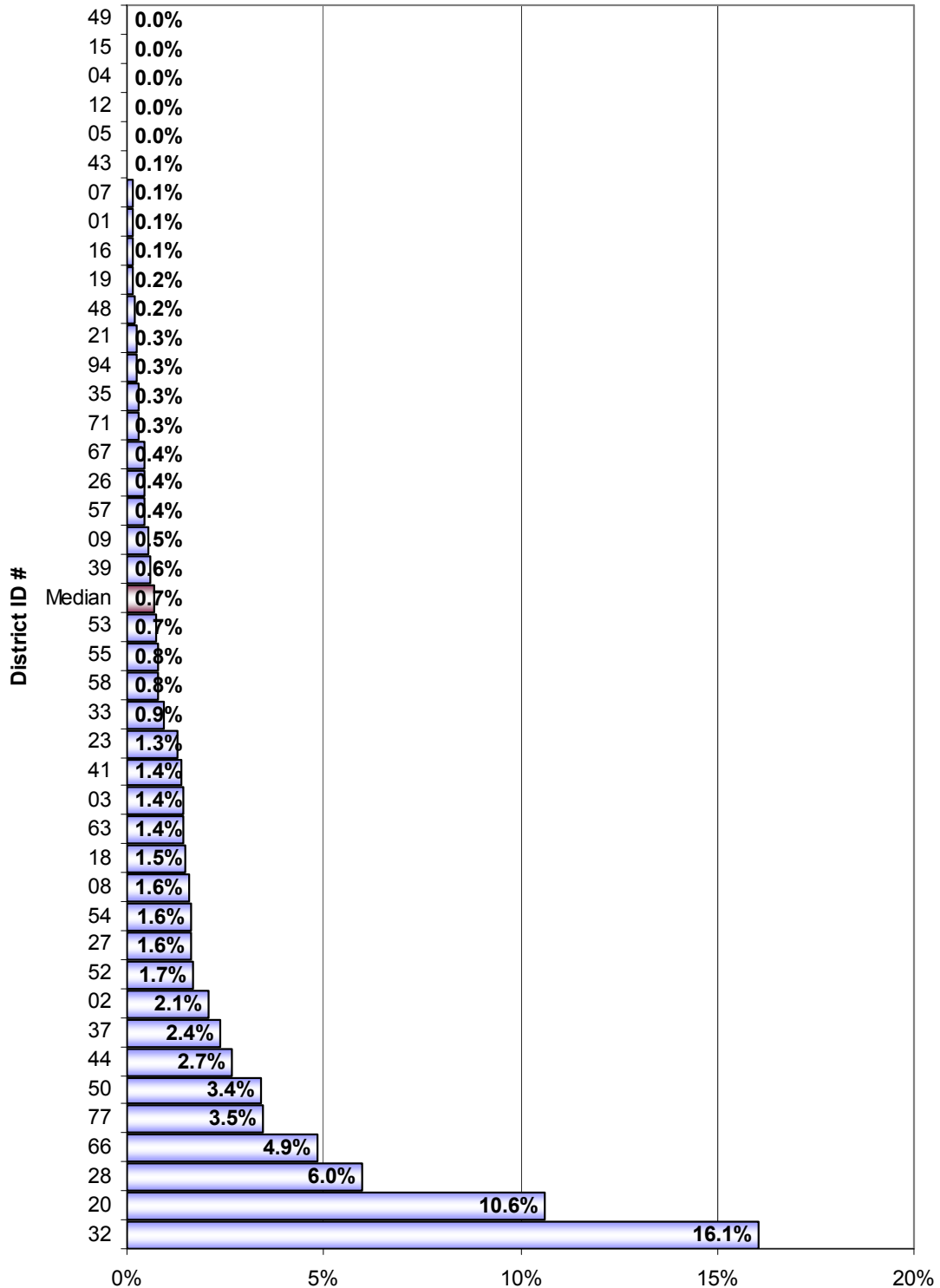
Turnover Rate - Resigned - Teachers



Key Performance Indicator

Performance Measurement & Benchmarking for K12 Operations

Turnover Rate - Involuntarily Terminated - Teachers



Key Performance Indicator

Turnover Rate – School-Based Administrators

Total number of school-based administrators /supervisors who retired, resigned or were involuntarily retired/ discharged (includes resignations in lieu of termination) *divided by* number of school-based administrators/supervisors.

Why This Measure Is Important

These measures may serve as indicators of district policies, administrative procedures and regulations, and management effectiveness. Measuring these allows the district to further analyze its actions in terms of resources, allocation of funds, policy and support to its employees. They also may serve as measures of workforce satisfaction and organizational climate.

Factors That Influence This Measure

- Compensation and benefits
- Recognition and rewards
- Career path/advancement
- Age distribution of workforce
- Effectiveness of leadership
- Training and professional development

Analysis of the data – School-Based Administrator Retirements

- FY 08 > 40 districts responded
- FY 08 > Low = 0.0%; High = 11.5%; Median = 3.4%

Analysis of the data - School-Based Administrator Resignations

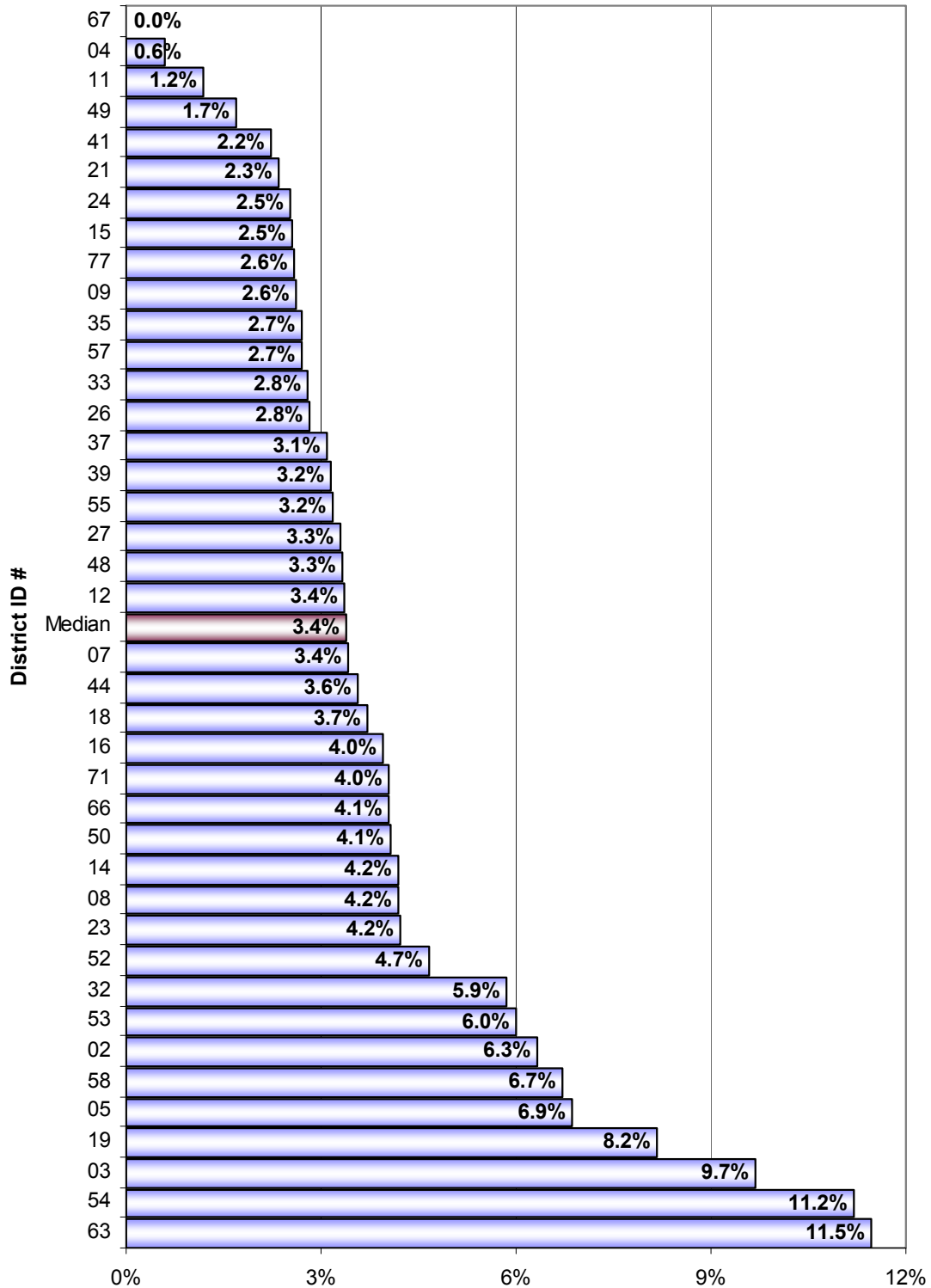
- FY 08 > 40 districts responded
- FY 08 > Low = 0.0%; High = 28.4%; Median = 4.2%

Analysis of the data - School-Based Administrator Involuntary Terminations

- FY 08 > 42 districts responded
- FY 08 > Low = 0.0%; High = 8.8%; Median = 0.1%

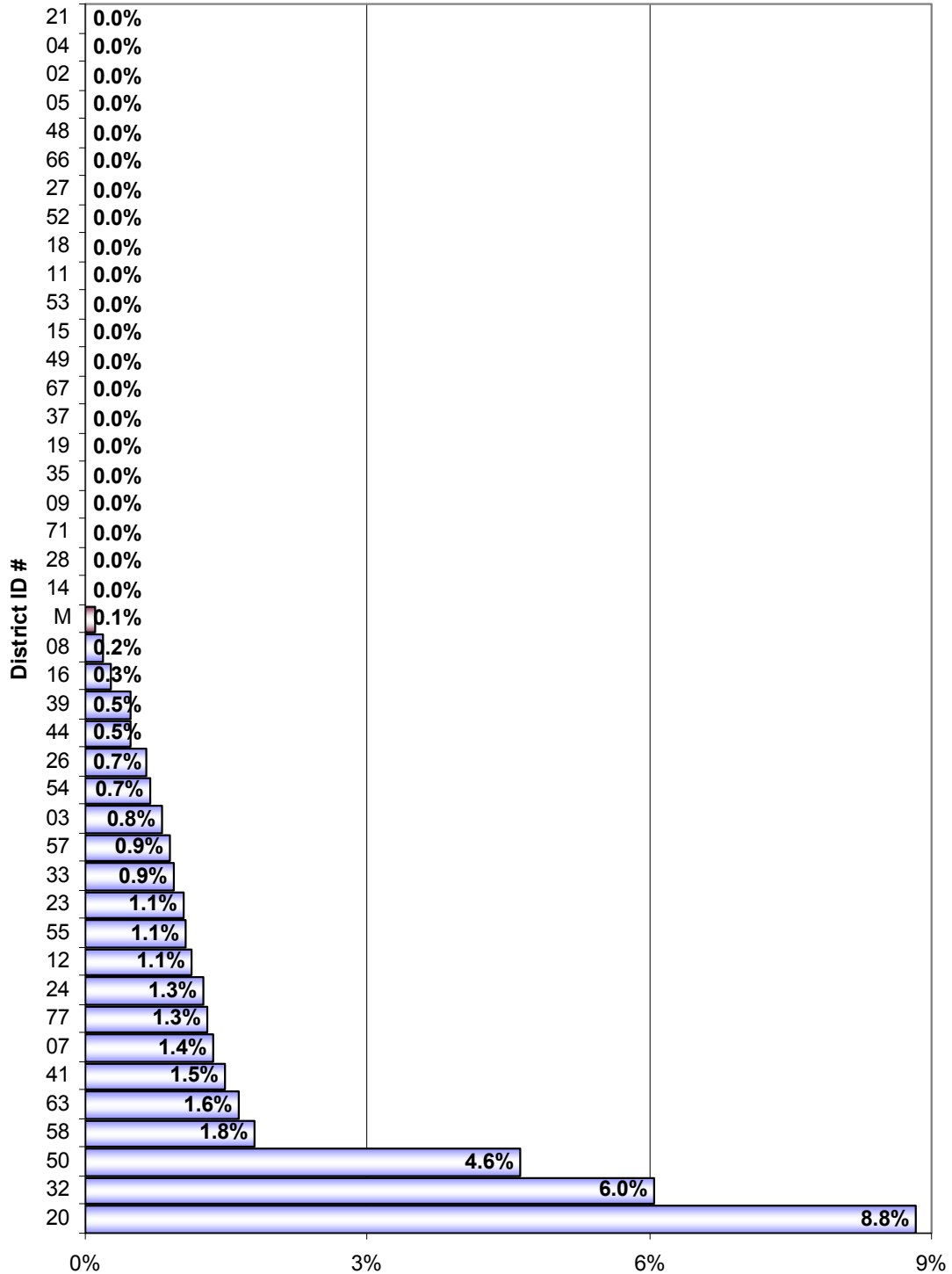
Performance Measurement & Benchmarking for K12 Operations

Turnover Rate - Retired - School-Based Administrators



Key Performance Indicator

Turnover Rate - Involuntarily Terminated - School-Based
Administrators



Classified Staff Terminated/Discharged

Number of involuntary terminations/discharges of non-school-based administrators, (including resignations in lieu of termination) *plus* number of involuntary terminations/discharges of school-based, non-teacher union and non-union personnel (including resignations in lieu of termination) *divided by* the number of non school-based administrators/ supervisors *plus* the number of school-based non-teachers *plus* the number of non-school-based non-teachers.

Why This Measure Is Important

This measure serves as a general indicator of the effectiveness of a district’s classified employees. This data can provide a snapshot of the correlation between training opportunities and remedial process. Measuring this also allows superintendents and school board members see how their actions in terms of resources, allocation of funds, policy, and support play a role in school success.

Factors That Influence This Measure

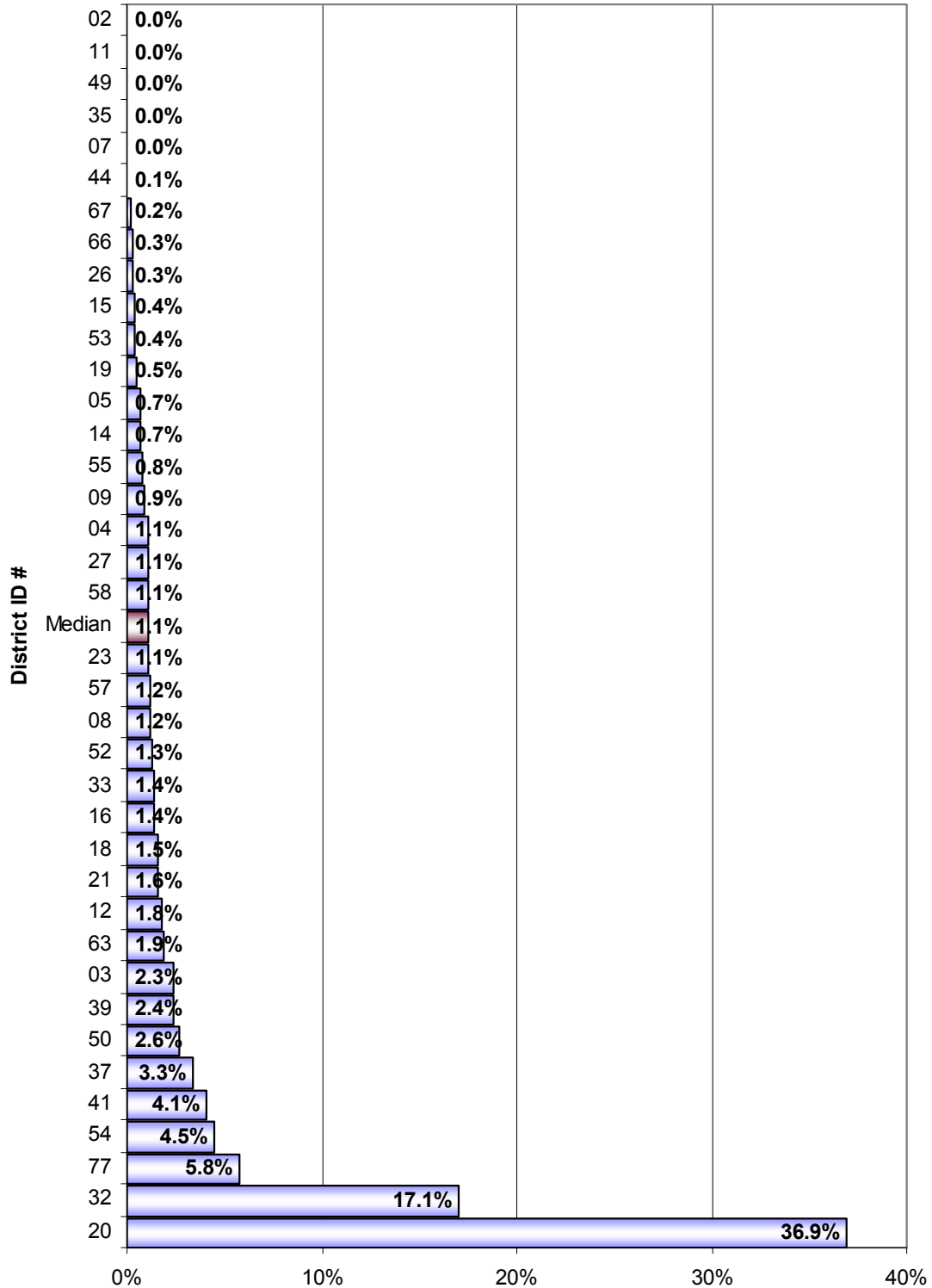
- Budget
- Funding sources
- Board rules and policies
- Effectiveness of supervisors and managers
- Quality of training and support

Analysis of the data

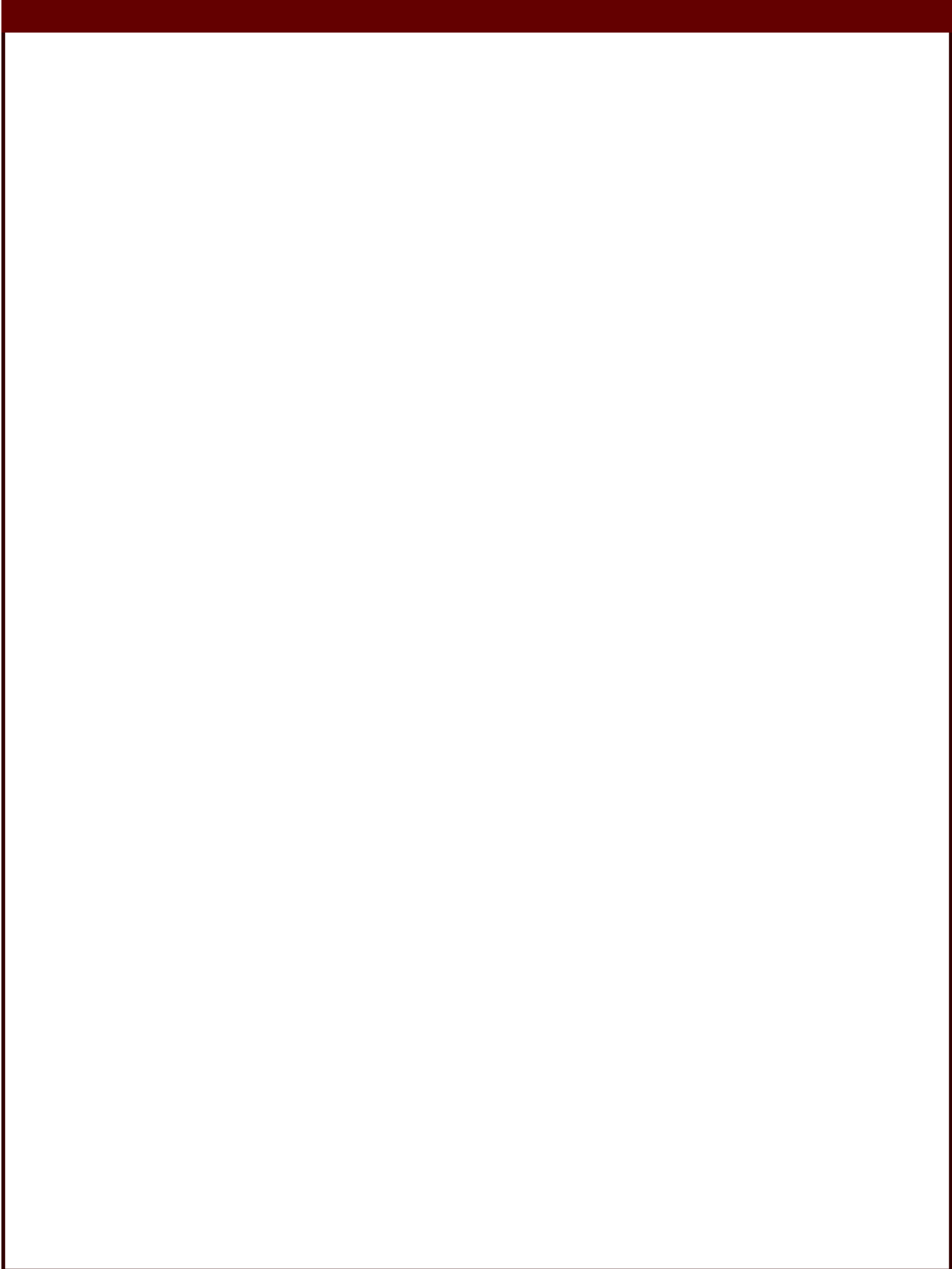
- FY 08 > 38 districts responded
- FY 08 > Low = 0.0%; High = 36.9%; Median = 1.1%

Performance Measurement & Benchmarking for K12 Operations

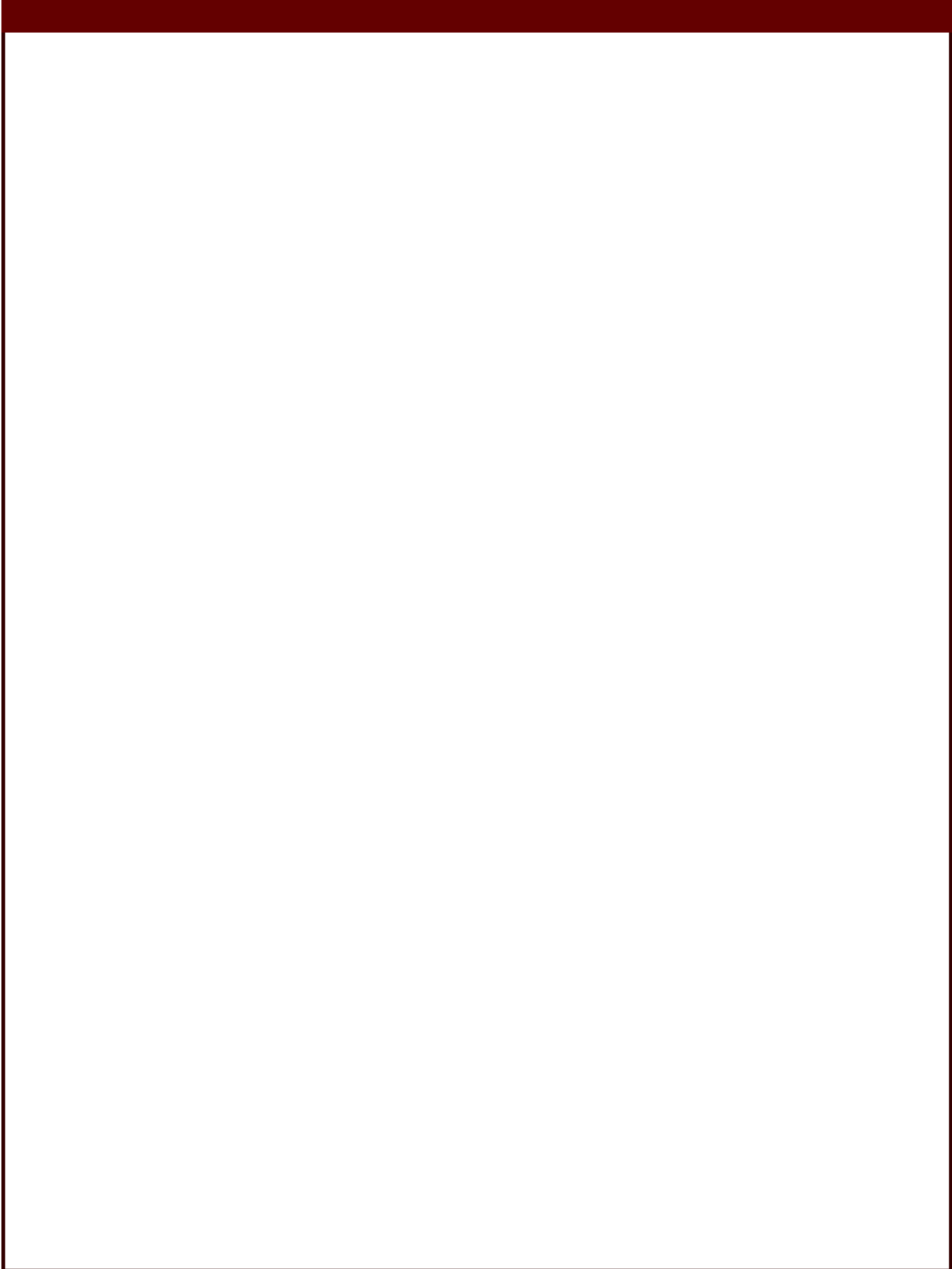
Classified Employees Terminated/Discharged



Key Performance Indicator



Information Technology



Applications

Percentage of Customers Satisfied with Releases

Total number of respondents who are satisfied with software releases on a five-point Likert scale *divided by* the total number of responses.

Why This Measure Is Important

This measure assesses customer satisfaction with the releases of software applications. These measures help organizations gather the opinions of customers in order to gauge their satisfaction with an organization's delivery of products and/or services. This measure also allows districts to benchmark against others in the industry while creating opportunities for continuous improvements through the streamlining of the data and processes to meet or exceed customer and or business needs.

Factors That Influence This Measure

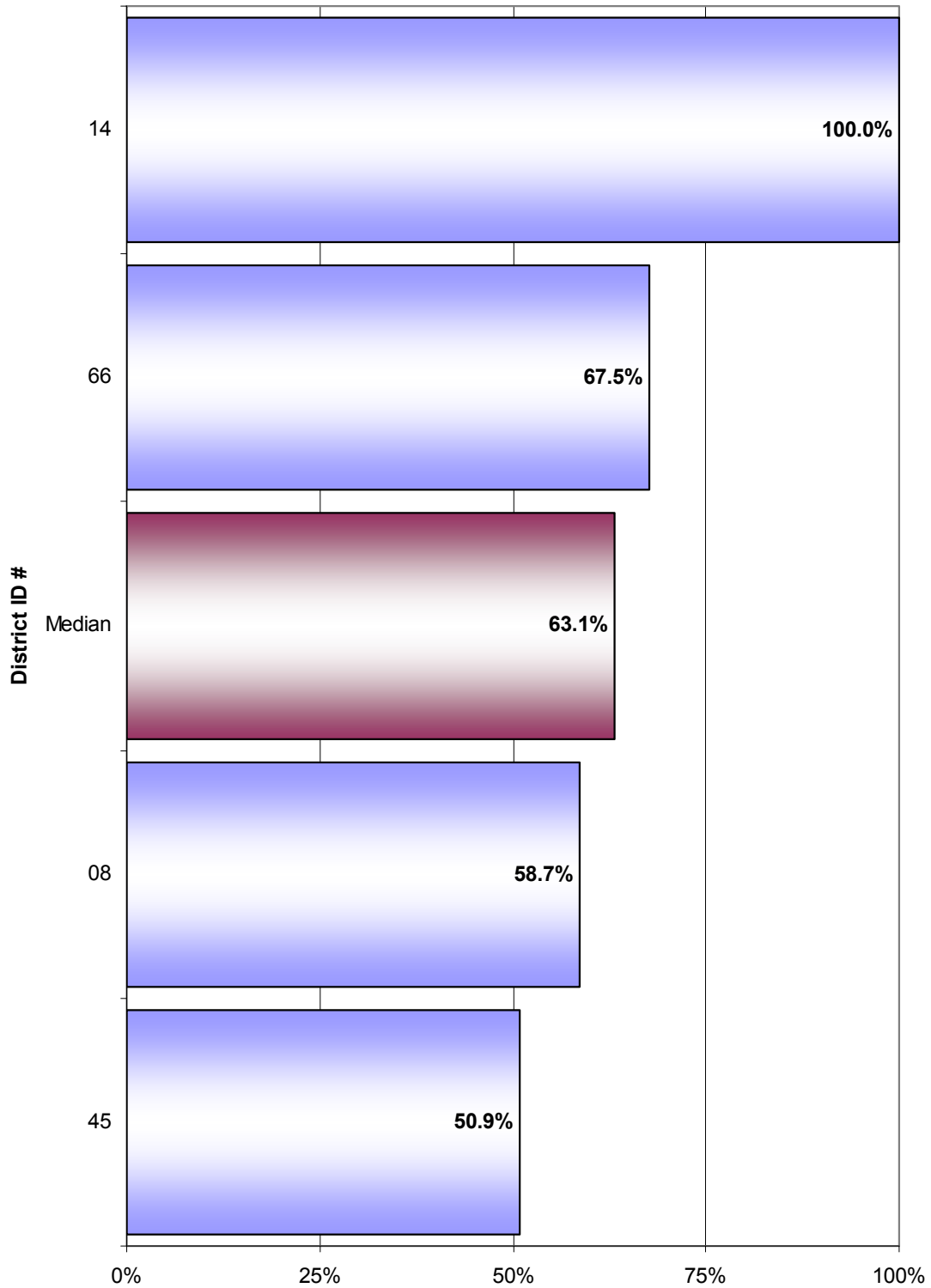
- Timeliness of resolution of issues
- Application works as intended
- Major upgrades to systems or entirely new systems
- End user training on changes

Analysis of Data

- FY 08 > 5 districts responded
- FY 08 > Low = 50.9%; High = 100.0%; Median = 63.1%
- It is difficult to draw conclusions from these data due to the small response rate. The low response rate, however, may indicate that Information Technology Departments do not routinely conduct customer satisfaction surveys on the release of software applications.
- This is one of several inconclusive performance measures that will be addressed in upcoming meetings of the Council's Chief Information/Technology Officers.

Performance Measurement & Benchmarking for K12 Operations

Customers Satisfied with Releases



Releases Not Adequately Tested

Number of releases to production over the year that failed *divided by* total number of releases for the year.

Why This Measure Is Important

This measure assesses the percentage of inadequately tested releases that are approved for production but fail due to inadequate testing. A release is a change to the production system of Student Information System, ERP, or the combination of HR, Payroll and Finance systems. The district's ability to accurately report data and do the business of education is reliant upon applications working properly. A failed release is one that does not do what it was designed to do on the production system. Studying failed releases allows the organization to learn from mistakes and improve testing processes.

Factors That Influence This Measure

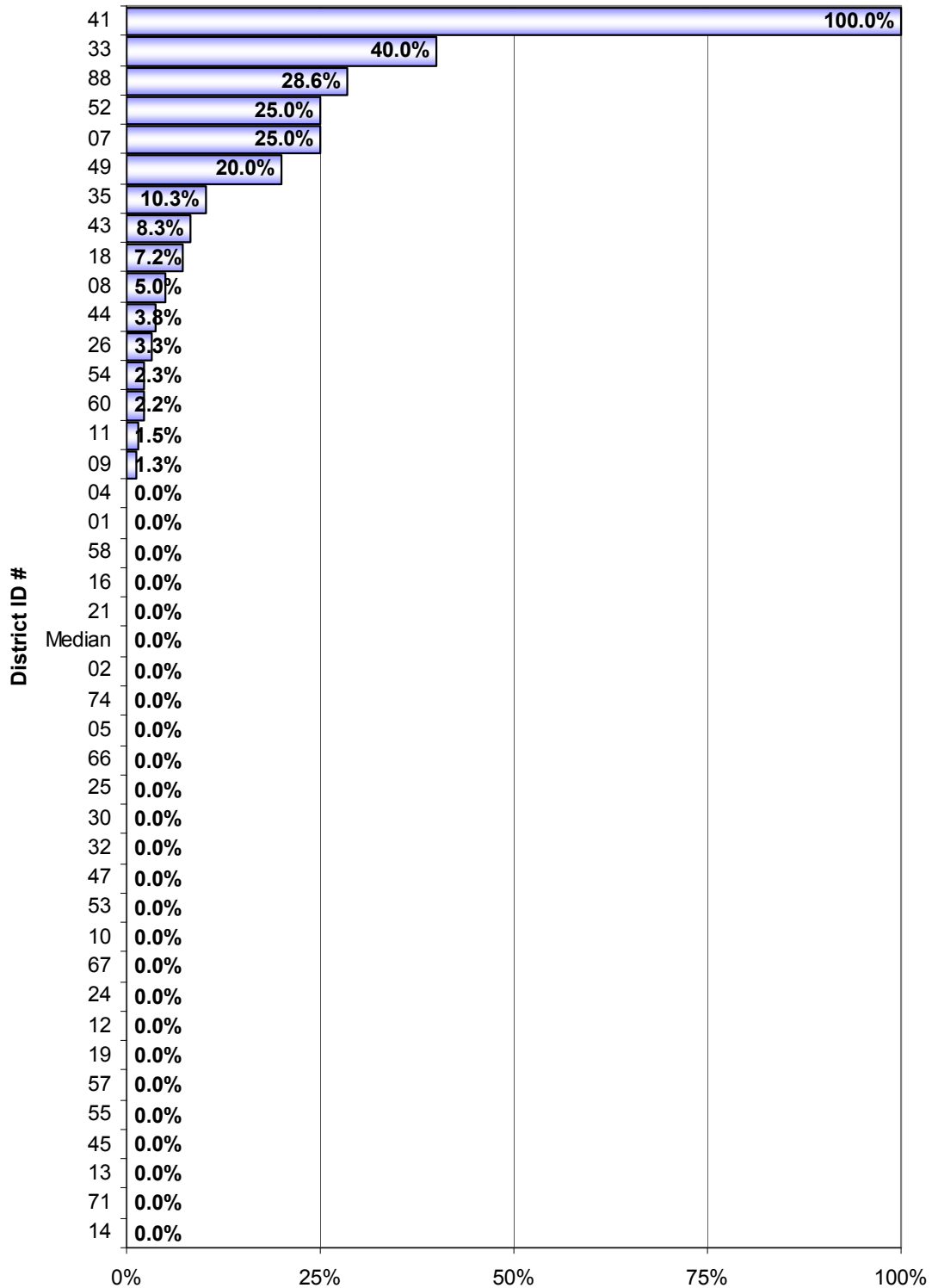
- Previous functional and technical scripts for testing are periodically reviewed and modified.
- Executive sponsors assure that functional and technical groups are held accountable for adequate testing prior to release.
- District culture regarding customer satisfaction.

Analysis of Data

- FY 08 > 41 districts responded
- FY 08 > High = 100.0% of releases not adequately tested; Low = 0.0% of releases not adequately tested; Median = 0.0%
- 63% of the districts indicated that 0% of releases to productions have failed, while at the other extreme, two districts indicated that 40% and 100% of their releases failed.

Performance Measurement & Benchmarking for K12 Operations

Releases Not Adequately Tested



Key Performance Indicator

Bugs Investigated

Number of programming errors (“bugs”) detected per all applications *divided by* number of enterprise-wide applications supported by the technology department.

Why This Measure Is Important

This measure assesses the programming errors (“bugs”) that impede one or more users from properly using the application. Programming errors can impact the users’ ability to efficiently do their work and can lead to a lack of confidence in the application and the staff that supports it. Programmatic errors that impact numerous users can also have a significant financial impact on the district’s productivity and ability to deliver work requirements.

Factors That Influence This Measure

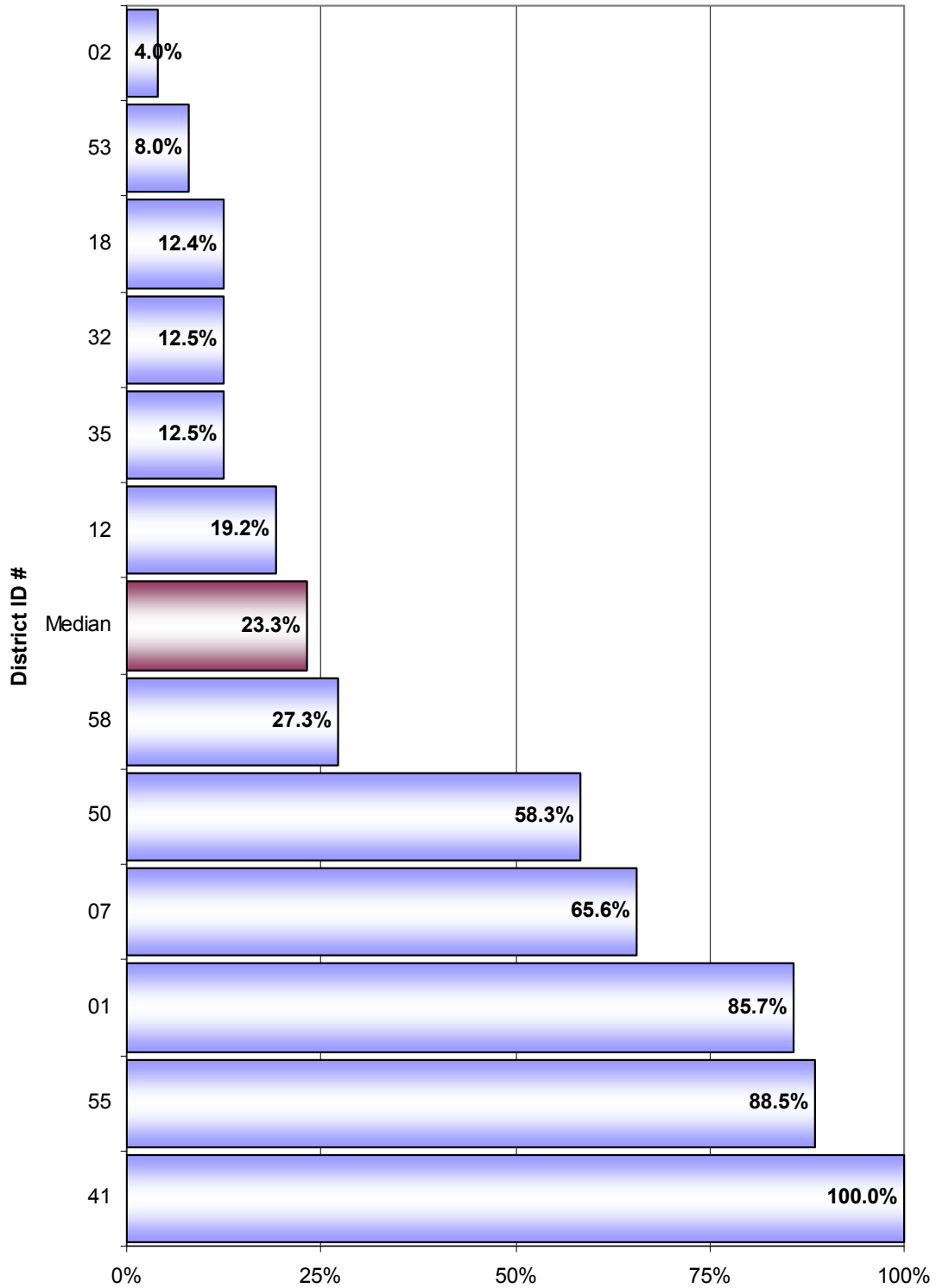
- New applications to the district
- Complexity of applications
- Number of applications supported by the district
- Customer focus and support

Analysis of Data

- FY 08 > 12 districts responded
- FY 08 > Low = 4.0%; High = 100.0%; Median = 23.3%
- There is an extremely wide range in responses, which may be due to a district’s inability to track this data or confusion about the question.

Performance Measurement & Benchmarking for K12 Operations

Bugs Investigated



Key Performance Indicator

Revisions Released That Did Not Produce Planned Results

Number of revisions to production that do not produce planned results across Student Information System (SIS), Enterprise Resource Planning (ERP) or the combination of HR, Pay and Finance systems *divided by* the number of revisions released to production.

Why This Measure Is Important

This measure is an efficiency and effectiveness indicator that assesses the revisions released that do not produce planned results for users in the system. Reducing the number of system errors increases the confidence level of end users. The maturity of applications, competency of staff, and complexity of applications will influence this measure.

Factors That Influence This Measure

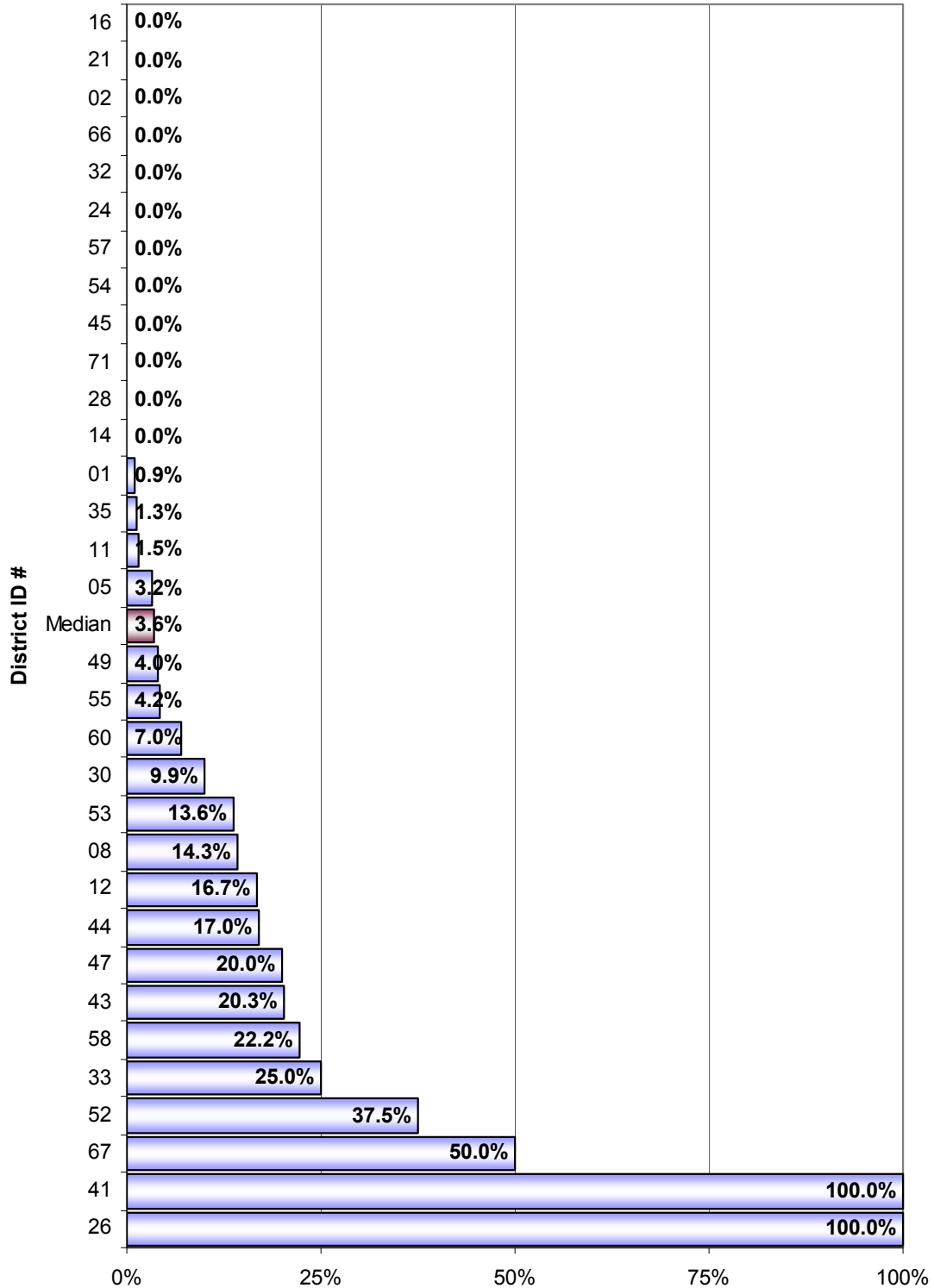
- New applications to the district
- Complexity of applications
- Number of applications supported by the district
- Customer focus and support

Analysis of Data

- FY 08 > 32 districts responded
- FY 08 > Low = 0.0%; High = 100.0%; Median = 3.6%
- The conclusions based on these data are inconclusive due to the large number of 0% responses (12) and responses showing percentages from 37.5% through 100% (4). The extreme outliers that represent 50% of the responses make it difficult to draw any reliable conclusions.

Performance Measurement & Benchmarking for K12 Operations

Revisions Released That Did Not Produce Planned Results



Key Performance Indicator

Fixes Returned to Development

Number of failures returned to software development for correction *divided by* number of total items coded in software development.

Why This Measure Is Important

This measure assesses the number of failures that are returned to software development to correct development errors. Failures cause delays in software releases that, in turn, negatively impact customer productivity and satisfaction. Any failure that requires correction by software development is counted in this measure. A failure reflects improper coding, causing the software to fail. The only applications considered in this measure are Student Information System, ERP or the combination of HR, Pay and Finance. These data are captured annually.

Factors That Influence This Measure

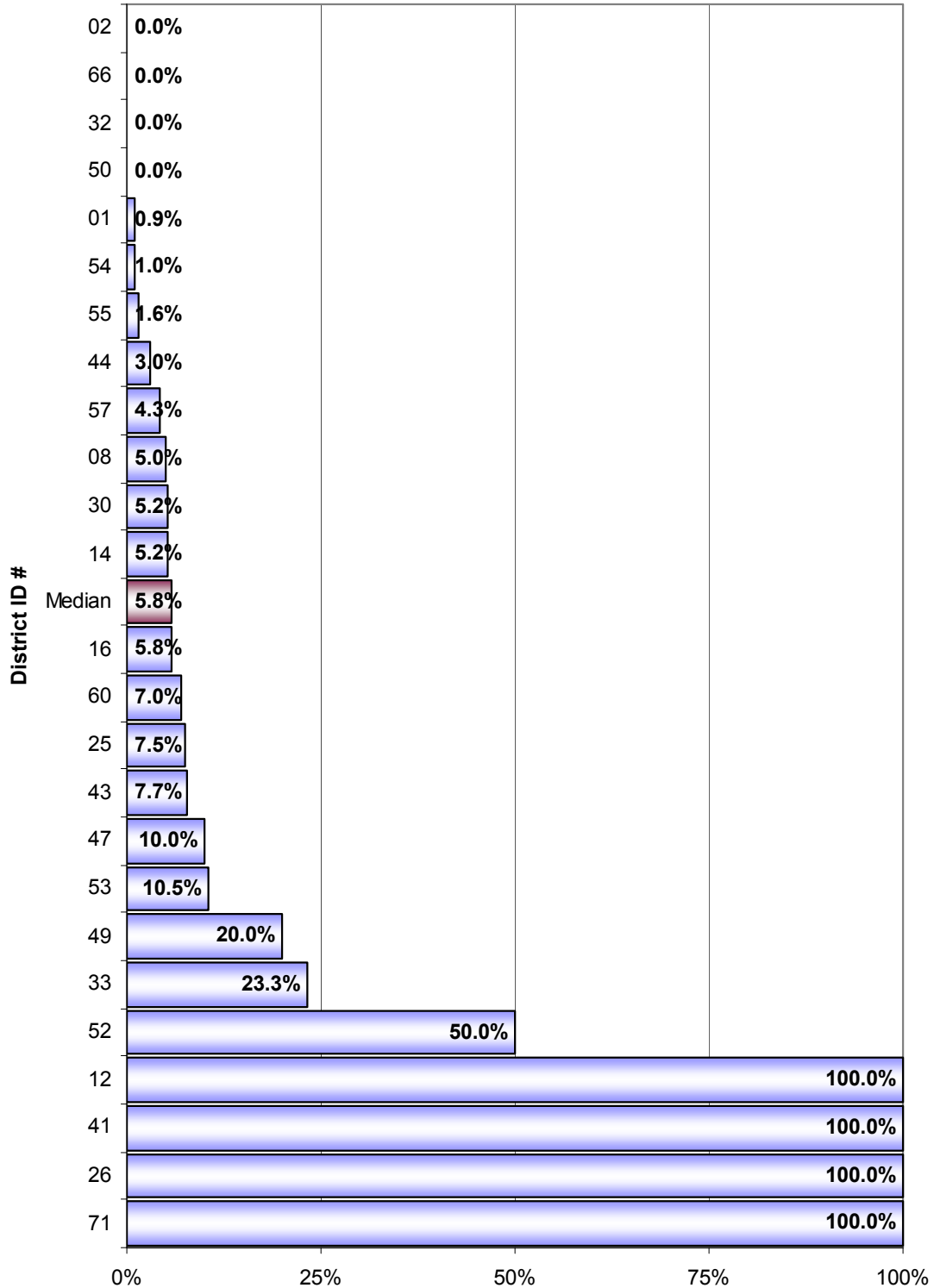
- Technical and functional staff competency in the system
- Complexity of software and the modification
- Time available to develop software
- Good communication between technical staff, functional staff and end users

Analysis of Data

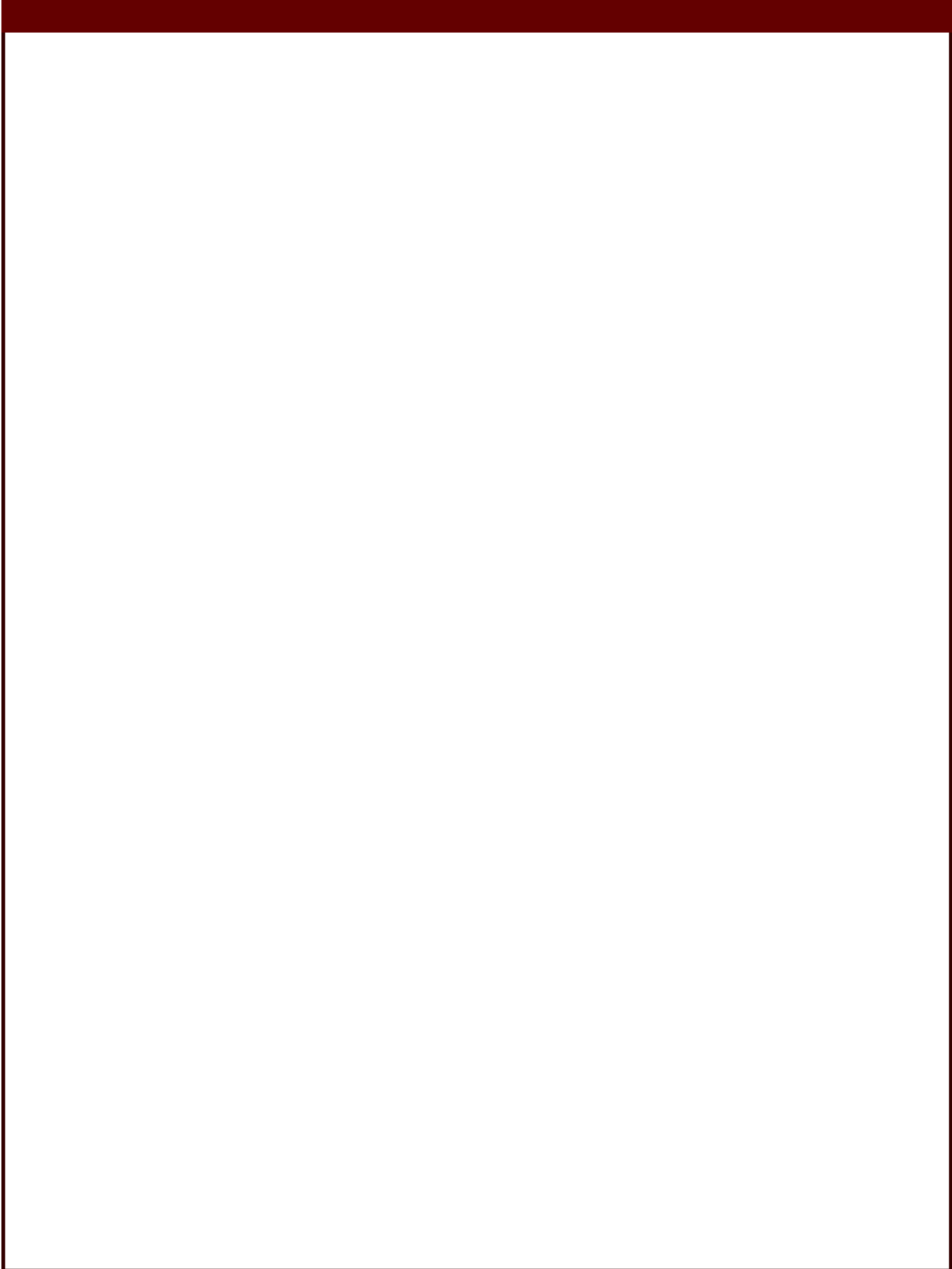
- FY 08 > 25 districts responded
- FY 08 > Low = 0.0%; High = 100.0%; Median = 5.8%
- There is question about the validity of the extreme district responses at both ends of the continuum (i.e., no software failures in software development vs. all work done having to go back to software development for rework).
- The range of responses are relatively narrow (i.e., .9% to 10.5%) if 11 of 25 responses that represent the extreme ends (i.e., 0% at one extreme and 20% through 100% on the other) are eliminated). Elimination of the outliers would result in a decrease of the median from 5.8% to 5.2%.

Performance Measurement & Benchmarking for K12 Operations

Fixes Returned to Development



Key Performance Indicator



General Technology Information

Average Age of Computers

Computers aged 0 to 1 years *times 1*, *plus* computers aged 1 to 2 years *times 2*, *plus* computers aged 2 to 3 years *times 3*, *plus* computers aged 3 to 4 years *times 4*, *plus* computers aged 4 to 5 years *times 5*, *plus* computers aged 5 or more years *times 6* *divided by* number of computers district wide.

Why This Measure Is Important

The measure creates an aging index that counts the number of computers in the district by age. Understanding the average age of computers provides data for budget and planning purposes, and impacts break-fix support, supplies, and training. Aging of machines may differ between elementary and secondary schools as well as administrative offices. Implementation of new software applications has minimum standards that user machines must meet. Understanding computer aging will help identify district readiness as applications become available to staff and students. Developing comprehensive refresh cycles impacts not only the purchasing of equipment but also training cycles.

Many organizations in the private sector use a standard of three years for age of computers before they are replaced. And many school districts refresh their computers over a five year period to get maximum benefits out of their equipment.

Factors That Influence This Measure

- School board and administrative policies and procedures
- Budget development for capital, operational, and categorical funds
- Budget development for schools and department in refresh and computer purchasing
- Budget development in support, supplies, and maintenance.
- Implementation and project management for new software applications in both instructional and operations areas.

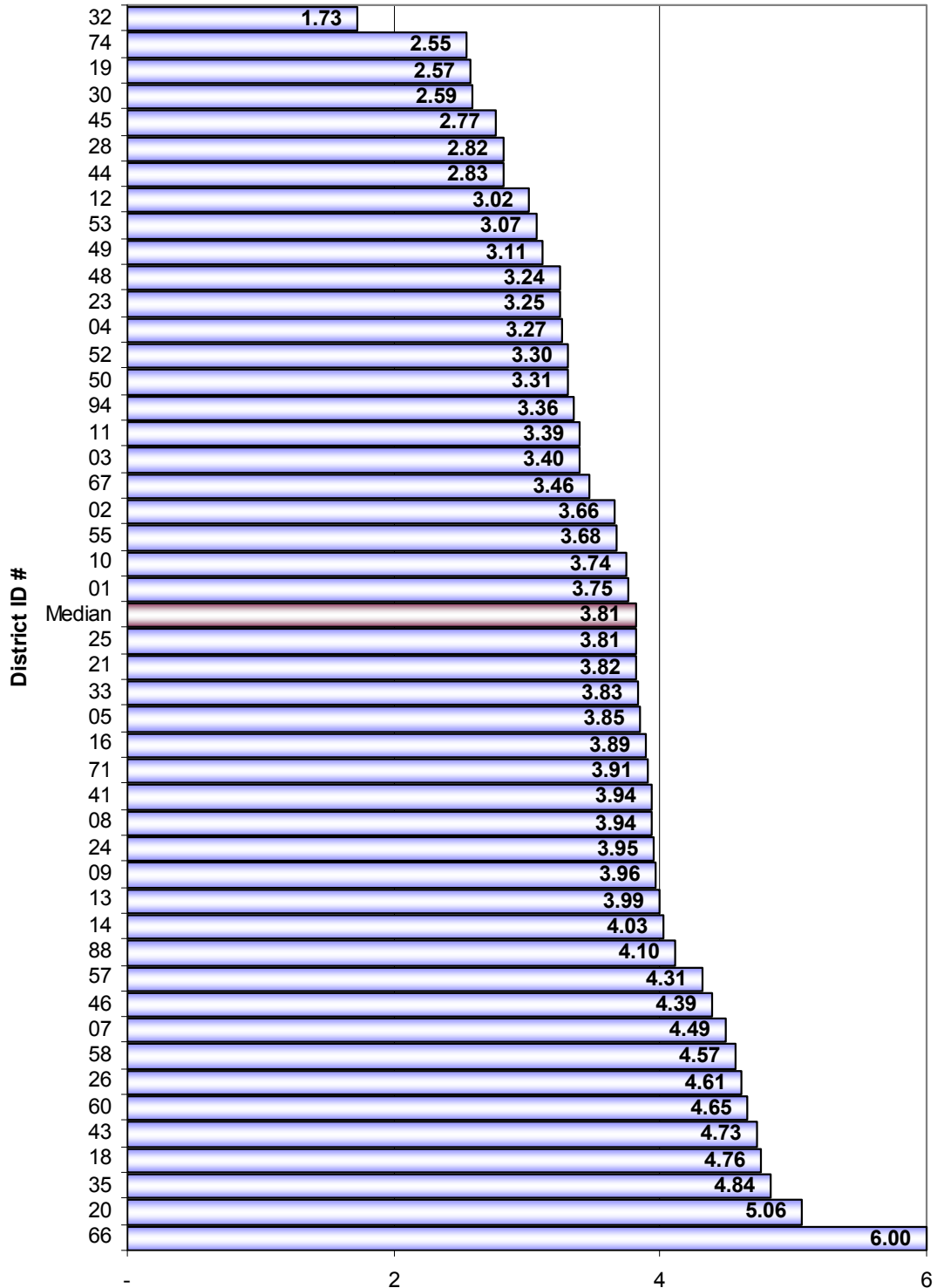
Analysis of Data

- FY 08 > 47 districts responded
- FY 08 > Low = 1.73 years; High = 6.00 years; Median = 3.81 years
- There is a wide disparity in the average age of computers among the districts that responded.
- The data show that most of the responding school districts purchased a significant percentage of their computers in the last 2 1/2 to four years.
- School districts will need to address the replacement of older machines based on such factors as cost, ability to accommodate instructional/administrative software, educational needs, and related factors, particularly in districts where the average age of computers fall below the median.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Average Age of Computers (in Years)



IT Spending per Student (ACCRA Adjusted¹⁹)

Total IT operations budget - staff budget including benefits (staff includes network, help desk, break/fix, security, systems programmers - SIS/FIS/Pay), telecommunications, network, production, system administration, data center, administration and support *divided* by the total number of students in the district.

Why This Measure Is Important

The measure provides a tool for districts to compare their IT spending per student with other districts. Because each district defines IT slightly differently, it is important to define what is included in the IT budget calculation regardless of the department in which the budget resides.

Keeping IT costs as low as possible in support of the academic and operational needs of the district is important in all educational institutions. This measure indicates that districts are making a commitment to preparing students to be technically savvy in their postsecondary education or careers.

Factors That Influence This Measure

- Budget development and staffing
- IT expenditures can be impacted by new enterprise implementations
- The commitment of community support technology investments in education
- IT Department standards and support model
- Age of technology and application portfolio
- IT maturity of district

Analysis of Data

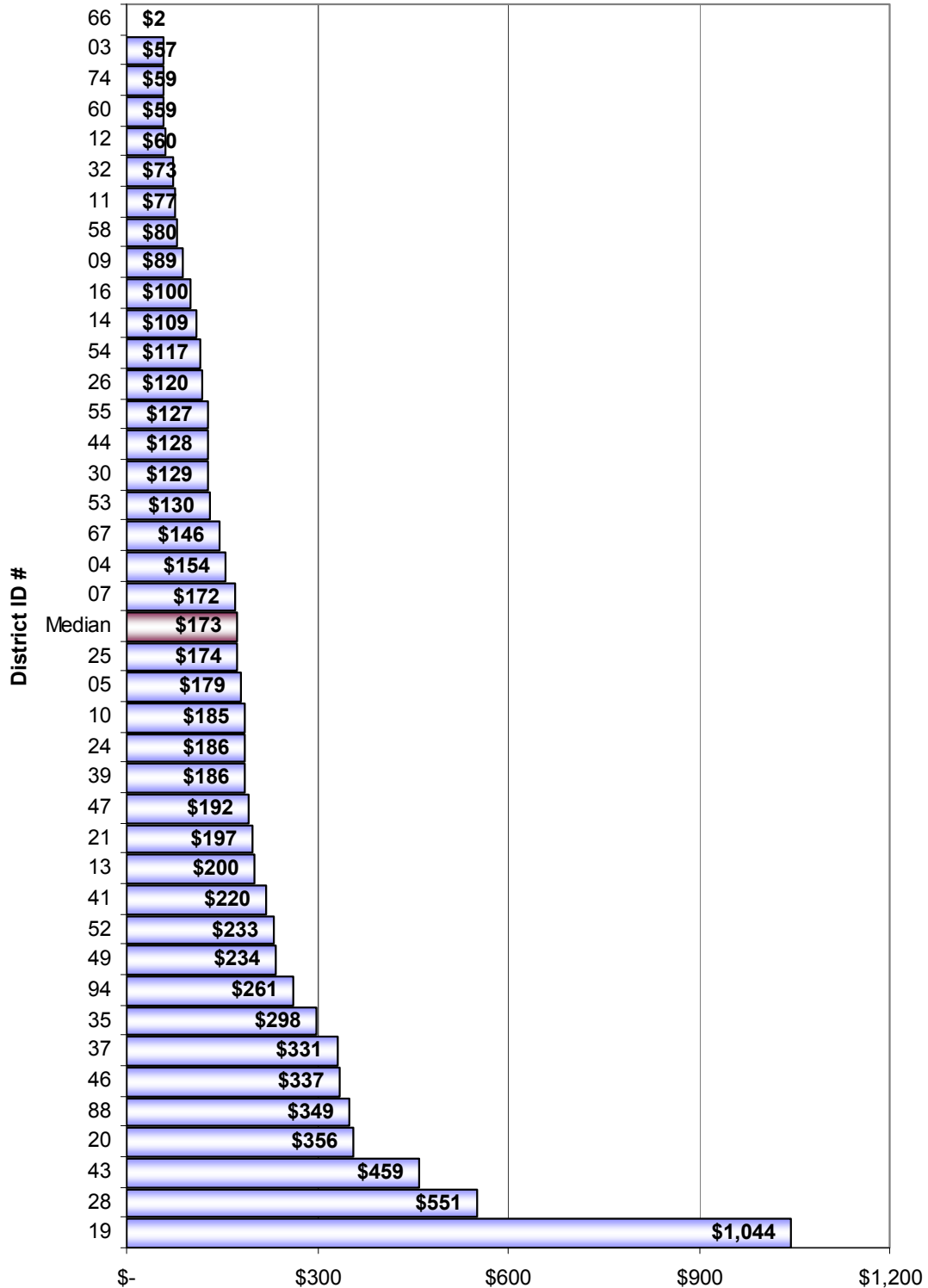
- FY 08 > 40 districts responded
- FY 08 > Low = \$2; High = \$1,044; Median = \$173
- 47.5% of district respondents spend between \$100 and \$200 on IT per student; while 1 district showed IT spending of \$1,044 per student, which is almost double the next highest amount.

¹⁹ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

IT Spending per Student (ACCRA Adjusted)



Student to Networked-Computer Ratio

Total number of students in the district *divided by* computer total - elementary *plus* computer total; middle *plus* computer total; high School *plus* computer total.

Why This Measure Is Important

This measure calculates the ratio of students to networked computers. Computers used by staff and teachers should be included in the student networked computers count. Some computers are difficult to distinguish between teacher and student use so by counting all computers and dividing by students, districts will have a similar comparison number.

Student-to-Networked Computer Ratio is a metric that is common to most state and federal reports on technology in education. Increasing the opportunities and access to high quality learning resources is an important IT function. Differentiated instruction, online learning, response to intervention strategies, online assessment and other district systems all support the instructional mission of a school district. Having access to these resources through district-owned networked computing devices is critical to the effectiveness of a school.

Factors That Influence This Measure

- Budget implications, both capital and operational
- Support staffing levels
- Policy and procedures for computers and users
- Teacher and staff training and professional development programs
- Dispersion of devices throughout the district

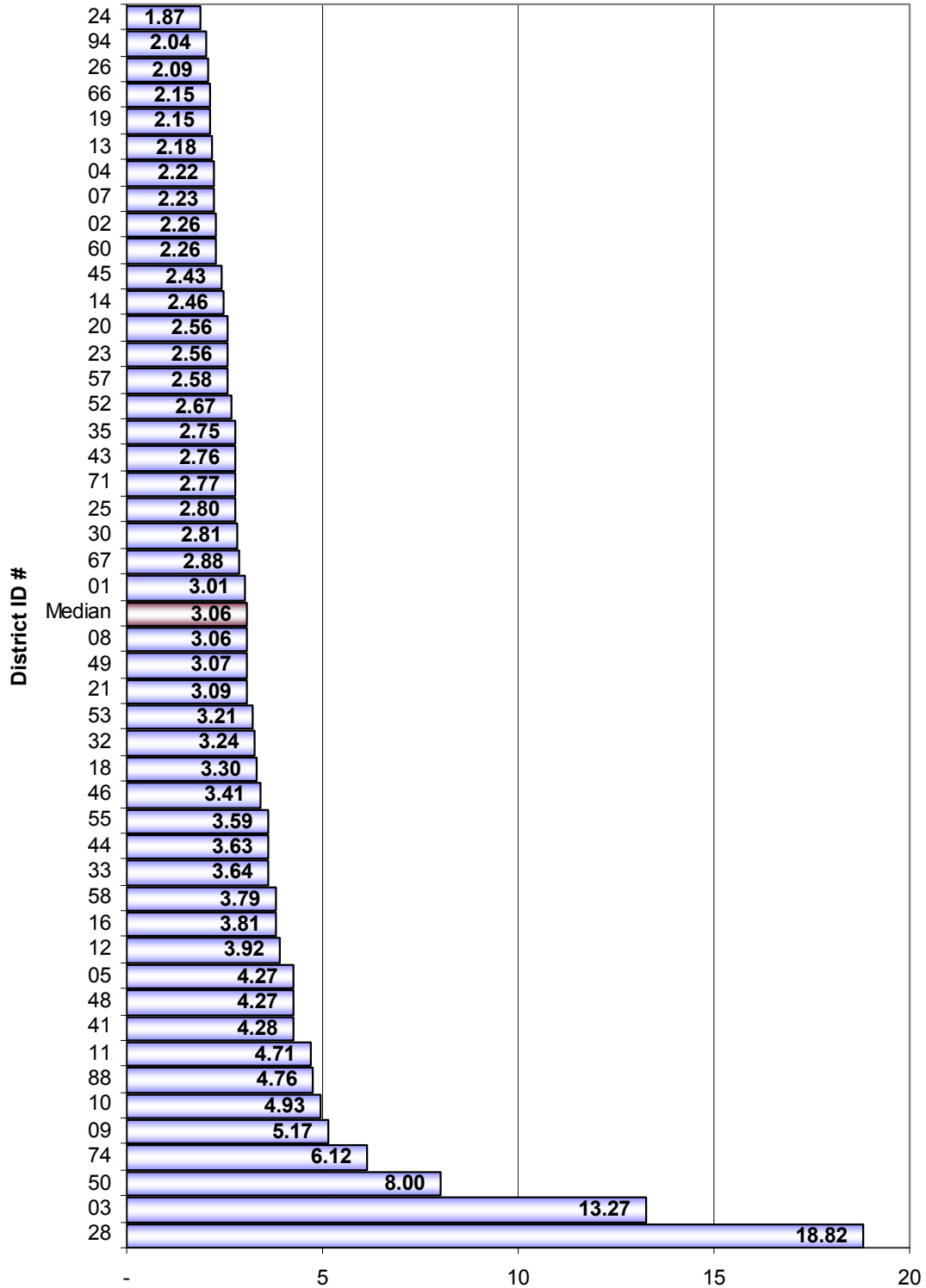
Analysis of Data

- FY 08 > 47 districts responded
- FY 08 > Low = 1.87; High = 18.82; Median = 3.06
- Most of the ratios are clustered around the median with nearly half of the districts reporting a low ratio of fewer than 3 students to computer.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Student to Networked Computer Ratio



IT Spending per FTE (ACCRA Adjusted²⁰)

Total IT operations budget - staff budgets (including benefits) for networks, help desks, break/fixes, security, systems programmers (SIS/FIS/Pay), telecommunications, network, production, system administration, data center, administration and support *divided by* district FTE (staff).

Why This Measure Is Important

This measure calculates the level of IT spending on a per FTE (employee) basis. Many organizations outside of education commonly collect this information on IT spending per number of employees in the organization. IT spending per FTE will align better with other organizations outside of education. This measure could be an indicator of efficiency, since IT has the opportunity to provide tools to reduce administrative costs while reducing administrative FTEs. In addition, this measure could be used to demonstrate a district's ability to embrace technical advances in operational processes.

Factors That Influence This Measure

- Business and operating model of the district and of the comparative industry.
- Organizational maturity
- Budgetary constraints within corresponding IT support organizations (network, Helpdesk, IT Support, etc.)
- Age of equipment and refresh cycles

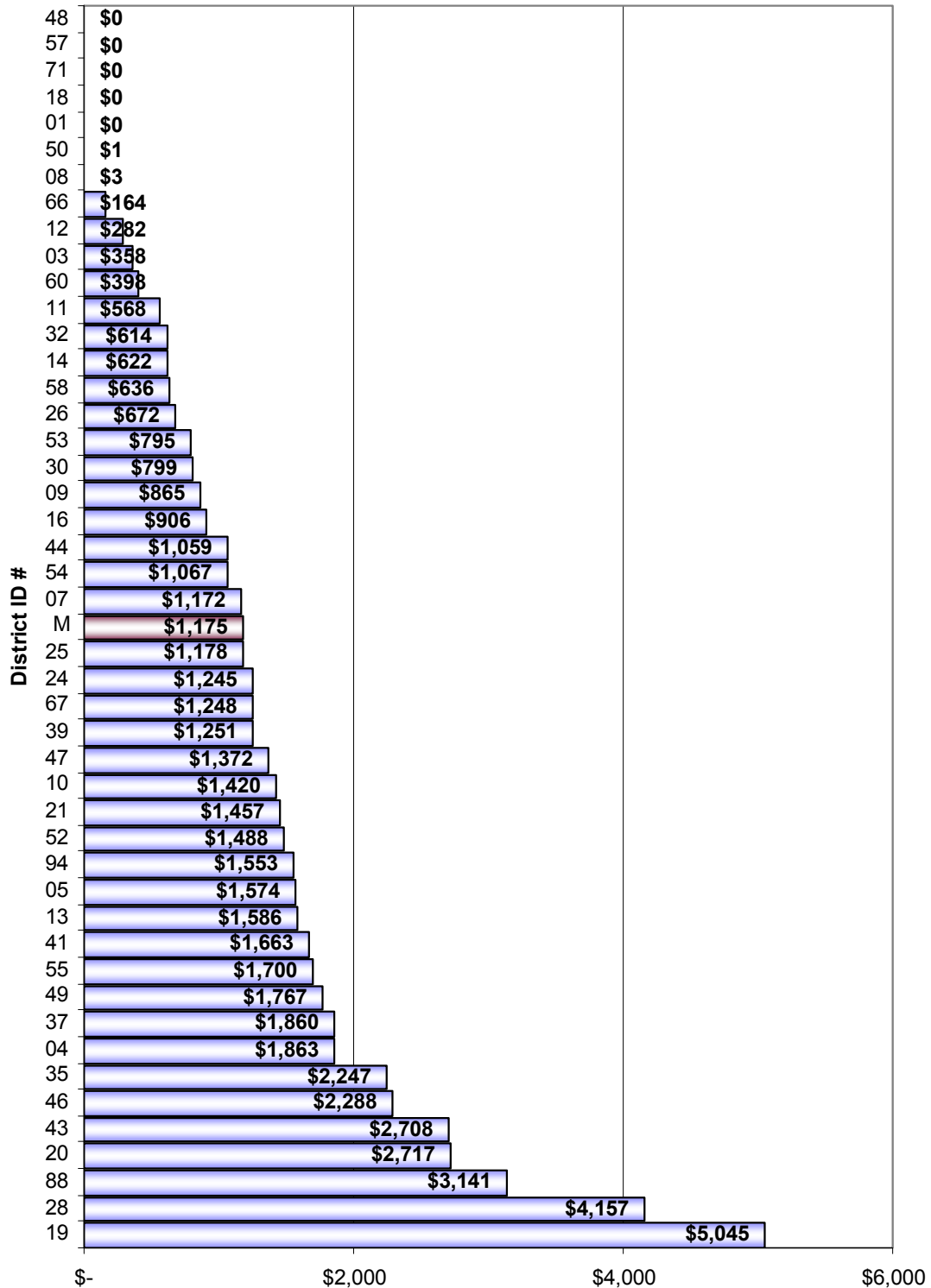
Analysis of Data

- FY 08 > 48 districts responded
- FY 08 > Low = \$0; High = \$5,045; Median = \$1,175
- Districts reporting \$0 in IT funding may have other sources of funds to finance IT operations.

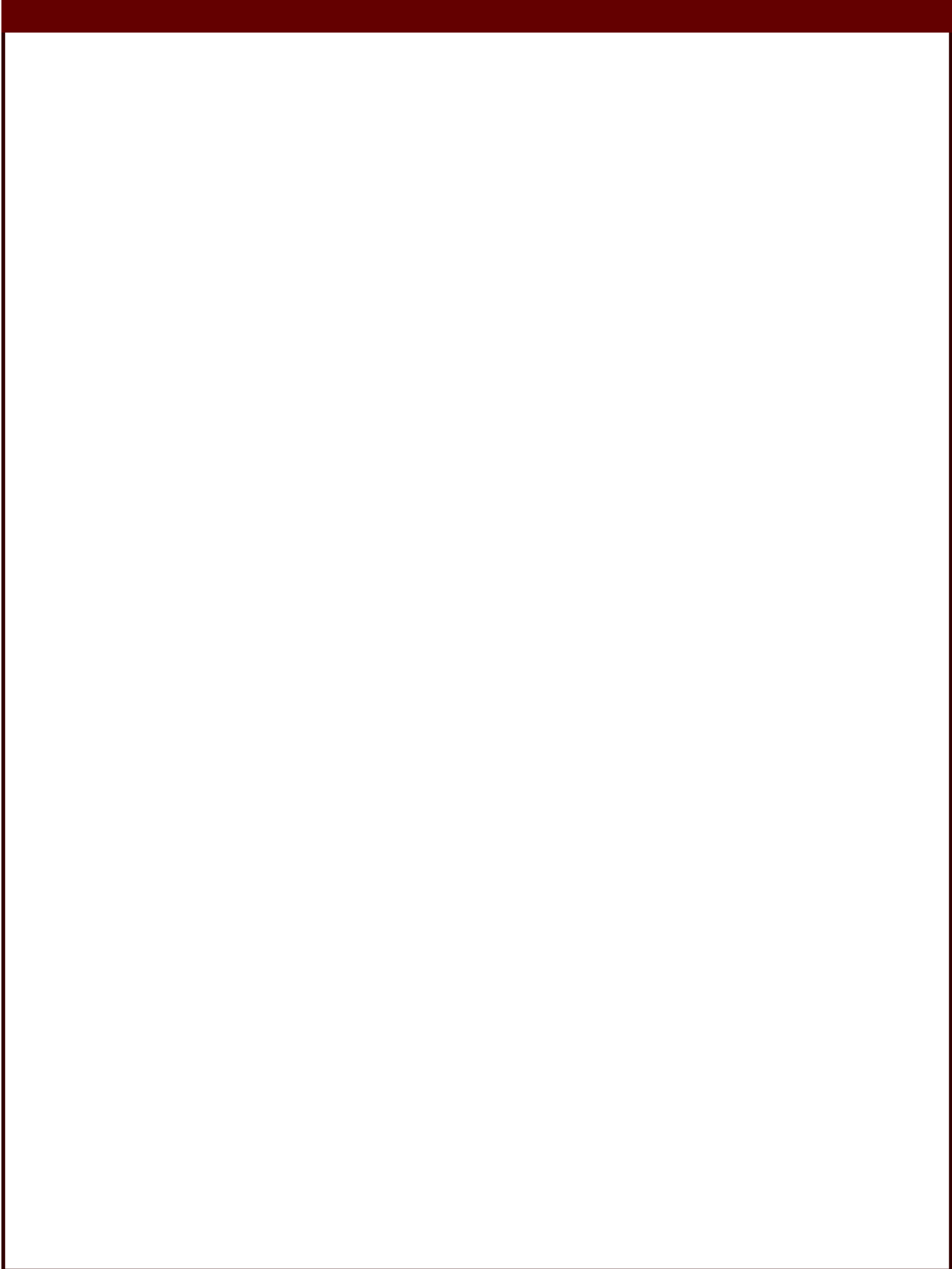
²⁰ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

IT Spending per FTE (ACCRA Adjusted)



Key Performance Indicator



Help Desk

First Contact Resolution Rate (FCRR)

Number of tickets resolved on initial contact, but not including voice mail, FAX, and e-mail contacts *divided by* total number of Help Desk tickets created during the year.

Why This Measure Is Important

This measure calculates the percentage of user-initiated contacts to the help desk, which generates a ticket that is resolved without escalation to the next support level. FCRR is an indicator of the number of contacts that a support center is receiving. It can be used as a management indicator to devise strategies to lower cost, improve operational ability and workflow, and improve customer satisfaction. It is more cost effective for an organization to resolve calls on first contact because the customer is returned to productive work more quickly. Private industry has recognized the cost-benefit of expecting that 85% of trouble calls are resolved on first contact. This measure can also be used as a tool to help guide quality-improvement processes.

Factors That Influence This Measure

- Software and systems that can collect contact information at the help desk
- Automation tools for common help desk issues like password reset can improve performance and reduce costs – these numbers should be included in data collection
- Knowledge and training of help-desk staff in enterprise applications
- Knowledge and training of end user of enterprise applications used
- New implementations will cause increase in service calls
- Permissions that are set for the help desk staff. If permissions are restricted, help desk staff will be able to resolve fewer types of problem calls.
- Capacity of the organization to respond to customer support requests
- Ability of help desk ticket application to track work tickets
- Tactical assignment of responsibilities may be different in each organization. The responsibilities of the help desk may vary from simply opening tickets to complete troubleshooting and problem resolution.

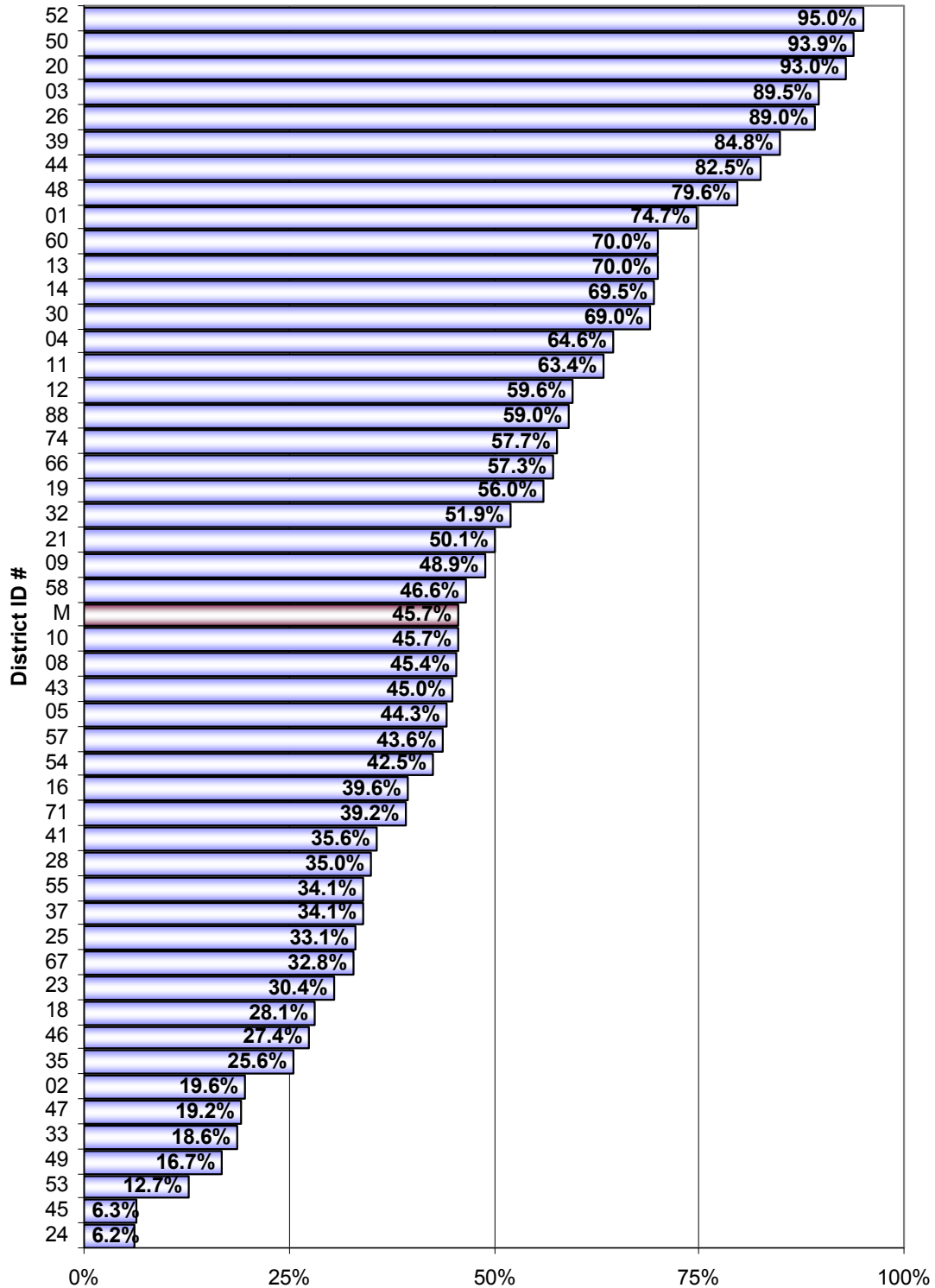
Analysis of Data

- FY 08 > 48 districts responded
- FY 08 > High = 95.0%; Low = 6.2%; Median = 45.7%
- The lack of a common design for a technology help desk may account for the extremely wide range and linear distribution of the data.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

First Contact Resolution Rate



Staffing Cost per Ticket (ACCRA Adjusted)²¹

Annual salary costs and benefits of the manager and all help desk staff *divided by* total number of Help Desk tickets created during the year.

Why This Measure Is Important

This measure assesses staffing cost per incident, which may indicate how responsive and how efficient the help desk is in making itself available to its customers. The goal is to improve customer satisfaction through resolving incidents quickly, effectively, and cost efficiently. There are various costs that could be included in this metric such as hardware, software, equipment, supplies, maintenance, training, etc. Staffing cost per ticket was selected because data are easily understood and accessed and salary costs are typically the biggest cost in a help desk budget.

Factors That Influence This Measure

- Software and systems that can collect and route contact information
- Automation tools for common help desk issues like password reset can improve performance and reduce costs these numbers should be included in data collection
- Other duties performed by the help desk staff that restrict them from taking calls
- Knowledge management tools available to help desk staff and end users
- Budget development for staffing levels

Analysis of Data

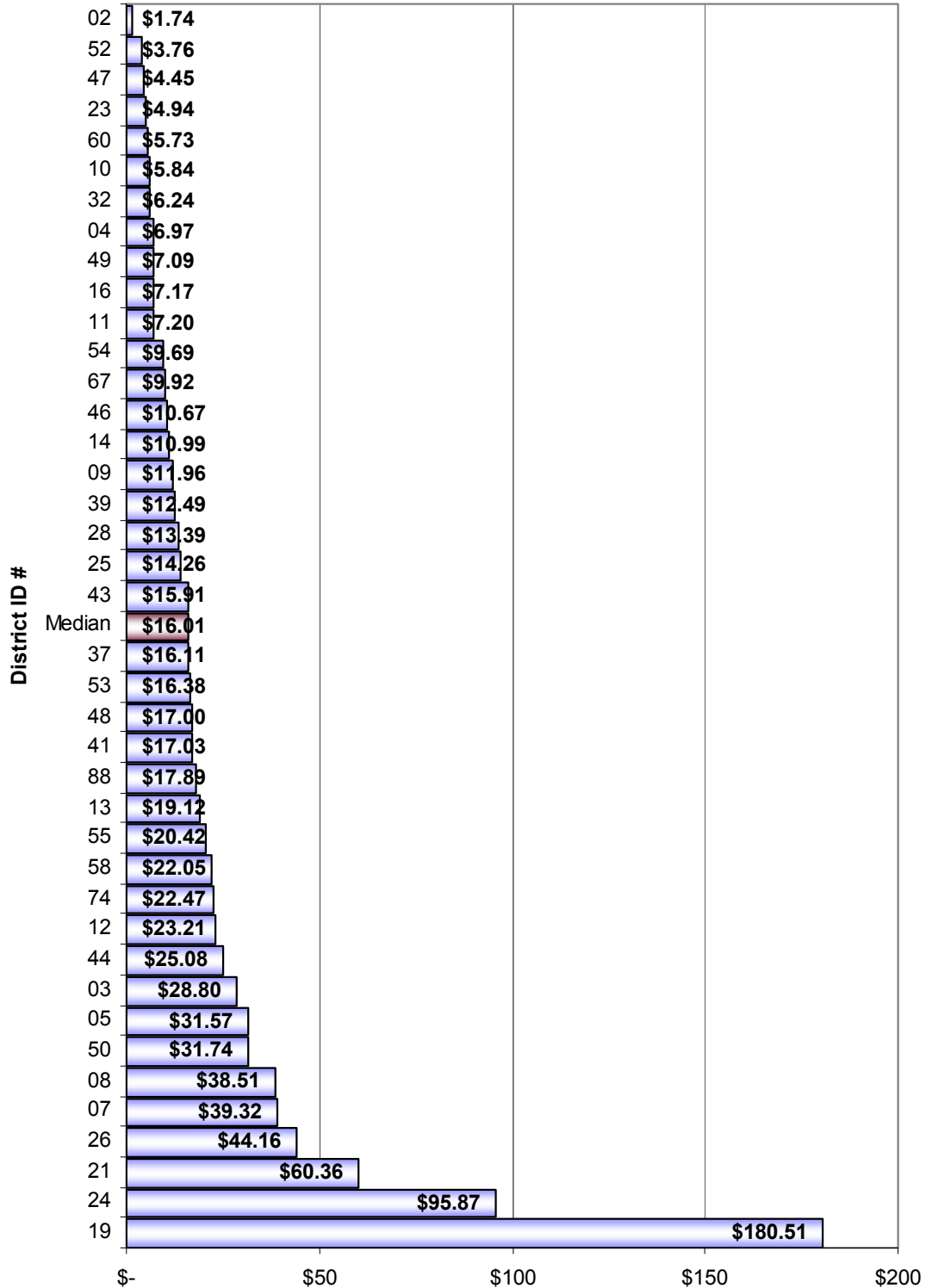
- FY 08 > 40 districts responded
- FY 08 > Low = \$1.74; High = \$180.51; Median = \$16.01
- The average cost per ticket was \$23.70 with 55% of the districts reporting a \$7-25 cost per ticket.

²¹ ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Staffing Cost per Ticket (ACCRA Adjusted)



Call Abandonment Rate

Total annual abandoned calls that come into a help desk that result when the caller hangs up prior to the call being answered and the issue logged *divided by* the number of contact calls.

Why This Measure Is Important

This measure assesses the percentage of telephone contacts that are not answered by the service desk staff before the caller disconnects. CAR is an indicator of the staffing level of the service desk relative to the demand for service. The CAR can be used as a management indicator to determine staffing levels to support seasonal needs or system issues (application or network problems). On an annual basis, it is a measure of the effectiveness of resource management. This measure should be used as a tool to help guide quality-improvement processes.

Factors That Influence This Measure

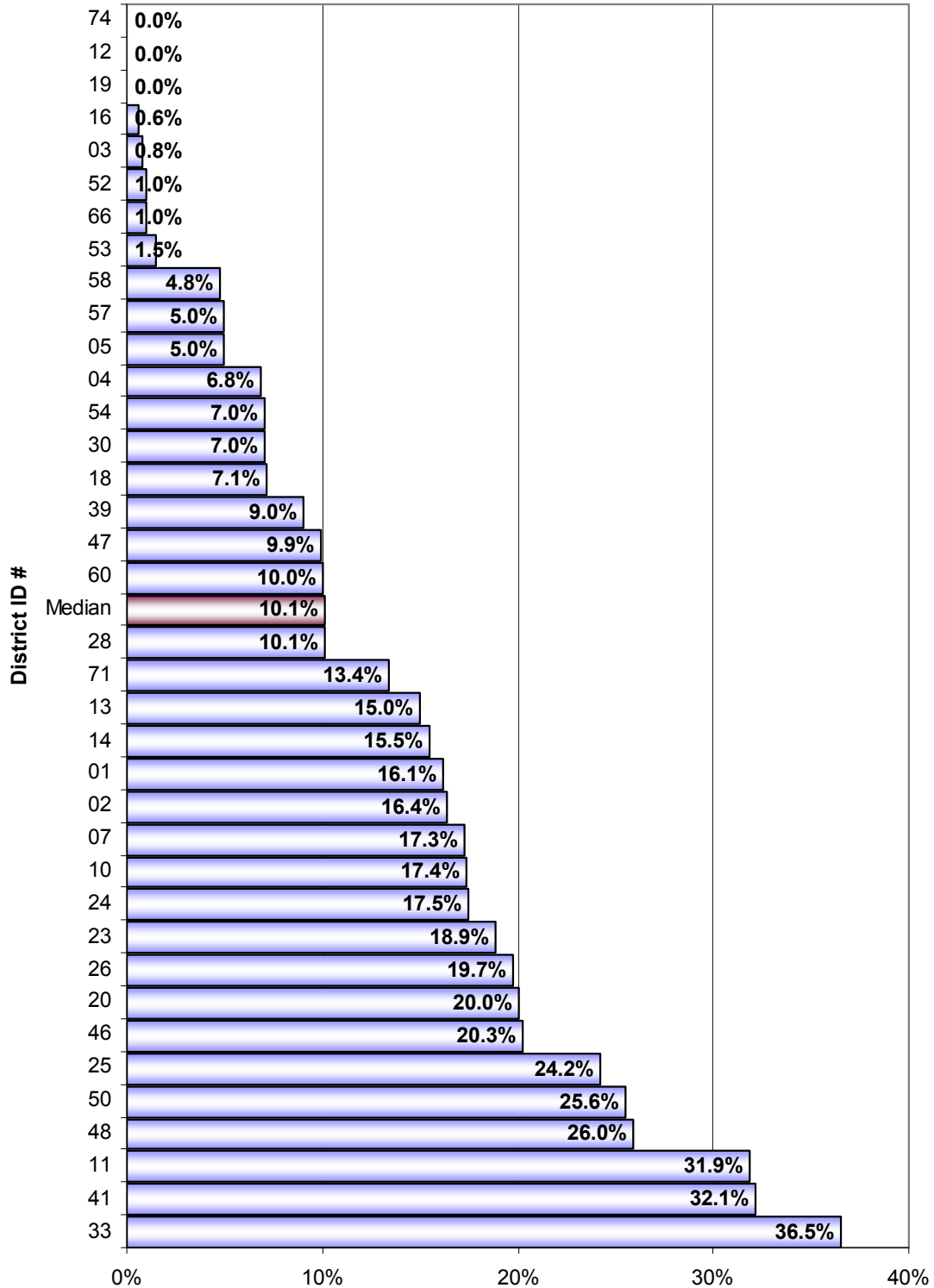
- The CAR will be influenced by effective supervision to ensure that service-desk team members are online to take calls.
- A high percentage could indicate low availability caused by inadequate staffing, long call handling times and/or insufficient processes.
- Length of time the caller is on hold.
- Capacity of the organization to respond to customer support requests.
- Proper staffing when implementing district-wide applications, which significantly increase calls.
- Automation tools like password reset can reduce number of calls to the help desk and reduce overall call volume.
- Increased training of help desk can reduce long handling time freeing up staff to take more calls.

Analysis of Data

- FY 08 > 37 districts responded
- FY 08 > Low = 0.0%; High = 36.5%; Median = 10.1%
- 3 districts reported no abandoned calls and 11 districts reported less than 5% of calls abandoned.

Performance Measurement & Benchmarking for K12 Operations

Call Abandonment Rate



Key Performance Indicator

Help Desk Customer Satisfaction

Total number of respondents who are satisfied with Help Desk on a five-point Likert scale *divided by* the total number of responses.

Why This Measure Is Important

This measure gauges customer perception of how well the Help Desk delivers on critical success factors and dimensions of its business. It enables the organization to measure and determine if a Help Desk meets or exceeds a customer's expectations by leveraging the requirements of both quality and service renderings. The goal is that the number of good and very good should meet or exceed 80% of total responses.

Understanding customer satisfaction allows for increasing organizational productivity and meeting or exceeding both customer and business needs. This helps organizations gauge customer perception of how well the organization delivers on the critical success factors and dimensions of the business. This measure can be used to benchmark against others in the industry and as a tool to help guide quality improvement processes.

Factors That Influence This Measure

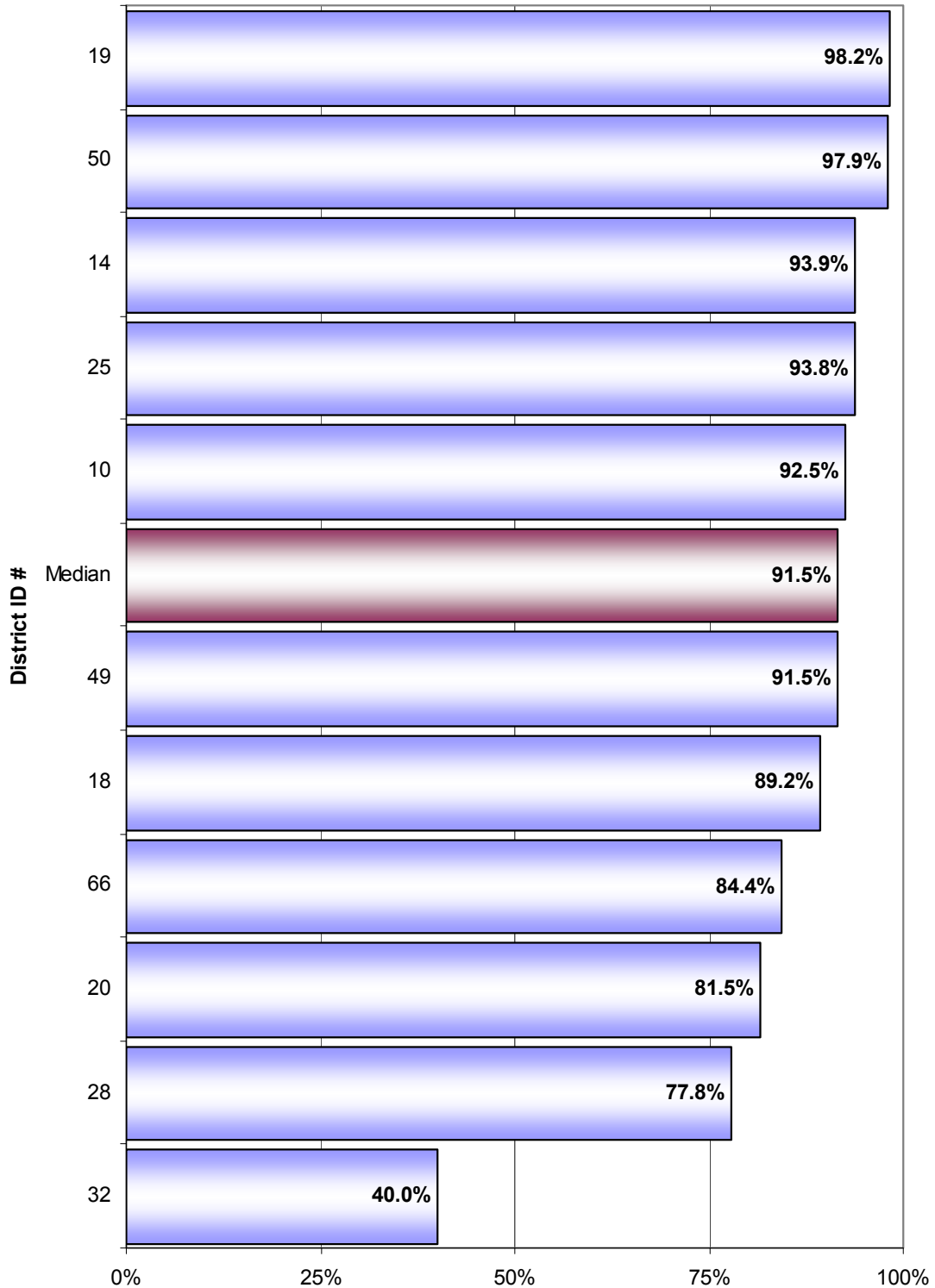
- Effective supervision
- Timeliness of the resolution
- Service level effectiveness
- Support consistency
- Understanding of the customers' needs

Analysis of Data

- FY 08 > 11 districts responded
- FY 08 > High = 98.2%; Low = 40.0%, Median = 91.5%
- It is difficult to draw any conclusions based on a small data set of 11 districts. The response level may indicate that surveys are not routinely conducted to assess whether Help Desk Services meet or exceed customer's expectations.

Performance Measurement & Benchmarking for K12 Operations

Customers Satisfied with Help Desk



Key Performance Indicator

Mean time to Resolve Tier 2/3 Contacts

Total number of Help Desk tickets created during the year not resolved on first contact in the year *divided by* total number of minutes to resolve all trouble tickets not resolved at first contact.

Why This Measure Is Important

This measure, which is the mean time to resolve (MTTR) tier 2/3 calls, assesses both staff effectiveness in addressing challenging technical problems, as well as resource management effectiveness. Tier 2/3 includes all tickets that have been resolved but *not* on the first contact. Tickets that remain unresolved or open at the time of data collection should not be counted in the totals. A tier 2/3 incident requires the help desk system to contact a technician to address the issue. This may require the technician to go to the site and repair hardware and/or order new equipment.

MTTR can be used as a management indicator to modify staffing to support seasonal needs or to adjust staffing when there are system issues (application or network problems). MTTR Tier 2/3 metrics should be used as a tool to help guide quality improvement processes.

Factors That Influence This Measure

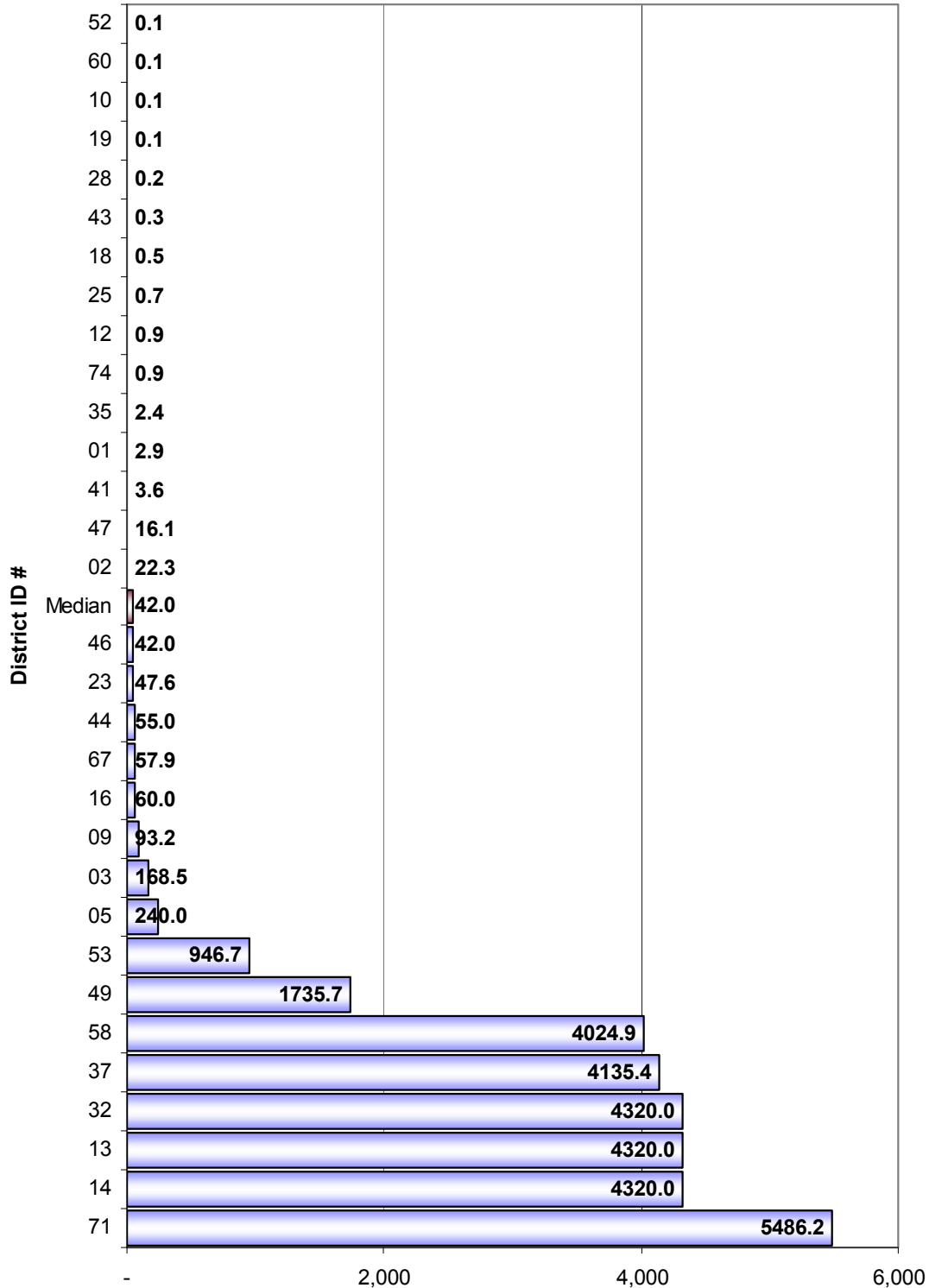
- Effective supervision
- Ensuring that all calls moving to tier 2/3 are recorded
- Parts and supplies available on hand
- Technical staff training
- Warrantee agreements with vendors
- Staff available to respond quickly to tickets

Analysis of Data

- FY 08 > 31 districts responded
- FY 08 > Low = 0.1 minute; High = 5486.2 minutes; Median = 42.0 minutes
- Since tier 2/3 includes tickets that are not resolved on first contact by the Help Desk, responses of less than one minute to resolve may require validation.

Performance Measurement & Benchmarking for K12 Operations

Time (in Minutes) to Resolve Tier 2/3 Contacts



Key Performance Indicator

Help Desk Tickets per FTE

Total number of Help Desk tickets created during the year *divided by* district FTE.

Why This Measure Is Important

This metric should be used to help guide quality improvement processes. A high number of HD tickets per user indicate a larger problem with district systems and support. The customer with problems is less productive. Technology users within a district could be staff, students, and parents, but to provide a standard indicator that all districts have easy access to the number of full-time employees was chosen. Major new system deployments can have a negative impact on the number of tickets per FTE.

Factors That Influence This Measure

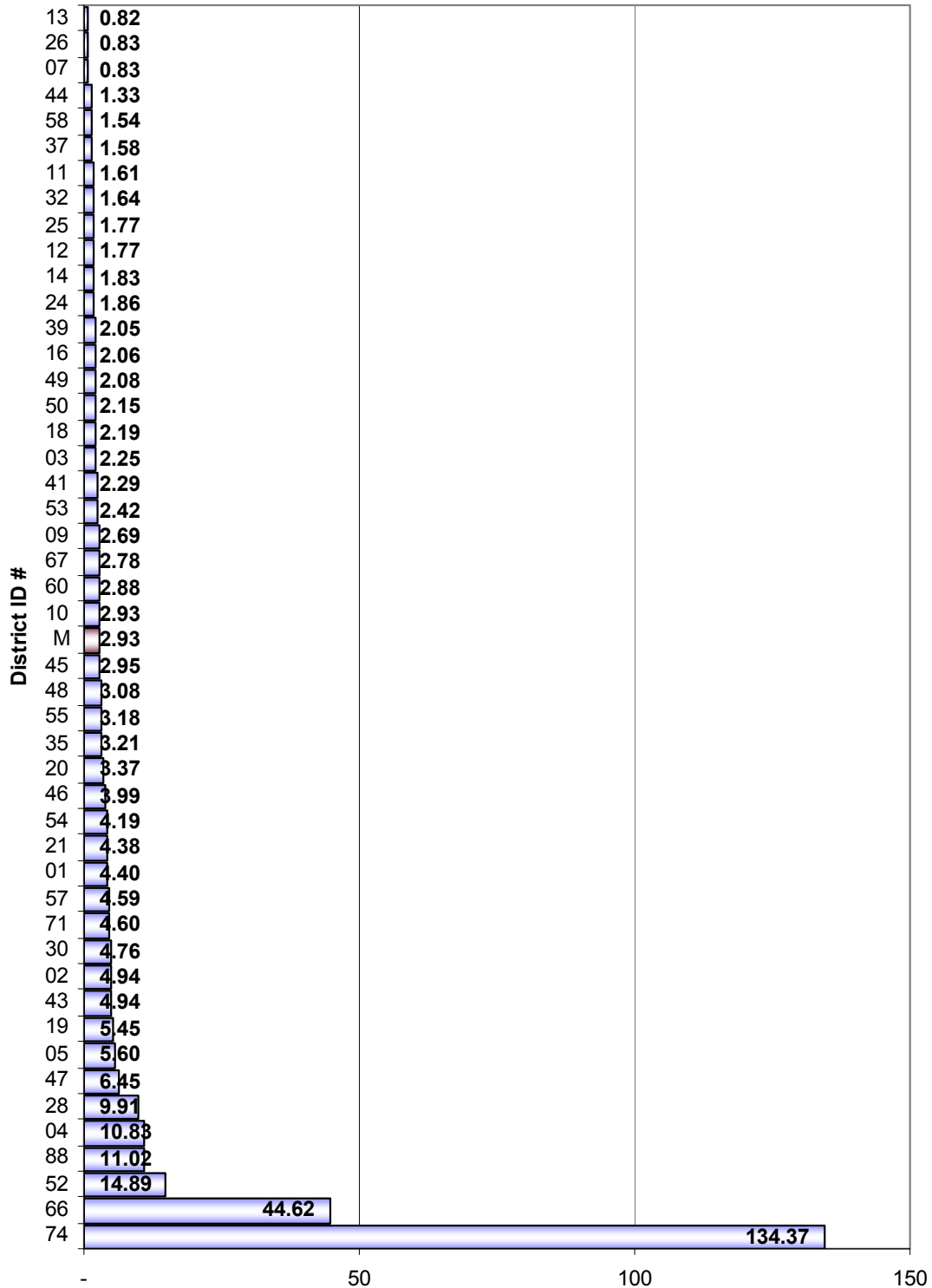
- Implementation of new district-wide software increases tickets
- Staffing levels and budgets
- Knowledge of end users
- Training available to staff and end users
- Availability of trainers and other resources

Analysis of Data

- FY 08: 47 districts responded
- FY 08: Low = 0.82; High = 134.37; Median = 2.93
- 16 districts responded regarding survey alignment;
- Yes = 68.8%; No = 31.3%
- 80% of the districts reported less than 5 help desk tickets per user FTE
- 95% of the districts reported less than 15 help desk tickets per user FTE
- The two highest responses might require validation (44.62 and 134.37).
- Removing the two highest as outliers significantly improves the standard deviation to 2.8 from 20.05

Performance Measurement & Benchmarking for K12 Operations

Help Desk Tickets per User



Key Performance Indicator

Users per Help Desk FTE

District FTE *divided by* number of Help Desk FTEs, including the help desk supervisor.

Why This Measure Is Important

This measure guides quality improvement processes, since the numbers alone would not indicate the success of Help Desk staff. The number of users that can be supported by each Help Desk staff member indicates the productivity of the help desk and the success of their resources. Help Desk staffing should be adequate to handle the number of contacts the Help Desk receives. The ability of the help desk to answer calls effectively and return the end user to productive work is of great value to the district.

Factors That Influence This Measure

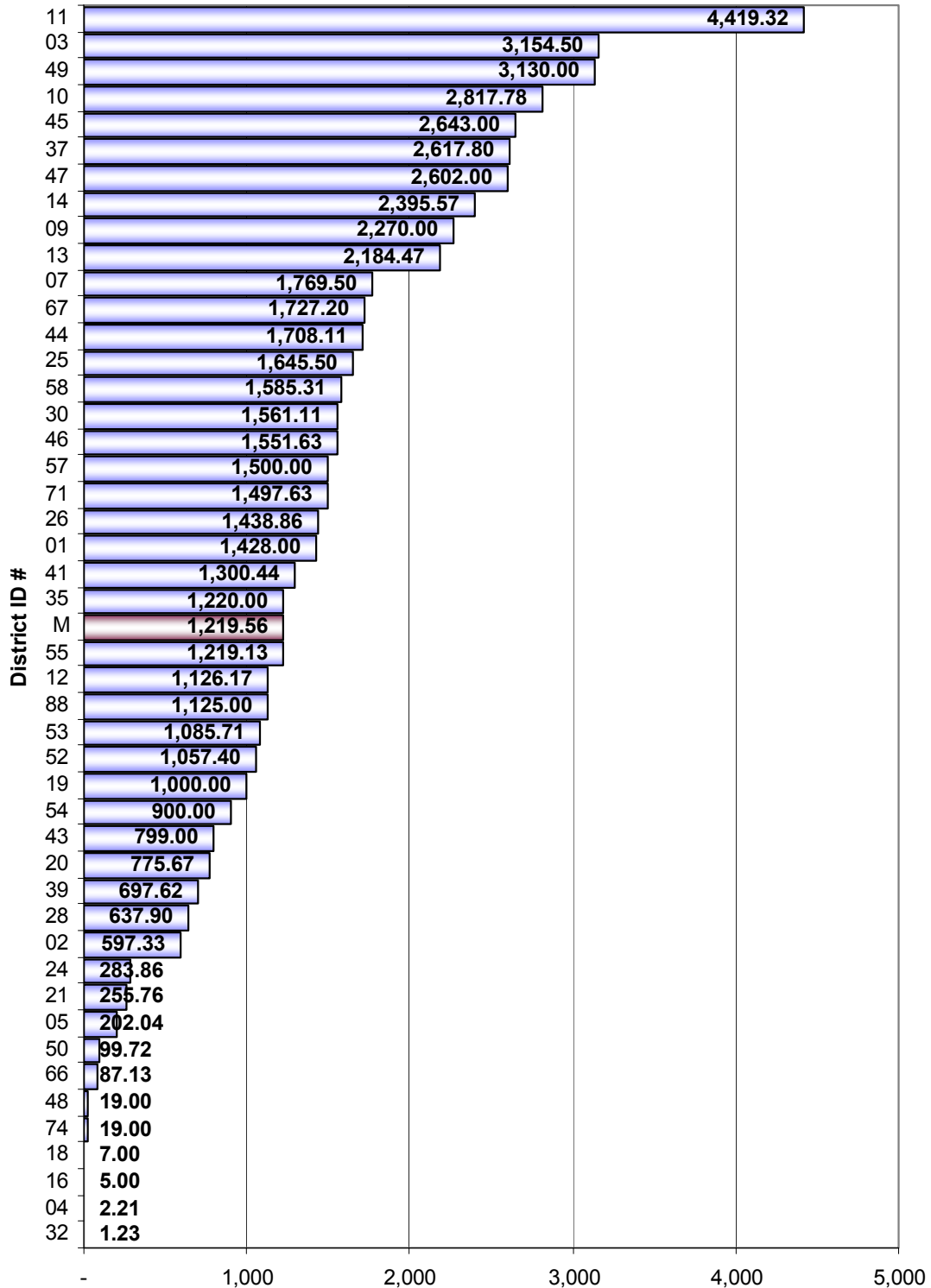
- New district-wide software implementations
- The skill level of the help desk staff
- The effectiveness of the tools the help desk uses
- Skill level of end users
- Variety of technology the help desk supports
- Vendor support for their technology
- Effectiveness of end user training on applications

Analysis of Data

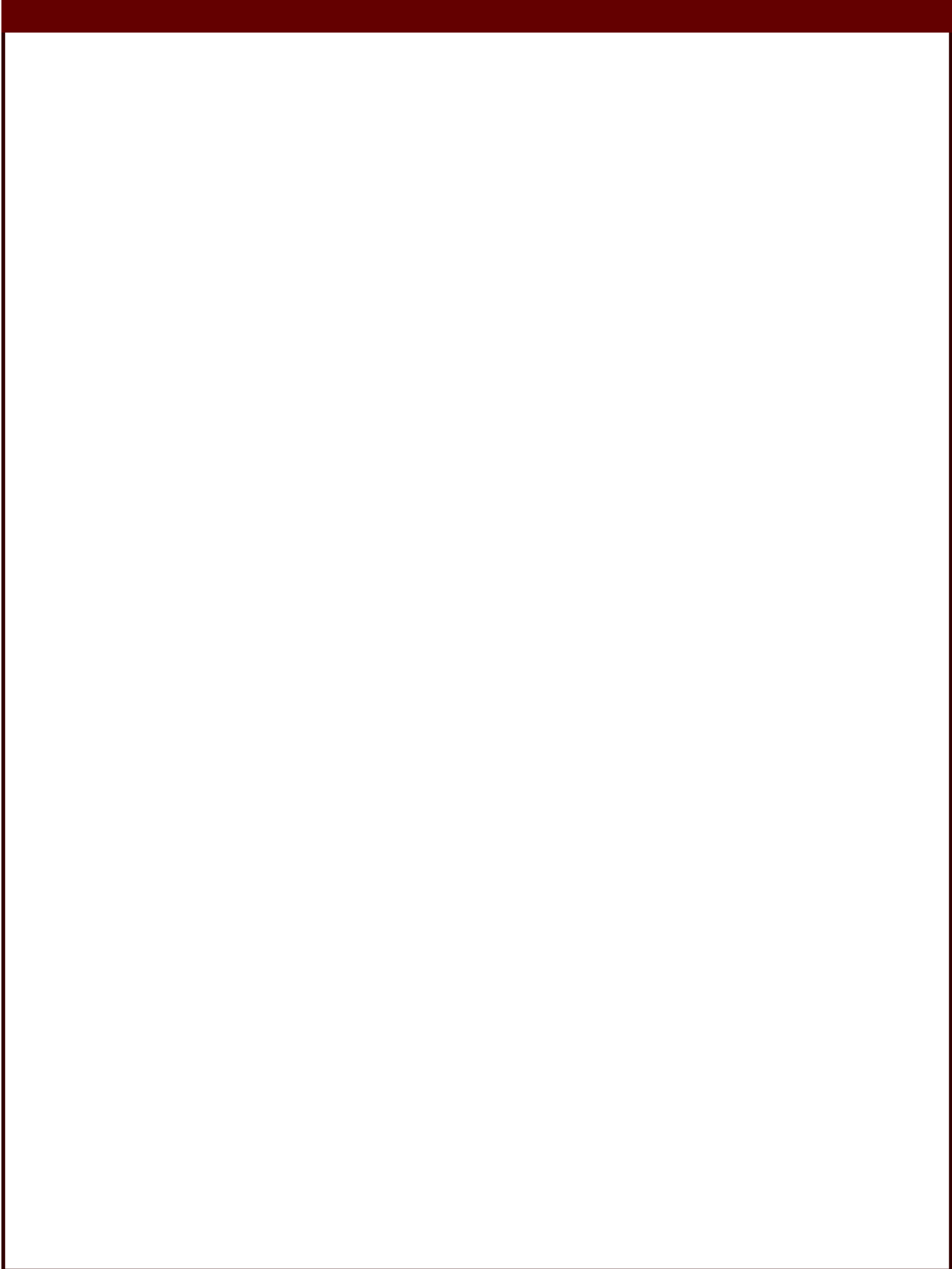
- FY 08 > 46 districts responded
- FY 08 > High = 4,419.32 per help desk staff member; Low = 1.23 per help desk staff member; Median = 1,219.56 per help desk staff member
- Users per Help Desk FTE of less than 20 might need to be validated as this implies more than 5% of district staff are assigned to the Help Desk
- This measure should be looked at in relation to First Time Resolution Rate and Customer Satisfaction measures.

Performance Measurement & Benchmarking for K12 Operations

Users per Help Desk FTE



Key Performance Indicator



Network Operations

Bandwidth per Student

Total district Internet bandwidth in bits per second *divided by* total number of students in the district.

Why This Measure Is Important

This measure provides a quantifiable measure of the adequacy of bandwidth to support teaching and learning. Bandwidth per student provides a relative measure of the capacity of the district to support computing applications in a manner conducive to teaching and learning. Students and staff have come to expect certain performance levels based on their experience with network connectivity at home and other places in the community, and schools must provide performance on a par with that available elsewhere.

Factors That Influence This Measure

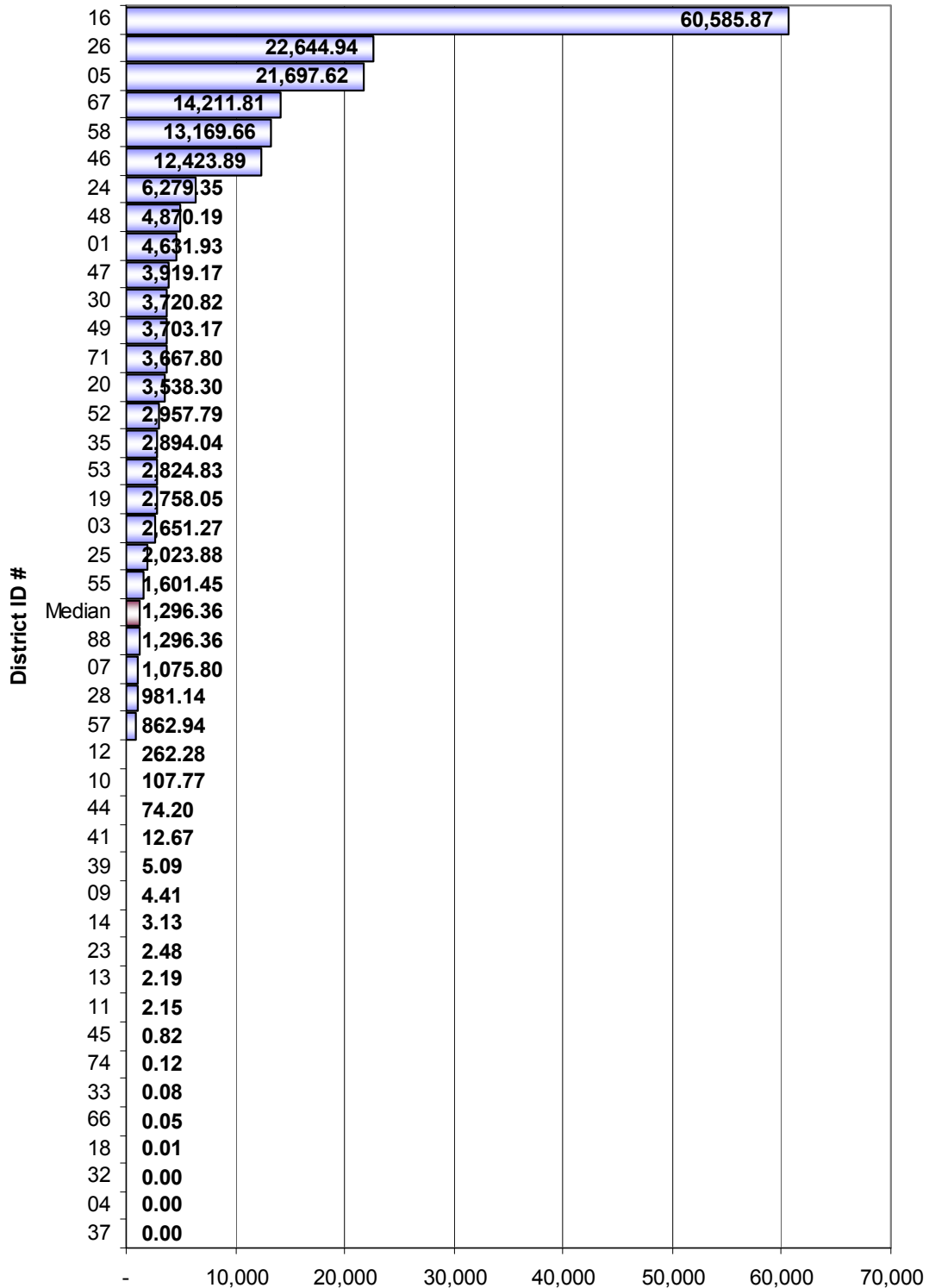
- The number of enterprise network based applications
- The capacity demands of enterprise network based applications
- Fund availability to support network bandwidth costs
- Capacity triggers that provide enough time for proper build out and network upgrades
- Network monitoring systems and tools that allow traffic shaping, prioritization, and application restriction

Analysis of Data

- FY 08 > 43 districts responded
- FY 08 > High = 60,585.87; Low = 0.0; Median = 1,296.36
- State Educational Technology Directors Association (SETDA) recommends 10Mbps per 1,000 students and staff.
- Many districts reported a value that indicates there is no Internet access, or that it is too low to be useful for modern applications. We suspect a data calculation error in these cases, such as turning in data in Kbps instead of bps.
- One district reports an available bandwidth that is extraordinarily high, approximately 3 times the next closest.
- Bandwidth needed for acceptable performance is highly subjective, with the primary factor affecting what is perceived as acceptable. If use is limited to email, then comparatively low bandwidth may provide acceptable performance. If applications such as streaming video are utilized, the level perceived as adequate will be much greater.

Performance Measurement & Benchmarking for K12 Operations

Bandwidth per Student



Network Operation Center (NOC) Cost Per Student (ACCRA adjusted²²)

Total network operations center costs including total lease or rental for Wide Area Network (WAN) data circuits, required district staff, contracted costs related to management and maintenance of WAN, forms and paper costs for centralized printing operations, internet access, Internet filtering for objectionable content (CIPA filtering), and server maintenance *divided by* total district enrollment.

Why This Measure Is Important

This measure assesses the costs for network response and service levels necessary to meet the educational program and data processing requirements of a district. Efficient practices and high service levels ensure that district computing resources are available to students and faculty/staff.

Factors That Influence This Measure

- Dependence on Internet, email, and the electronic conversion of work processes
- Amount of online educational resources for students
- The cost of district technology and its support as it ages
- The carrying capacity of the district's local and wide area networks
- Demand for data from all sources inside and outside the district
- Whether outsourcing or remote management tools are used
- The desired network service levels in the district

Analysis of Data

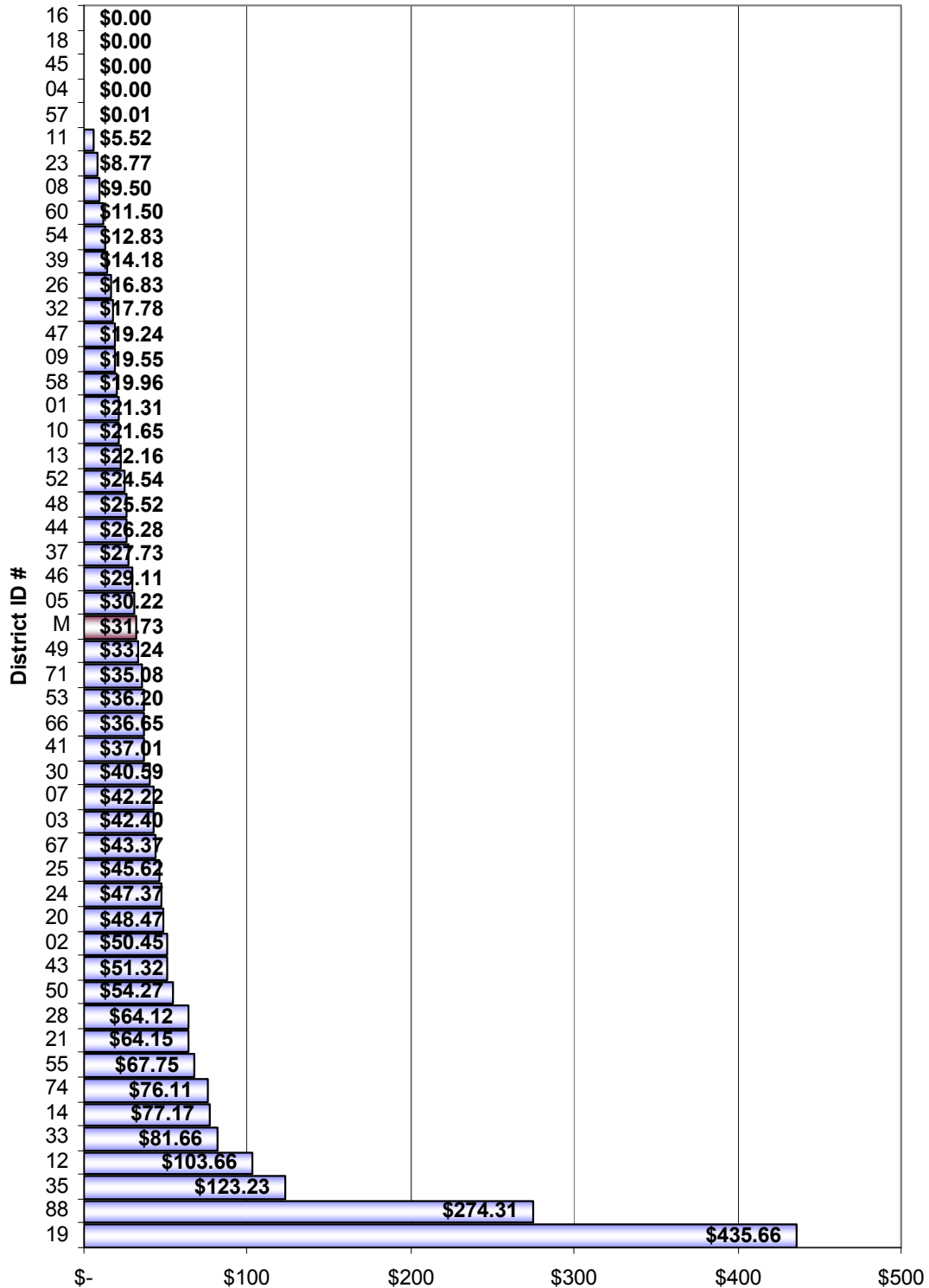
- FY 08 > 50 districts responded
- FY 08 > Low = \$0.00; High = \$435.66; Median = \$31.73
- The districts reporting greatest cost, while large, tend to have a fewer number of students across which to spread that cost.
- It should not be possible to have zero costs associated with this function, therefore data collection or question understanding may be in error.
- A trend toward distributed or collaborative learning applications will be accompanied by an increased demand for services to support them.
- It will be critical to manage and maintain the costs of supporting distributed or collaborative learning applications as districts become more dependent on them.

²² ACCRA is an acronym for American Chambers of Commerce Research Association. This organization produces a Cost of Living Index to provide a useful and reasonably accurate measure to compare cost of living differences among urban areas. We divided all measures that resulted in a dollar amount by the ACCRA factor for the region in order to normalize data across regions. For additional information, please go to www.coli.org.

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Network Operation Center Cost per Student (ACCRA Adjusted)



Telecommunications Services Cost Per Student (ACCRA adjusted)

Total expenditures for telecommunications services eligible for E-Rate support as defined in USAC rules, regardless of whether E-Rate support was applied for or approved, and regardless of funding source *divided by* total number of students in the district.

Why This Measure Is Important

This measure divides a standard set of telecommunication costs that include data, voice and related telecommunications contract services by the number of students in the district. The calculation includes T-1, ATM, MPLS, Ethernet, other data communications circuits, voice circuit costs such as PRIs, Centrex, and other wire line and wireless voice services, but excludes telecommunications equipment purchases and maintenance contracts.

This measure avoids misleading cost differences that may arise between districts due to large, infrequent equipment purchases that may have a major cost impact in any one year. It also removes differences between districts capitalizing equipment purchases and those expensing them. In order to use a cost factor that is comparable across diverse districts, E-Rate definitions of eligible telecommunications costs should be used for this metric. Most districts use E-Rate definitions for cost accounting and E-Rate reporting. For the official definition of E-Rate eligible telecommunications services see the USAC web site at:

<http://www.universalservice.org>

Factors That Influence This Measure

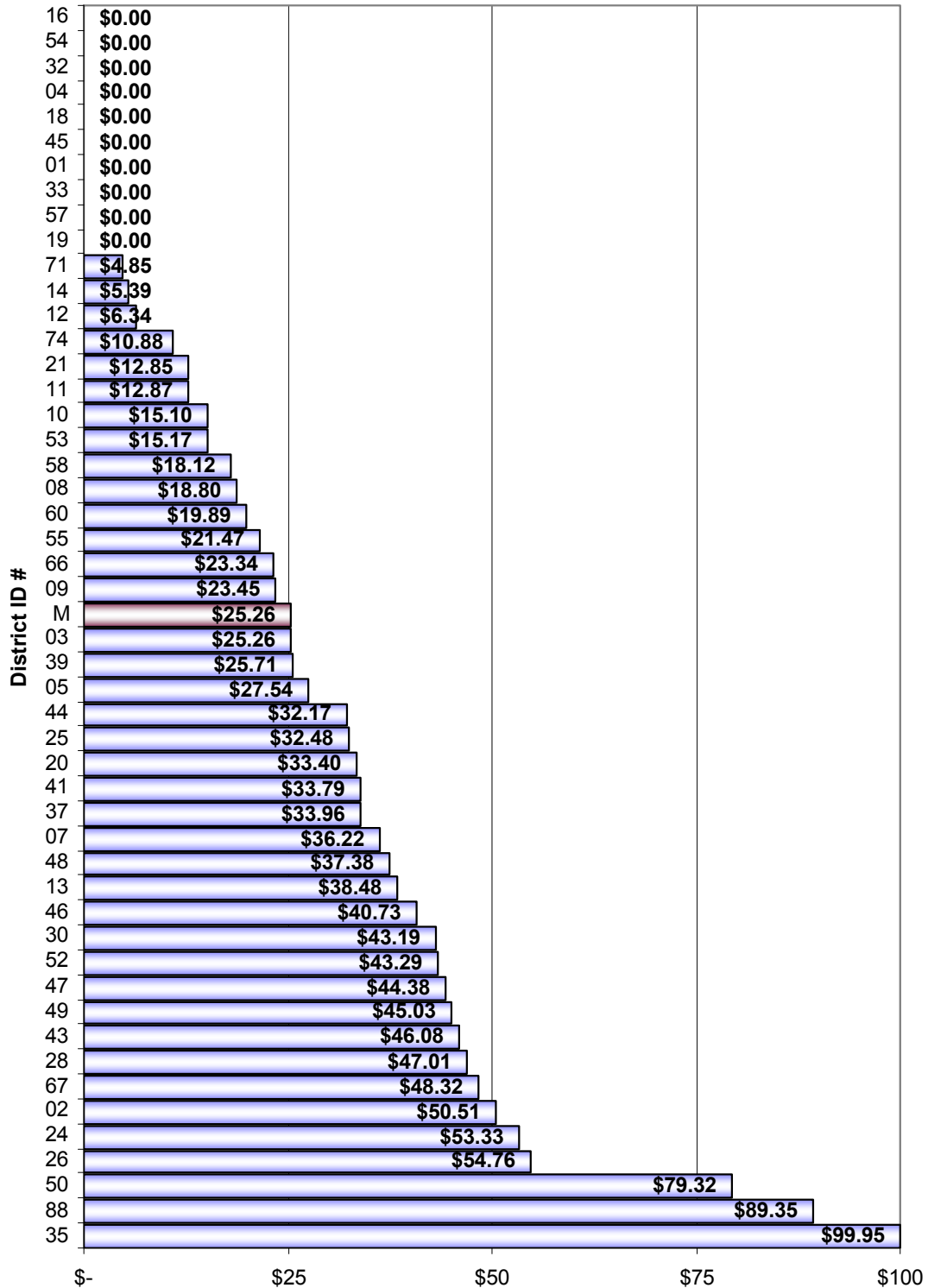
- The districts use of owned or leased network data circuits
- The amount of network capacity necessary to meet educational and programmatic needs
- Monitoring and reporting systems

Analysis of Data

- FY 08 > 49 districts responded
- FY 08 > Low = \$0.00, High = \$99.95, Median = \$25.26
- A high cost area may account for the \$99.25 cost per student reported by one district, which is approximately one fourth the median costs of \$25.56.
- It will need to be determined if the 10 districts that report zero cost per student are not reporting maintenance costs because they own their own infrastructures.

Performance Measurement & Benchmarking for K12 Operations

Telecommunications Services Cost per Student



Power Indicator

WAN Availability

Total minutes of all outages on WAN circuits during year divided by 525,600 times total number of WAN circuits.

Why This Measure Is Important

This measure assesses the percentage of time in a year that Wide Area Network circuits and connections are available to end-users. A year is defined as 525,600 minutes, which is 24 hours a day, 365 days.

Internet availability is mission critical for school and district functions. Instruction, research, payroll, communications, and a host of other functions rely on stable, available and secure connectivity. Any down-time impacts employee productivity and district operational functions. Monitoring network availability is important to manage and improve service. If a single outage affects multiple WAN circuits you must add the downtime minutes of each circuit that is affected.

Factors That Influence This Measure

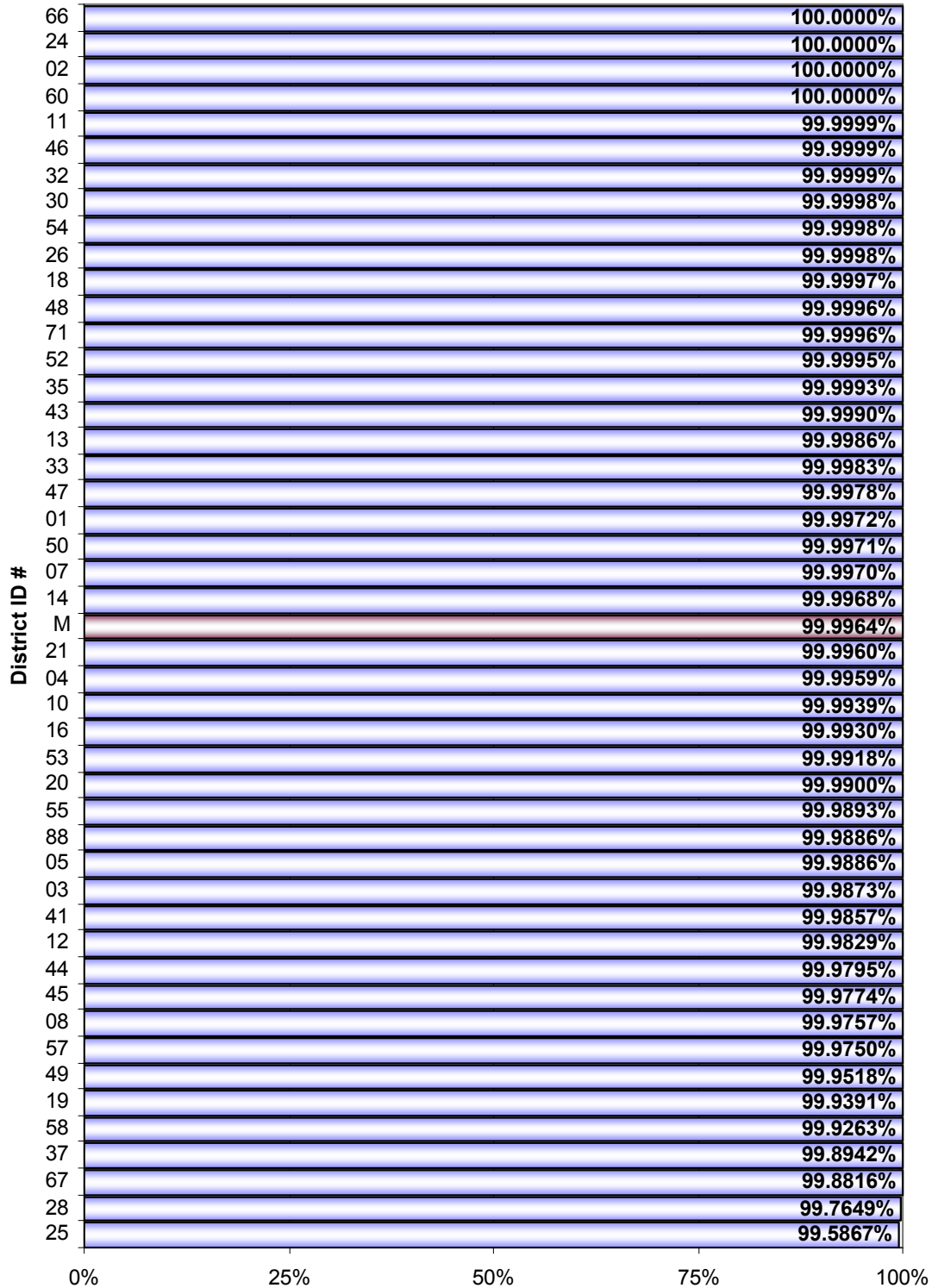
- Outages can occur due to outside factors like any 3rd party vendors
- Contract development and enforcement to assure maximum uptime and responsiveness
- Capital budget development to assure redundancy in the network
- Maintenance on network must not disrupt connectivity

Analysis of Data

- FY 08 > 46 districts responded
- FY 08 > High = 100.0000%; Low = 99.5867%; Median = 99.9964%
- The median of WAN availability of 99.9964% is compared favorably to the telephone company industry standard of 99.999% availability.
- The worst case indicates approximately a 1.5 day outage over the period of a year.
- A larger district would spread an outage event over a greater number of circuits. Therefore, the occurrence of a single outage would result in the appearance of less impact than in a district with a smaller number of circuits.

Performance Measurement & Benchmarking for K12 Operations

WAN Availability



Key Performance Indicator

E-Mail Operational Time

525,600 minutes *minus* total minutes of downtime for the email application, including both scheduled and unscheduled downtime, *divided by* 525,600 minutes.

Why This Measure Is Important

This measure assesses the amount of operational downtime that can have a significant business impact if email, which is a mission critical application that needs to be available 99.9% of the time or better, is not available or if delivery is unreliable. Any significant amount of operational downtime can also degrade the end-user experience and cause dissatisfaction. Because there are a number of different ways to access the applications, downtime is considered any time the user has no way to access the application at all. If a segment of the network is unavailable, but the email application is available to the rest of the district, then the time that individual segment is down is not counted against the operational time.

Factors That Influence This Measure

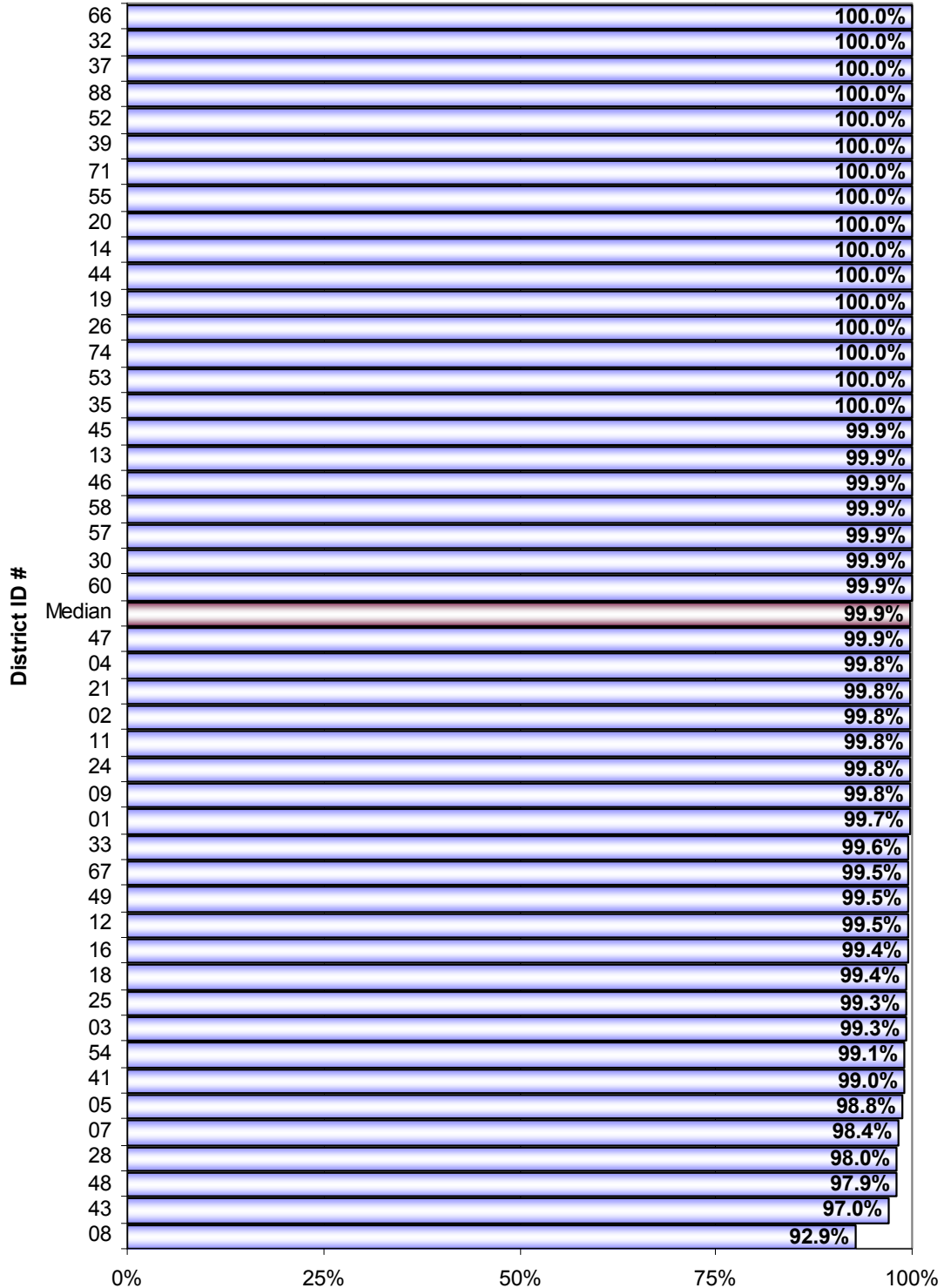
- Maintenance and updates to firmware
- Network stability and availability
- Electrical/Power outages
- Proactive maintenance to avoid downtime
- Budgeting for security software to prevent network attacks, spam, phishing etc.

Analysis of Data

- FY 08 > 47 districts responded;
- FY 08 > High = 100.0%; Low = 92.9%; Median = 99.9%
- The majority of districts report that email is available between 99 and 100% of the time.
- 5 districts report email availability between 97% and 99% of the time.

Performance Measurement & Benchmarking for K12 Operations

E-Mail Operational Time



Key Performance Indicator

Core Server Availability

Number of servers considered part of the server core (centrally located) - excluding school based servers - *times* 525,600 *minus* number of minutes of downtime for all centrally located servers) *divided by* number of minutes of downtime for all centrally located servers *times* 525,600.

Why This Measure Is Important

This measure assesses the percentage of collective "downtime" across the servers identified by a district as centrally located core servers. Core-district servers are typically not located at individual schools. While scheduled maintenance during off-hour time periods is often acceptable to organizations, this measure is based on total downtime and does not distinguish between planned and unplanned downtime. To be consistent across districts, the standard for availability is 24 hours a day, 365 days per year. The year is expressed as 525,600 minutes.

Factors That Influence This Measure

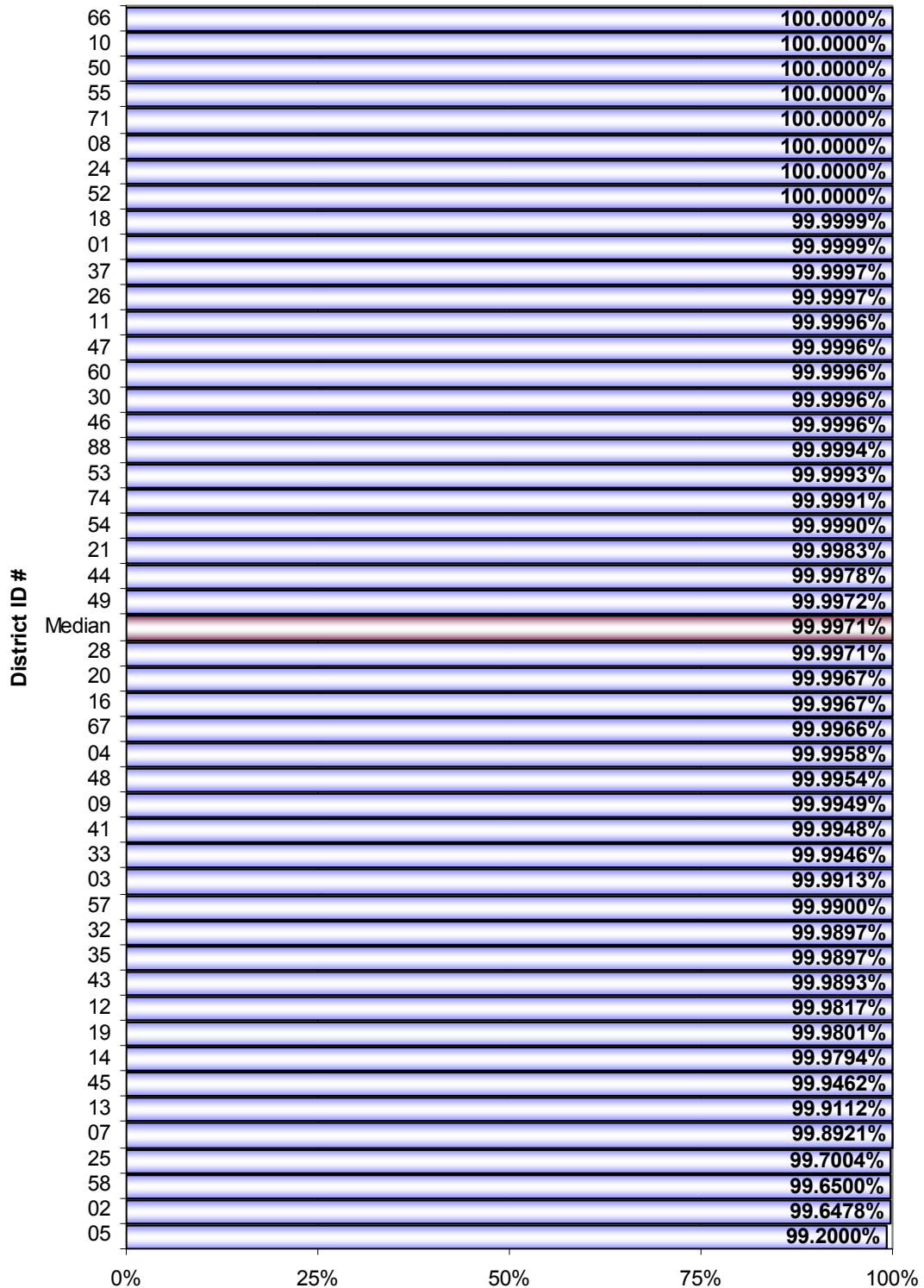
- Budget planning for server equipment and support
- Scheduled maintenance planning – upgrades, length of time
- Equipment refresh and replacement
- Unscheduled maintenance software/hardware break-fix support

Analysis of Data

- FY 08 > 48 districts responded
- FY 08 > High = 100.0000%; Low = 99.2000%; Median = 99.9971%
- All districts report core-server availability over 99.2 % of the time, and 8 districts report 100% availability.
- In the worst case, servers are available for all but about 70 hours per year.
- It could be assumed that 1.5 hours per week maintenance window could be the cause of observed unavailability since this measure does not attempt to distinguish between planned and unplanned downtime.
- Using current techniques, it is plausible that servers are available 100% of the time, including time required for maintenance.

Performance Measurement & Benchmarking for K12 Operations

Core Server Availability



Key Performance Indicator

Wide Area Networking Cost per Student (ACCRA adjusted)

Total annual district costs for lease or rental of WAN data circuits, internal staff to manage them, contracted costs for management and maintenance of the WAN, and Internet content-related filtering *divided by* total district enrollment.

Why This Measure Is Important

This measure assesses the costs associated with providing the necessary bandwidth and information technology service levels to meet the educational programs and the data processing requirements within a district.

Delivering information and instructional content to all district facilities requires Wide Area Networking (WAN) technology. The increasing use of collaborative-learning techniques and the ability of today's back-office systems to deliver information to a wide user population increase the demand for WAN services.

Factors That Influence This Measure

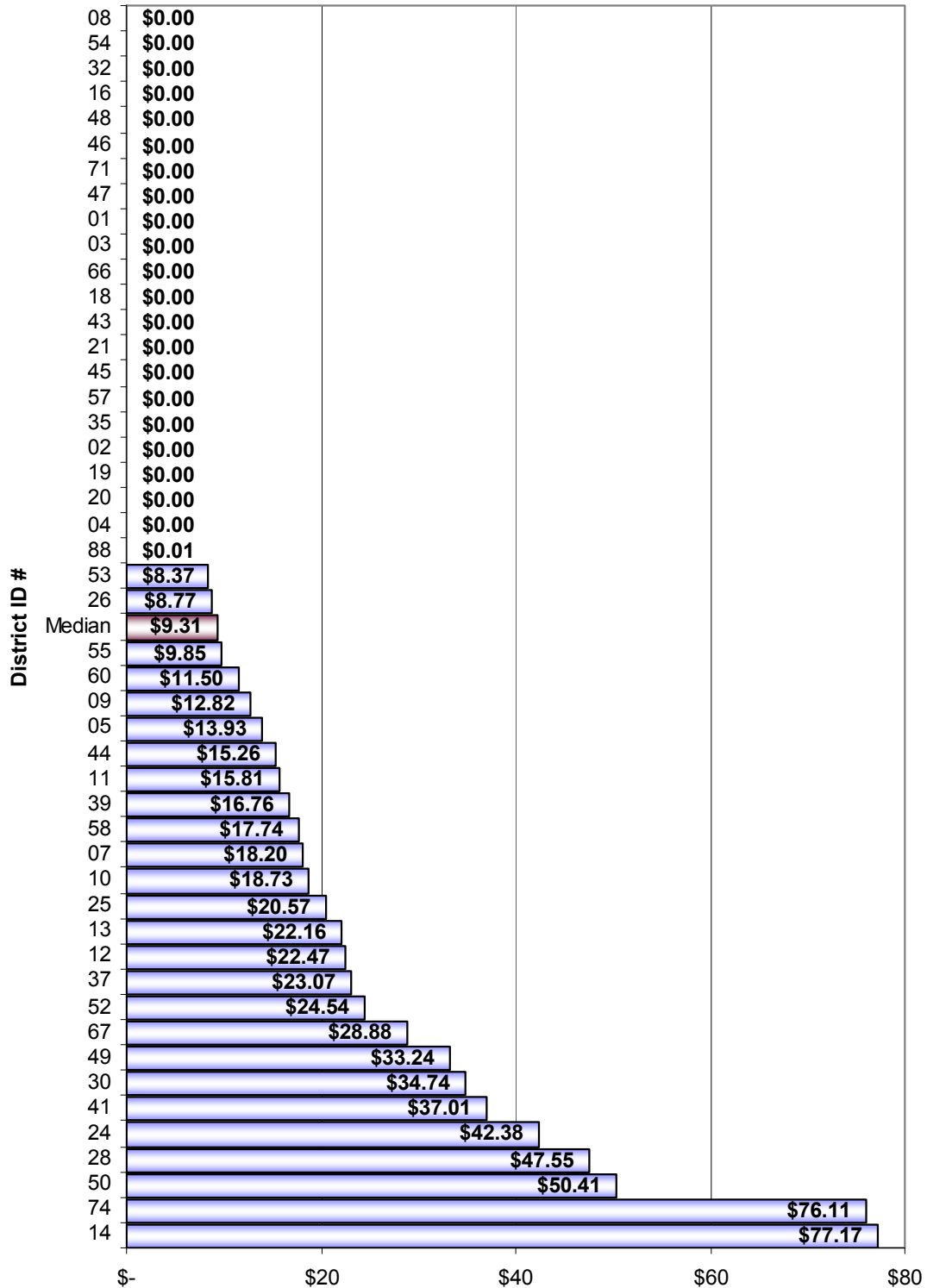
- Dependence on technology such as Internet, email, and the electronic conversion of many work processes
- Online educational resources for students
- The cost of technology and its support as it ages
- The carrying capacity of the district's local and wide area networks
- Demand for data
- Use of outsourcing and remote management tools
- Local geography
- Competitiveness of the local market for services

Analysis of Data

- FY 08 > 25 districts responded
- FY 08 > Low = \$1.22; High = \$72.35; Median = \$20.95
- 22 districts report no cost associated with the WAN, which is likely due to using low recurring cost technologies in order to achieve connectivity (wireless, privately owned fiber).
- Most districts are reasonably well grouped with 42% of districts reporting costs under \$20 and another 33% reporting costs under \$30.

Performance Measurement & Benchmarking for K12 Operations

WAN Cost per Student (ACCRA Adjusted)



Key Performance Indicator

Storage Area Network (SAN) Utilization

Total number of terabytes of SAN storage used *divided by* the district's total amount of network storage (SAN and other) that is available to store user-based information.

Why This Measure Is Important

This measure assesses the total number of terabytes of SAN storage that is available to store user-based information. A Storage Area Network is the current technology for storing data. Increasing use of email, attachments, electronic courseware, scanned documents, and electronic documents instead of paper, create the need to easily store and retrieve this information. The current measurement for large-scale storage facilities is terabytes (1 trillion bytes). Staying below the target threshold is critical to data integrity, application performance, and enables additional network storage redundancy. This measure may also indicate the need for storage expansion and load balancing. Individual PC storage is not included in this calculation since it is presumed to be unavailable to the user population at large.

Factors That Influence This Measure

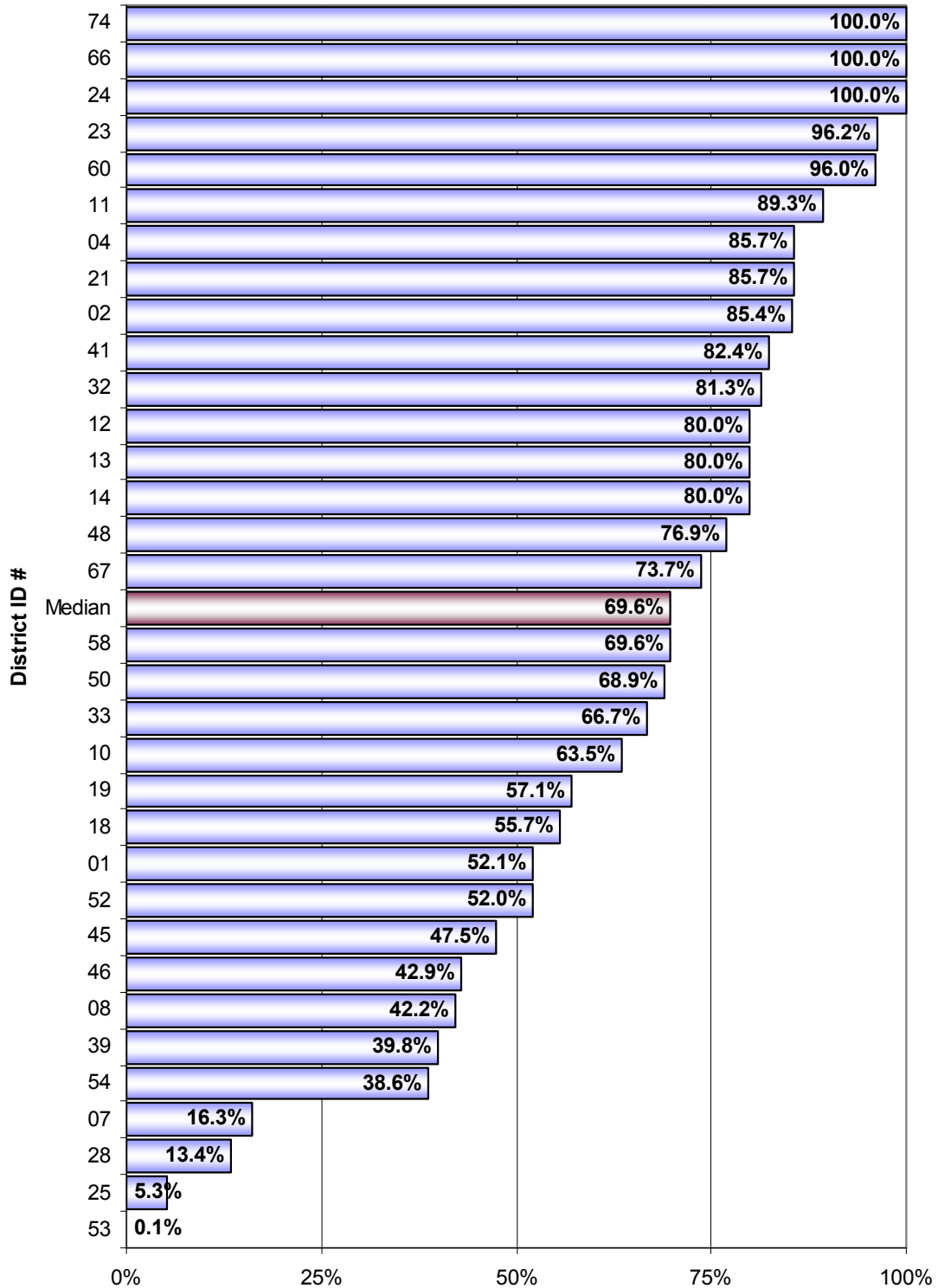
- Number of disk groups per storage array
- RAID levels for each logical disk affects overall capacity
- Integration of new application rollout with central IT planning

Analysis of Data

- FY 08 > 33 districts responded
- FY 08 > High = 100.0%; Low = 0.1%; Median = 69.6%
- By convention, some districts consider the SAN utilized if the disk space is allocated. In most cases, it is possible to "over subscribe" the disk space without detrimental effect on the operation of the SAN.

Performance Measurement & Benchmarking for K12 Operations

SAN Utilization



Key Performance Indicator

Internet Utilization (in Days)

The number of days that peak daily Internet use is above 75% of the usable capacity of the district for at least a five-minute period.

Why This Measure Is Important

This indicator is important in developing a capacity planning strategy as well as meeting and communicating customer service level requirements. 75% was selected as a metric threshold and may need to be modified based on data returned from districts. The closer the use gets to capacity, the poorer the performance on various applications.

Factors That Influence This Measure

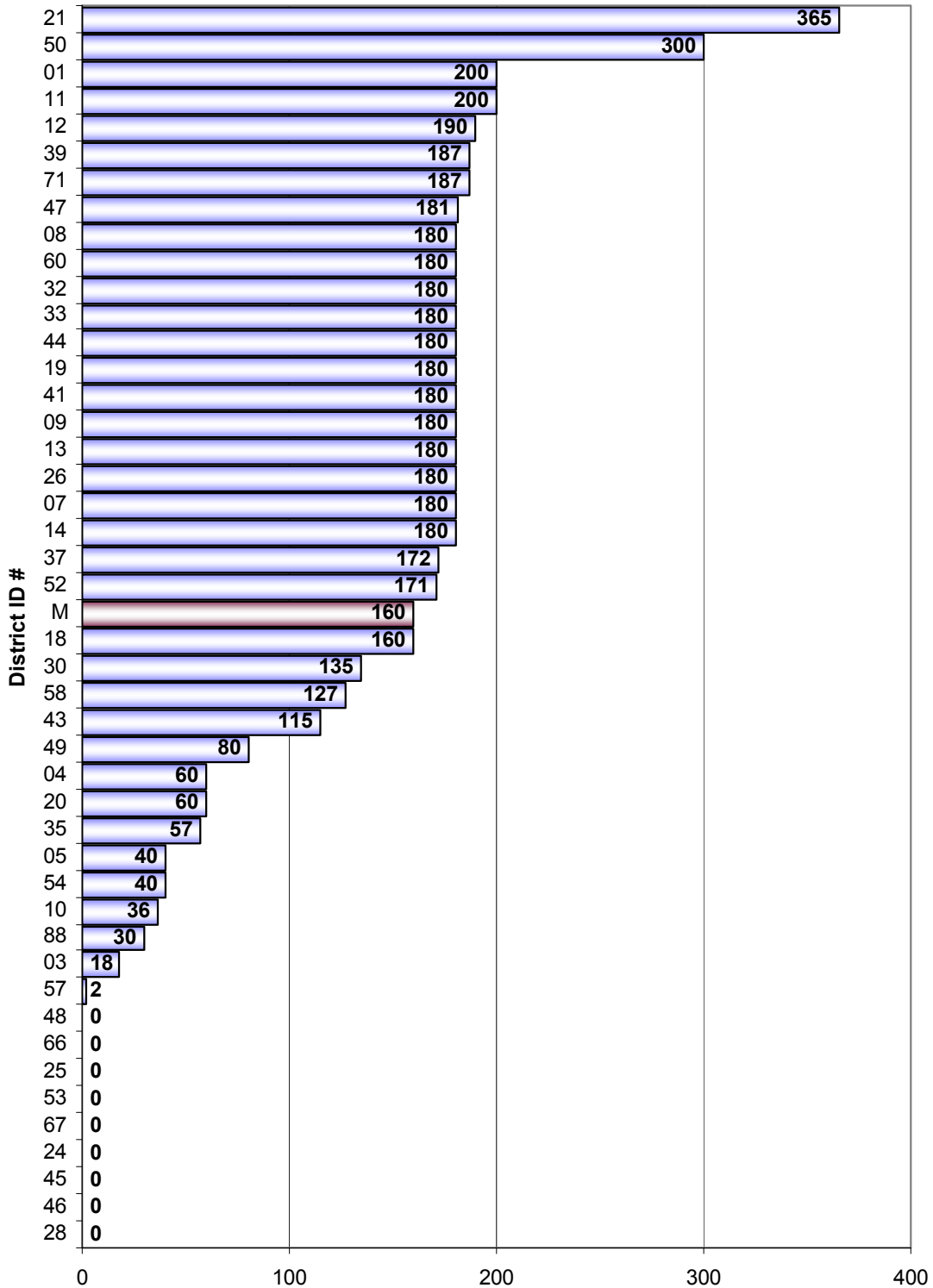
- Proper safety and security measures preventing attacks
- Monitoring of utilization with strategy to provide necessary bandwidth timely
- Network staff training and support
- Budgeting for appropriate hardware and software
- IT portfolio management to predict bandwidth impact of new applications
- Policies and procedures to address appropriate bandwidth use

Analysis of Data

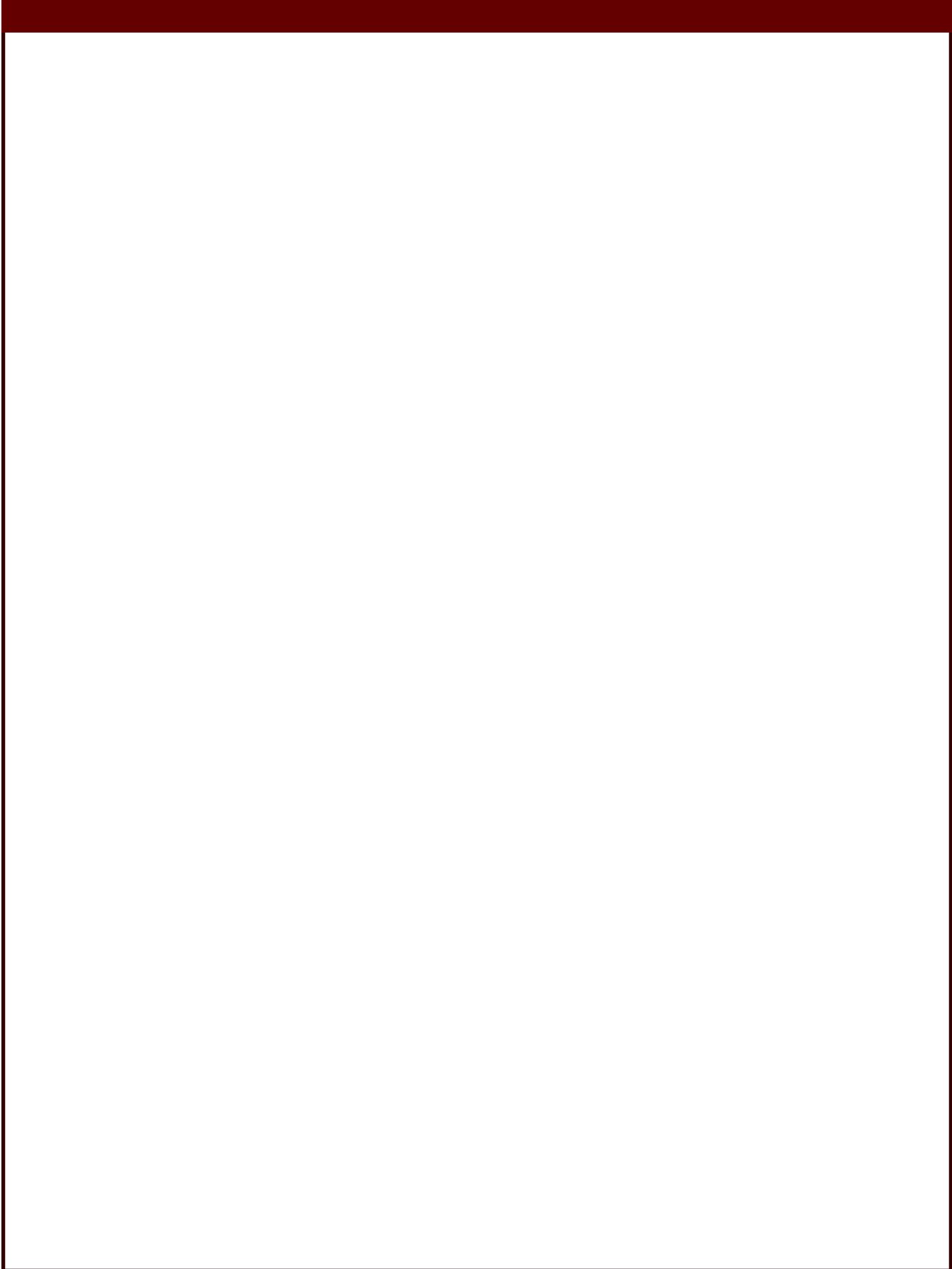
- FY 08 > 45 districts responded
- FY 08 > High = 365; Low = 0; Median = 160
- In general, exceeding 75% utilization of available bandwidth causes users to perceive network performance as "slow."
- A district, under ideal circumstances, would normally be close to 75% utilization without exceeding it on any given day
- An increase in available bandwidth should be considered for those districts reporting 180 (or more) days of utilization over 75% which coincides with the number of days in a typical school year.

Performance Measurement & Benchmarking for K12 Operations

Internet Utilization (in Days)



Key Performance Indicator



Information Technology Security

IT Security Best Practice

Percentage score based on the number of “Yes” answers to 14 best practices questions.

Why This Measure Is Important

This measure helps assess a district’s ability to quantify risk, threats, and attempts to inappropriately use networks. Security measures protect confidentiality by ensuring private information is kept private, ensure data integrity by preventing data from being inappropriately accessed, ensure data availability by making sure services are uninterrupted, ensure that data can be accessed whenever it is needed, and that data can be restored quickly. Network security has a strong qualitative focus in that the proper attitudes and perceptions of users are important. If various security items are present and are operating correctly, they serve not only to mitigate damage, but also to prevent actions that are detrimental in the first place.

Factors That Influence This Measure

- Administrative procedures and board policies regarding security and its enforcement.
- End user attitudes toward maintaining security
- IT diligence in monitoring user compliance and security lapses.

Analysis of Data

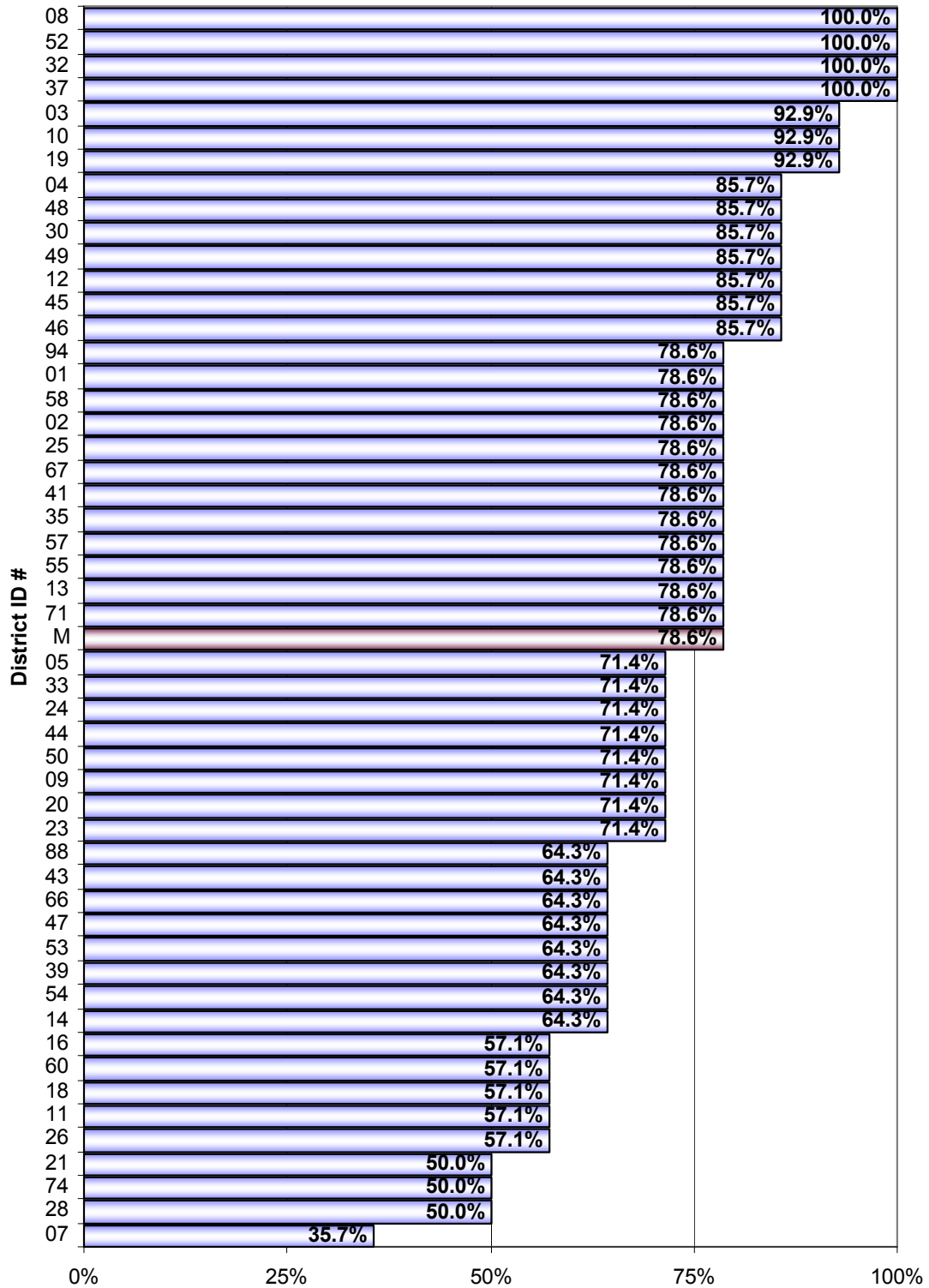
- FY 08 > 51 districts responded
- FY 08 > High = “Yes” to 14 practices or 100.0%; Low = “Yes” to 5 practices or 35.7%; Median = “Yes” to 11 practices or 78.6%
- The majority of districts are doing more than a minimal approach to best practices.
- There is no agreed on single set of best practices adopted by all districts.
- Below - the “Best Practices” rank ordered by the percentage of “Yes” responses

| | | |
|-----|--|------|
| 1. | Content Filter for Student Access | 100% |
| 2. | Spam Filter | 100% |
| 3. | Automated Antivirus-Malware Detection and Mitigation | 98% |
| 4. | Firewall Between Network and Internet Provider | 98% |
| 5. | Written Policy Regarding Acceptable Network Use | 98% |
| 6. | Automated Operating System Update Process | 94% |
| 7. | Intrusion Detection System | 74% |
| 8. | Detection to Prevent Unauthorized Devices on Network | 63% |
| 9. | Locket or Limited Access to Wiring Closets | 63% |
| 10. | Business Continuity Process | 62% |
| 11. | Disaster Recovery Plan | 57% |
| 12. | Policy For User Authentication Prior to Wireless Use | 57% |
| 13. | Network Access Control Requiring User Authentication | 55% |
| 14. | Process to Review Security Policies and Measures | 47% |

Performance Measurement & Benchmarking for K12 Operations

Power Indicator

Percent of Yes Responses to Best Practices Questions



Days to Close Account

The sum of the number of days between when an employee becomes inactive and the network account becomes deactivated *divided by* total number of accounts deactivated annually.

Why This Measure Is Important

Tracking and reducing the number of days between when an individual is no longer a district employee can improve network security and the network account becomes deactivated. Minimized opportunities for unauthorized access to network and application resources are important in today's school districts.

Factors That Influence This Measure

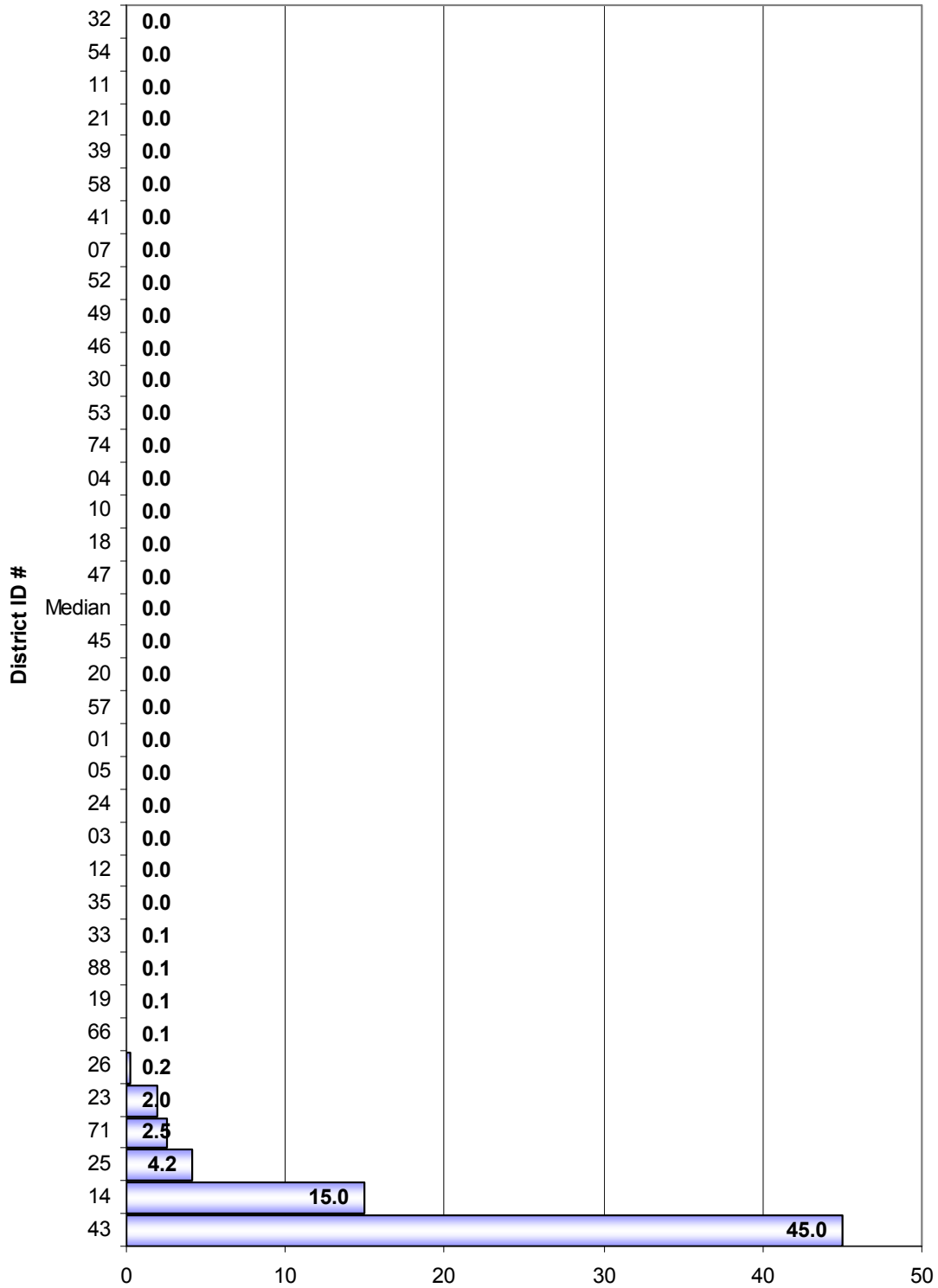
- Automation tools to quickly identify when employees become inactive from HR
- Security culture of the organization
- Access to enterprise systems may be different than access to the network
- Administrative procedures and board policies on the importance of security and its enforcement.
- End user attitudes toward maintaining security
- IT diligence in monitoring user compliance and security lapses

Analysis of Data

- FY 08 > 37 districts responded
- FY 08 > Low = 0.0; High = 45.0; Median = 0.0
- Less than a day responses likely indicate system automation to close accounts.
- Districts taking longer than a day likely use manual processes to close accounts.

Performance Measurement & Benchmarking for K12 Operations

Days to Close Account



Key Performance Indicator

