

MEMORANDUM

TO: Members of the Board of Education

FROM: Lawrie Kobza

DATE: July 6, 2005

SUBJECT: REQUEST FOR PROPOSAL FOR EXTERNAL REVIEW OF BUSINESS SERVICES

While I like the idea of an external review of the business services and human resources budgets, I don't believe the proposed RFP will get us the information the Board and the public wants.

The Project Description as set forth in subsec. 1.2.1 of the RFP states as follows:

"The Board of Education is seeking a qualified consultant to study existing organizational and operational aspects of all business (non-instructional) operations of the District and to benchmark these services against comparable districts nationwide. This study is being undertaken to answer the question "Are we overstaffed in Business Services and Human Resources?" This question is being asked in light of on-going budget shortfalls."

This Project Description doesn't ask (and won't answer) the question, I want to know which is: "What would be the impact of additional cuts in the Business Services and Human Resources budgets?"

Knowing how the District's Business Services and Human Resources staffing compares to benchmarks from other comparable districts would be interesting, and if the study indicates the District is overstaffed, that would provide the District with information they could use to make staffing changes. But, if the study indicates that the District is not overstaffed, what then?

For the most part, our budget cuts are not based upon whether we are overstaffed in a particular area. I don't feel that we cut teachers, or social workers, or custodians because we felt that we were overstaffed in those areas. We didn't compare the District to benchmarks from other districts on custodial staffing levels to determine appropriate staffing levels for the District. We cut custodians because we had a budget that we had to meet.

I believe that Roger has told us that staffing in Business Services is as thin as it can be if Business Services continues to perform the same functions it is currently performing. I believe that he also indicated that further staff cuts would mean that functions would have to be dropped. I accept that statement. But, what I would like to see from Business Services and Human Resources is a written report on what functions or services they would pull back from if their budgets had to be reduced by 10%, 20%, or 30% (or whatever percentages we ask about), and what it would mean to the District if those functions or services were reduced or eliminated. I believe that we should ask staff to prepare that written report for us. They have the most expertise on this, and undoubtedly they have given the issue of budget cuts in their departments a lot of thought.

After the written report is prepared by District staff, it could then be provided to a third-party consultant for their review, comment and recommendation. The Board would need to hire this third-party consultant, and the consultant would report directly to the Board. This third-party review would give the Board an outside review of staff's report on the impact of further cuts to the Business Services and Human Resources budget. From my perspective, this third-party review of staff's budget cut or reduction in services plan would be much more useful than that proposed in the current RFP.

I think the work we are asking be done in the current RFP is too broad, would be too expensive, and it won't give us the information we really want. I strongly believe that the Board must think about the information it wants, why it wants it, and what it will do with that information once it gets it. Being able to say that we are not overstaffed in the Business Services area according to established benchmarks, does not answer the public's question of why we are laying off teachers rather than accountants. We need to show what laying off accountants means - and this can be done through the written plan developed by staff and reviewed by the outside consultant.