

Oakland Unified School District

Assessment and Recovery Plans

Submitted by

Fiscal Crisis & Management Assistance Team

PREFACE

Urban school districts throughout California and the United States face tremendous challenges. The future of 11 million American children who attend urban public schools rest with the ability of those entrusted with their education to aggressively meet these challenges. Barriers to their success include an aging infrastructure, rapid teacher turnover, high dropout rates, concentrated poverty, a shrinking and often unavailable teaching/administrative candidate pool, and improper prioritization of resources.

One out of six students in California attend schools in urban districts. This one million plus student group represents our state's most diverse and challenging population. Student and faculty needs unique to the urban setting present a difficult challenge to any renewal process. Many of our urban residents need only look at the condition of their school facilities to recognize that the children in these facilities are not a priority. Indeed, the condition of many of our urban school district sites and facilities represent a national disgrace that is unconscionable. Urban students and their teachers endure unsafe learning environments, general apathy, and ineffective leadership and communication at the administrative and governance level. There must be a greater recognition from a state and/or national policy perspective that urban school districts require resources to address their diverse student population, extreme levels of poverty, and the age and condition of their facilities.

There are isolated and remarkable signs of improvement in some of our nation's urban school districts. These improvements can be attributed to strong leadership, effective communication, the setting of common goals, reachable standards, and the embracing of a strong accountability system. A common attribute of these successful school systems is always the positive engagement of the broader community, collaboration with other government entities and the significant involvement of parents in the educational process.

California is home to eight of the nation's 50 largest cities. Included in that list are Los Angeles, San Diego, San Jose, San Francisco, Long Beach, Fresno, Sacramento, and Oakland. Collectively, their students represent 24 percent of the state's children. As this significant number of children continue to increase, so do the needs and challenges of the public systems that have been created to serve and educate them. Because cities and their related communities are the beneficiary of strong and effective schools, it remains in the best interest of the educational and political leadership to better meet the needs and address the challenges of our inner-city schools. This comprehensive audit of the Oakland Unified School District provides an opportunity for leaders to refocus, prioritize and implement needed reforms.

The Oakland Unified School District represents the plight of many of our state's and nation's school districts. With its 53,000 plus K-12 student population and 7,000 employees, the district faces many problems similar to those of their urban contemporaries. Oakland has challenges that are more serious and more difficult to overcome than most districts. The issues created by these extreme challenges are the specific focus of the FCMAT comprehensive audit. The picture that emerges of the school district from the audit is one of an organization in need of immediate and dramatic management assistance. The process of the audit reveals a history of unsafe and declining facilities, an inability to attract and retain high quality professional staff, ineffective leadership and a virtually nonexistent evaluation system. When added to the more current issues of administrative upheaval, the lack of organizational focus, inadequate communication, fiscal instability, and the existence of a central structure which tends to be ineffective in meeting the service needs of individual school sites, it is not difficult to understand the pervasive community perception that the district is mismanaged and that the students are victims of a system that does not have learning and achievement as its primary objective.

FCMAT welcomes the district's request for this comprehensive audit. However, recovery will not be won by an audit alone. This report calls for an active engagement with the community. All of Oakland must play a more substantive role in the recovery of the district. Assistance from the community, higher-education and local and state stakeholders forms the partnership for positive change. Schools that have an active, involved and engaged community have a greater chance of being successful in supporting enhanced student achievement.

INTRODUCTION

The purpose of this report is to provide the Oakland Unified School District with the results of a systemic, comprehensive assessment in the following five areas of district operation.

1. Governance/Community Relations
2. Personnel Management
3. Pupil Achievement
4. Financial Management
5. Facilities Management

This report provides data to the district, community, and legislature to assist in facilitating more effective collaboration and to build the necessary capacity within the district to promote student learning. The report also provides critical information related to site and facility safety issues that interfere with effective teaching and learning.

This assessment has been based upon existing legal and professional standards applicable to all California school districts. Independent and external professional experts from both the private and public sectors assisted in the research, identification and categorization of the standards utilized in the assessment of the Oakland Unified School District. The Fiscal Crisis and Management Assistance Team monitored the use of the standards in the assessment process to ensure necessary fairness and rigor in their application. The standards provide a clear path to recovery when implemented in a manner that considers the nature of the current organization and endeavors to impact functions directly at the school site and classroom level. When the designated standards are implemented with this sort of depth and focus, improved pupil achievement, financial practices, personnel procedures, community relations, and facilities management can be expected.

This process of systemic assessment, prioritization and intervention lays the foundation to increase the overall capacity and productivity of the district by establishing a baseline by which progress can be measured. The process must also engage the parents, students, and the community in the partnership of improving student learning. Parent and community participation, effective school leadership and communication tied with a strong curricula are an interrelated theme of this report.

The Oakland Unified School District can meet its most difficult challenges by implementing a focused and consistent strategy for recovery that understands the most significant needs of the district and deals with those needs that are most critical to the basic functions related to organizational structure and student learning. FCMAT has provided both an analysis of the issues in Oakland and a priority listing of those needs that are most pressing through its comprehensive audit.

The findings presented in this report represent a snapshot of the district, and the recommendations are based on the improvement of student learning. In the time since the data-gathering portion of the audit, the district has begun to address certain areas of concern, making progress that is not reflected in this report.

FCMAT would like to acknowledge the cooperation of the district Board of Directors, administration and staff during the audit process, as well as the assistance provided by the Alameda County Office of Education administration and staff.

Historical Background

On April 14, 1999, the Oakland Unified School District Board of Directors voted unanimously to ask for a comprehensive audit from the Fiscal Crisis and Management Assistance Team. The vote was contingent upon Senator Don Perata acquiring funds from the state legislature to conduct the study. In Assembly Bill 1115, the Governor allocated \$750,000 to FCMAT to conduct the comprehensive assessment in the five major operational areas.

Study Guidelines

FCMAT's approach to implementing the statutory requirements of AB 1115 is based upon a commitment to a standards-based, independent and external review of Oakland Unified School District's operations. FCMAT performed the assessment and developed the recovery plan for the district in collaboration with five other external providers selected through a competitive process. Professionals from throughout California contributed their knowledge and applied the identified legal and professional standards to the specific local conditions found in the Oakland Unified School District.

Prior to beginning work in Oakland, FCMAT adopted five basic tenets to be incorporated in the assessment and recovery plans. These tenets were based on previous assessments conducted by FCMAT in school districts throughout California and a review of data from other states implementing external reviews of troubled school districts. The five basic tenets are:

1. Use Professional and Legal Standards

Our experience indicates for schools and school districts to be successful in program improvement, the evaluation and design and implementation of recovery plans must be standards driven. FCMAT has noted positive differences between an objective standards-based approach versus a non standards-based approach. When standards are clearly defined, reachable, and communicated, there is a greater likelihood they will be measured and met.

In order to participate in the process of the Oakland Unified School District review, potential providers responded to a Request for Application (RFA) that identified these standards as the basis of assessment and recovery. Moreover, the providers were required to demonstrate how the FCMAT-identified standards would be incorporated into their work. It is these standards on which the recovery plans for the Oakland district were based. The standards, while identified specifically for Oakland Unified School District, are benchmarks that could be readily utilized as an indication of success for any school district in California.

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

- **Not Implemented** (Scaled Score of 0)
There is no significant evidence that the standard is implemented.
- **Partially Implemented** (Scaled Score of 1 through 7)
A partially implemented standard lacks completeness, and it is met in a limited degree. The degree of completeness varies as defined:
 - 1) Some design or research regarding the standard is in place that supports preliminary development. (Scaled Score of 1)

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

- **Fully implemented** (Scaled Score of 8-10)

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

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

2. Conduct an External and Independent Assessment

FCMAT employed an external and independent assessment process in the development of the Oakland assessment and recovery plans. The report represents findings and recovery plans based on the external and independent assessment from five separate professional agencies:

- California School Boards Association (CSBA) – Community Relations
- Schromm and Associates – Personnel
- California Curriculum Management Audit Center (CCMAC) – Pupil Achievement
- School Services of California (SSC) – Finance
- MGT of America – Facilities

Collectively, these professional agencies constitute FCMAT’s providers in the assessment process. Their external and independent assessments serve as the primary basis for reliability, integrity and credibility of the review.

3. Utilize Multiple Measures of Assessment

For a finding to be considered legitimate, multiple sources need to be utilized to provide the same or consistent information. The assessments and recovery plans were based on multiple measures. Testing, personal interviews, group meetings, public hearings, observations, review and analysis of data all provided added value to the assessment process. The providers were required to utilize multiple measurements as they assessed the standard. This process allowed for a variety of ways in determining whether the standards were met. All school district operations with an impact on student achievement, including governance, fiscal, personnel, and facilities were reviewed and included in the recovery plan.

4. Empower Staff and Community

The development of a strong professional development plan for the board and staff is a critical component of an effective school district. This report includes the importance of a comprehensive professional develop-

ment plan. The success of the recovery plans and their implementation are dependent upon an effective professional and community development process. For this reason, the empowerment of staff and community is one of the highest priorities, and emphasizing this priority with each of the five partners was critical. As a result, a strong training component for board, staff and administration is called for consistently throughout the report.

Of paramount importance is the community's role of local governance. The absence of parental involvement in education is a growing concern nationally. A key to success at Oakland is the re-engagement of parents, teachers and support staff. Oakland parents care deeply about their children's future and want to participate in improving the school district and enhancing student learning. The community relations section of this report provides necessary recommendations for the community to have a more active and meaningful role in the education of its children.

5. Engage Local, State and National Agencies

It is critical to involve various local, state and national agencies in the recovery of the district. This was emphasized through the Response For Application (RFA) process, whereby state recognized agencies were selected as partners to assist with the assessment and recovery process. The Alameda County Office of Education, California Department of Education, city and county interest, professional organizations, and community-based organizations have all expressed and shown a desire to assist and participate in the improvement of the Oakland Unified School District.

Study Team

The study team was composed of the following members.

For FCMAT:

Thomas E. Henry
Joel Montero
Christine Frazier

For CSBA:

Davis W. Campbell	Bode Owoyele
Holly Covin	Lucy Okumu
Claudia Sandoval	Kari Becker
Mina Fasulo	Dian Greene
James Morante	Emanuel Scrofani
Martin Gonzalez	Stephanie Goodlett
Kitty Simpson	SRA Associates of Sebastopol

For Schromm and Associates:

Richard A. Schromm	Michael Keebler
Jack M. Weinstein	Cynthia LeBlanc
Michael Acosta	Jack Phar
Bernice Hardee	

For CCMAC:

Larry E. Frase, Ed.D.	Audrey Hains, Ed.D.
Judy Birmingham, Ed.D.	Jacqueline K. Mitchell, Ph.D.
Marry Herring	George Romero, Ed.D.
James A. Scott, Ph.D.	Zollie Stevenson, Ed.D.
Eustace G. Thompson, Ph.D.	William Streshly, Ph.D.
Fernando Elizondo, Ed.D.	Sue Greene
Ginny Boris	Chris Van Zee, Ed.D.
Joseph R. Busch	

For SSC:

Christy White, CPA	Curt Pollock
Ken Hall	Jeff Twomey, CPA
Ron Bennett	

For MGT:

Fred Forrer	John Warren
Dodds Cromwell, A.I.A.	Dr. Ed Humble
Dr. Vicki Delorey	Denis Curry
Dave Page, CPA	

EXECUTIVE SUMMARY

FCMAT's assessments of the Oakland Unified School District indicate the district is having great difficulty in meeting basic legal and professional standards. While there are some standards reflecting full implementation, the majority of the standards will require considerable attention.

The Oakland Unified School District Board of Directors and administrators must address the findings and recommendations provided in this report in a manner that is systemic and thorough. This report lists numerous findings and recommendations, however the prioritization and redirecting of resources to address these is the first order of business. In addition, there are several broad policy issues and common themes represented within each of the five areas, as supported by findings in those areas, that are addressed in this summary. These broader issues and themes are intended to provide a more holistic view of a flawed operational philosophy of board and administration that has further exacerbated the ineffective functioning of the district. Specifically, the district must address the following broad issues within the context of each of the five operational areas.

1. Create and adopt a philosophy of a service based organization.

The central office is not providing adequate service either to the school sites or the general community. Structures do not exist nor has there been an administrative philosophy that puts the needs of students, parents, staff and the general community at the core of organizational functions. As a result, staff tend to feel disenfranchised, parents feel unwelcome and students often feel ignored.

2. Review organizational directions related to site/school based management.

The district currently does not have the appropriate central administrative structures in place to successfully implement site based management. As a result, the program is operationally inconsistent, ill defined and poorly monitored. Until some of the more basic organizational processes are in place and sustained, the implementation of this initiative will struggle and diffuse the resources of the district.

3. Create a communication strategy that provides accurate and reliable information in a timely manner and is accessible to all persons.

The impact of the lack of effective communication cannot be overemphasized. This single area negatively affects all areas of district operations. As a result, the district operates on rumor, bad information or simply no information at all. Lacking an effective communications system, the public will continue to perceive that the district is in a constant state of crisis management.

4. Adopt a central administrative structure that has the ability to meet the specific needs of school sites.

The level of disconnection that is felt between the central administration and the school site is significant. Principals feel unsupported and out of the communication and decision making loop. The process of supervision and evaluation is lax, and therefore accountability, school oversight and assistance is not a focus of the organization.

5. Discipline the organization to focus all of its resources carefully on the primary mission of meeting the educational needs of all children.

The district currently attempts to maintain far too many initiatives, programs, plans and unrelated goals which have the combined result of diluting the organization's progress. The district must focus on fewer things and attempt to implement them with a higher level of commitment and quality.

6. Review the practice of electing directors from narrowly defined, community-based populations.

There is a need in the district for the Board of Directors to operate as a single governance unit free from the influence of special interest, local community politics and initiatives that do not serve all students. This is difficult when each director is accountable only to a small percentage of the voting public.

7. Create an aggressive staff development program for principals and implement an evaluation system that demands high expectations and requires site level accountability for improving student achievement.

The most significant gains in the district will be realized only when the needs and support of site principals become a significant focus of the district. They must be expertly trained, provided every necessary resource to fulfill their responsibilities, scrupulously supervised and evaluated, and held accountable for student performance.

8. Adopt criteria for student performance and achievement as the indicator for the success of the district.

In the final analysis, the system must meet the needs of students in order to be successful. The district lacks any specific criteria that would establish reasonable targets for student gains. Lacking this, the district will continue to find it difficult to monitor its own progress and success.

In an implementation scale FCMAT developed to measure each of the legal and professional standards in the five functional areas — with 10 being the highest score and zero the lowest — Oakland Unified School District has earned an overall average score of 4.23. In order to facilitate more effective implementation of the recovery plan, FCMAT also recommends the following short term interventions:

- Create Effectiveness Teams. These teams would operate as a support and networking unit for each of the five categories. This concept enlarges the resources for the staff and educational community of the Oakland Unified School District.
- Hire an Implementation Plan Facilitator. This facilitator would work hand-in-hand with the Board of Directors, administrators, staff, and other interested stakeholders in the implementation of the various recommendations.

Principal Findings

The full report includes a complete list of the various findings and recommendations for the recovery of the Oakland Unified School District. Each finding and recommendation addresses the professional and legal standards previously identified in the assessment process. The following is a summary of the general findings and recommendations that are presented in detail by study area in Section Two of this report.

The assessment represents data collection and analysis at a specific point in time. The assessment team began work in October 1999 and concluded in December 1999. The formal report is scheduled for publication and presentation in January 2000. The district has been addressing some preliminary findings reported during the course of the audit and is benefiting by ongoing feedback from the audit providers.

Assembly Bill 1115 required FCMAT to examine five major functional areas of school district operation and to develop specific recommendations and performance milestones. The assessment has verified the interrelationship between the five areas and their importance to student learning. This section provides the reader with a brief summary of each of the five major areas.

Community Relations

Whereas community relations are the shared responsibilities of a variety of district and community groups, it is the Board of Directors who have the ultimate responsibility for setting a positive tone within the organization. The board's setting of policies, employment of the superintendent and deployment of resources most often lay the foundation for effective governance and positive community relations.

The need for the district to prioritize and focus is an overriding theme of the community relations section. Improvement in the district's internal and external communications is essential in order to mitigate negative consequences on staff performance and morale. A cohesive communication strategy should address issues related to presenting a consistent message on behalf of the district and Board of Directors, improving the quality of media relations, and using other means in addition to the media to communicate directly with the public. The need for effective communications extends to implementing appropriate procedures for handling complaints against the district and its employees and focusing the Board of Directors on issues that impact student learning while delegating as much other business as possible to the superintendent and district staff.

Factors influencing the findings and recommendations in this section of the report address board and governance practices not being perceived as representative of the entire community and all students. Community dissatisfaction and unrest, administrative instability, facility maintenance and safety concerns, inadequate board policies in the areas of curriculum, personnel, fiscal and facility management provide evidence of a need for strengthened leadership and more effective communication.

Community Relations focused on communication, board policy, district management practices and community collaboration. The review of community relations included the evaluation of specific assessment elements. Of the 51 assessment elements:

- 2 were fully implemented-sustained
- 8 were fully implemented-substantial
- 39 were partially implemented
- 2 were not implemented

The average rating of the assessment standards for this study area was 4.88 on a scale of 10, with 10 the highest score possible. The average rating for standards in this study area was above the 4.23 average for the five study areas included in the report. (See Figure 1 at the end of this section.)

Personnel Management

Historically, the evaluation of personnel at all levels has not been a district priority. Thus, it is difficult if not impossible, to hold staff accountable. A focused systemic approach to assessment and evaluation addresses apathy, indifference and lack of progress. An evaluation system based on clearly defined standards of expectations is paramount to improved student performance and accountability. The Oakland Unified School District Board of Directors must hold itself and its administration responsible for establishing a comprehensive evaluation system at all levels. Failure to implement the community's expectations, legal and professional standards, and the board's goals cannot be rewarded with job security.

Over a number of years, the Human Relations Division has allowed poor management practices and inadequate services to develop. Previous audit (1993) recommendations provided to the district were never implemented. The district currently is open to legal exposure under state and federal regulations in many of the areas examined. Staff members have not been trained consistently to adhere to properly administered human resources procedures. The study team found that many individuals at the time of the audit were still

learning their positions and have not completed a full year cycle in their new responsibilities. This was due to staff reduction recommendations implemented in response to previous personnel reviews.

Due to the changes in the Human Resources Division in both staff and direction, the auditors found numerous standards of professional performance that require substantial improvement. A large number of legal standards are not addressed. Personnel documentation lacks updates, and there is little evidence that updated policies are distributed. The district does not have updated Board Policies and Administrative Bulletins. These deficiencies need immediate attention.

Personnel Management focused on board policies, district practices, staff development and evaluation. The review of the personnel management included the assessment of 104 specific elements. Of the 104 assessment elements:

- 7 were fully implemented-sustained
- 5 were fully implemented-substantial
- 73 were partially implemented
- 19 were not implemented

The average rating of the assessment standards for this study area was 4.09 on a scale of 10, with 10 the highest score possible. The average rating for standards in this study area was below the 4.23 average for the five study areas included in the report. (See Figure 2 at the end of this section.)

Pupil Achievement

The policies of the Board of Directors of the Oakland Unified School District were found by the auditors to be inadequate to provide a framework to guide the curriculum design and delivery and to ensure that the adopted curriculum is adequate and being implemented effectively. Many policies were dated, reflecting a last revision date of 10 years ago.

Auditors found job descriptions to be outdated and of poor quality. Discrepancies between the job descriptions and the organizational chart were apparent. As such, the job descriptions were inadequate to guide curriculum design and delivery.

Over the years, changes in district leadership and philosophy and changes in the curriculum department have negatively affected the continuity and cohesiveness of curriculum development, implementation, and assessment. Curriculum guides are not available for all subjects and courses taught. All of the current guides were judged to be inadequate in basic design components. The lack of guides and the minimal direction provided by the existing guides contribute to inconsistency in curriculum delivery from classroom to classroom, across grade levels, and among schools.

In general, K-12 articulation and coordination in curriculum and program delivery are either missing or deficient. Auditors also found several inequities and inequalities that preclude all students getting the tools necessary for their academic success. Retentions in grade and suspensions/expulsions records reflect disproportionate representation of African Americans. Dropout rates are higher than the statewide average. Auditors found wide disparities among financial resources spent at the school level.

The placement of teachers with emergency credentials was found most prevalent in schools with the highest percentages of economically disadvantaged children. While there are contractual issues that may contribute to this finding, site leadership at the principal-level also affects the placement of teachers. The auditors found that the district's salaries were not sufficient to attract and retain new teachers.

Pupil achievement in the district requires focused attention. Student achievement is uniformly lower than state and national averages. At present, written curriculum and the scope of student assessment is inadequate to direct instruction. More specifically, no effective structures exist to utilize student assessment data in program review, evaluation and improvement. As a result, the necessary alignment between the written, taught and tested curriculum is insufficient to ensure a quality and effective educational experience for all children.

The review of pupil achievement in the Oakland Unified School District included the assessment of 38 specific elements. Of the 38 assessment elements:

- 3 were fully implemented-sustained
- 3 were fully implemented-substantial
- 18 were partially implemented
- 14 were not implemented

The average rating of the assessment standards for this study area was 2.58 on a scale of 10, with 10 the highest score possible. The average rating for standards in this study area was below the 4.23 average for the five study areas included in the report. (See Figure 3 at the end of this section.)

Financial Management

Financial Management focused on the consistent, accurate, and effective management of the district's resources. There are serious concerns regarding the future stability of the district. The Alameda County Office of Education recently issued a qualified certification of the district for its first interim fiscal report. This certification represents the county's uncertainty in regard to the district's ability to meet financial obligations for the current and two subsequent school years.

A recent State Controller's Audit of mandated cost claims (collective bargaining) reflects a potential payback of disputed claims of \$2.7 million for the previous two fiscal years. Payback requirements for inaccurate mandated cost claims could also exist for the current 1999-00 fiscal year. The district could expect additional Controller's audits for items including other mandated cost claims, voluntary integration programs, and average daily attendance (ADA).

The recent departure of the Deputy Superintendent, Administrative Services, and the upcoming departure of the Associate Superintendent, Business Services, create additional uncertainty for the district. The departure of the two highest ranking fiscal administrators in the district will have an adverse effect on the consistent, accurate and effective management of the district's resources. The number of individuals with the required expertise for these positions is limited, and the district must begin its search for replacements immediately.

The decline in enrollment needs to be monitored very carefully to determine the reasons for this decline and the impact on the current and future budgets. The 94 percent attendance rate seems high for the Oakland Unified School District and poses the question of whether the district could sustain an ADA audit. A self audit regarding the 94 percent attendance rate is merited and necessary.

Inter and intra departmental communications are of particular concern. Specific problems are noted in budget development and monitoring communications, and payroll and personnel interactions.

The district lacks any formal internal audit function and does not have an audit committee. The budget development model is primarily a rollover of prior allocations, and the budget worksheets provided for use by site and department administrators are not consistently used.

The district had great difficulty closing records for the 1998-99 fiscal year missing the Alameda County Office of Education's filing deadlines. There were also large unexpected increases in program costs that have placed the district in an unexpectedly tight fiscal position in the 1999-00 school year. There were many internal control problems observed in the accounting for student funds. These included lack of controls over cash handling and inventory.

The district ended the 1998-99 school year with over expenditures in the budget that significantly reduced the district's available reserve balance. District multi-year financial projections are not prepared with specificity and do not include current and two subsequent years in the analysis. Independent multi-year financial projections reflect significant deficit spending and a budget that cannot meet its reserve for economic uncertainty without significant budget cuts or revenue enhancements. At the current time, the district's future financial solvency is in serious question.

The level and rate of special education encroachment on the general fund is serious. The district's first interim fiscal report reflects an excess program cost to the general fund of \$11.7 million. It also reflects an excess program cost to the general fund of \$1.1 million for special education transportation. These total an estimated encroachment to the general fund of \$12.8 million. Encroachment in this area needs to be addressed immediately, and a program audit should be conducted to further determine whether program delivery and pupil identification methods can be modified.

Financial Management focused on the consistent, accurate, and effective management of the district's resources in order to improve curriculum offerings. The review of the financial management in the Oakland Unified School District included the assessment of 90 specific elements. Of these assessment elements:

- 0 were fully implemented-sustained.
- 17 were fully implemented-substantial
- 53 were partially implemented
- 20 were not implemented

The average rating of the assessment standards for this study area was 3.99 on a scale of 10, with 10 the highest score possible. The average rating for standards in this study area was below the 4.23 average for the five study areas included in the report. (See Figure 4 at the end of this section.)

Facilities Management

Prior to this formal comprehensive audit, FCMAT conducted a safety audit of the Oakland Unified School District during the Summer and Fall of 1999. The *Get on The Bus Tour* included hundreds of parents, community members and city and county political leaders. This preliminary review identified a significant number of safety concerns at school sites throughout the district. It was clear to those who participated in the safety audit that the Oakland Unified School District had ignored its basic infrastructure. In terms of the learning environment, it was also clear to the tour participants, that teachers cannot teach and students cannot learn in unsafe and unhealthy facilities.

Of all the findings and recommendations, those relating to the safety of the Oakland Unified School District staff and students must receive the highest priority. In this regard, attention to the deteriorated infrastructure and obvious safety issues must be addressed immediately.

Several departments share responsibility for school safety; these include safety and loss control, environmental health, police, buildings and grounds and custodial. To ensure the efforts of each department are coordinated, the Safety and Loss Control Officer should be given the overall responsibility for coordinating and monitoring compliance with the safety plans developed for the district.

The district has undertaken numerous modernization projects, and this has led to some unsafe conditions which need to be rectified. The district should take steps to ensure that all fire and intruder alarm systems are fully operational, and a documented process for key control needs to be put in place and enforced. In addition, adequate exterior lighting should be installed on all campuses. The district should implement a safety program which incorporates regular inspections, training, and documentation. All district facilities should be regularly inspected and the results should be reported to the Superintendent, who should take prompt corrective action as needed. All district personnel using hazardous materials should be appropriately trained in their use as well as potential hazards and shelf life of such materials. Appropriate records should be maintained and possible hazards should be appropriately communicated to employees using such materials.

Over the past year, the district has increased significantly its facility planning process through the addition of a planning director with the prime responsibility of conducting a district wide facilities master planning process. This decision to initiate a long-range facilities master plan is consistent with best practices and FCMAT standards. The district should be commended for its attention to this important aspect of facilities planning and management, particularly since it was a district goal and not externally mandated.

The process of developing the master plan has not, however, included an educational suitability analysis, a space utilization study, a technology readiness assessment or a thorough analysis of school capacity. These aspects should be implemented as a continuation of master planning activities. In addition, the district should form a standing facilities committee to assist with the ongoing process of facility planning.

The district has undertaken a considerable number of facilities improvement and modernization projects since 1996-97. Unfortunately, the organizational resources necessary to plan and coordinate those projects either were not in place or were implemented in a reactionary mode. The department recently has been without a director. This lack of leadership has emphasized problems in coordination within the department and with other departments. While the staff is dedicated, there are no standardized procedures or reporting methods to ensure the department as a whole is working as a team. The lack of leadership and standard procedures mentioned above in relation to Facilities Improvement and Modernization also negatively affect project construction. In addition, administrative procedures enforced on the staff by board requirements, negatively affect the efficiency of the program managers.

While space is provided at each school site for the Special Education programs, these spaces, in general, are not acceptable. Overall, Special Education facilities are not adequate or appropriate for the programs they house in terms of size, location, ventilation, windows, entrance and egress. When compared with the regular education facilities and taking into account those facilities' deficits, the Special Education spaces are not equitable. Special Education typically is relegated to the least desirable spaces at most schools. It is strongly recommended that an assessment of Special Education facilities be conducted, the needs prioritized, a computerized record of the district's Special Education facilities developed, and that a plan for Special Education facilities be written, included in the Master Plan and implemented.

Class Size Reduction (CSR) has been fully implemented in grades K-3 for four years, and is in its first full year of implementation in grade nine. Spaces have been provided for CSR classes with the majority of

teaching stations meeting the space requirement of 960 square feet. However, inadequate facilities have been pressed into service to accommodate CSR classes' needs. Portables, stages, music rooms, lunchrooms and other nonteaching station spaces continue to serve as classrooms. The district is developing a policy or goal regarding the provision of permanent facilities for CSR classes and taking it to the board for approval. It is strongly recommended that a plan for permanent CSR facilities be developed, included in the Master Plan and implemented.

The condition of the district's schools reflect a poor maintenance and custodial program. The maintenance and custodial departments do not have a "customer service" attitude and this is exacerbated by a lack of accountability measures for the staff. The district is heavily unionized and the unions have a strong influence over the attitudes of the workers.

The most positive element of the facilities maintenance function is the energy management program. The program has essentially relied on private contractors, and while there have been some problems, the overall result has been a considerable savings for the district. The district may want to consider outsourcing other maintenance and operations services.

The lunch areas, bathroom facilities, heating and ventilation, and lighting and electrical service were areas with varying, and often significant, needs for attention. In each case, it has been strongly recommended that specific individuals assure that assessments of these facilities factors are conducted, the needs prioritized and programs established and implemented to address deficiencies.

All of these facility areas affect the overall environment for quality teaching and learning throughout the district. The district does not have a written plan ensuring equality and equity of facilities districtwide. It is strongly recommended that an individual be identified to assure that modernization needs be prioritized across the district in terms of equality and equity and implemented accordingly.

As there are no formally established standards regarding facility cleanliness, and the shortest maintenance response time formally established is 30 working days, the district is unable to provide clear and comprehensive communication to staff of its standards and plans. Therefore, it is recommended that custodial cleanliness standards and progressive maintenance response times be established, responsibility for oversight be assigned to the director of each area and the standards and/or schedules implemented.

The review of the facilities and safety conditions in the Oakland Unified School District included the assessment of 96 specific assessment elements. Of the elements:

- 20 were fully implemented-sustained
- 8 were fully implemented-substantial
- 61 were partially implemented
- 7 were not implemented

The average rating of the assessment standards for this study area was 4.94 on a scale of 10, with 10 the highest score possible. The average rating for standards in this study area was above the 4.23 average for the five study areas included in the report. (See Figure 5 at the end of this section.)

IMPLEMENTATION PLAN

FCMAT, through the development of this implementation plan, embraces the value generated through the development of a cooperative partnership. This implementation plan is multifaceted, focusing on district recovery and enhanced pupil achievement.

The FCMAT report provides the district and its partners with a comprehensive list of the standards and recommendations by which progress will be measured. The recommendations provide clarity as to the expected outcomes. The district is not expected nor could it implement all recommendations simultaneously. For success in the implementation phase, the district must focus its energies on those limited areas that require immediate attention. To do otherwise will seriously compromise the future efficacy of the organization. To assist with implementation, FCMAT has selected standards in each major category on which the district could focus during the first six-month period. The district also is encouraged to identify standards for focus during the same time.

At the end of the six-month period, progress needs to be measured by an outside independent and external entity. This process will allow the district to be fully aware of those standards being measured and provide clarity related to the outcomes being sought and the expectation being set.

Every effort has been made to brief the district Board of Directors, superintendent, and staff on the findings of the audit. Due to time constraints, however, there has not been an opportunity for an in-depth review. FCMAT will continue to work with the district, and any questions of fact by the district will be reviewed and addressed in subsequent meetings and correspondence.

Standards Selected for the First Implementation Period

FCMAT has selected standards in every major category to focus on during the next six-month period. This pre selection will assist with clarity and focus as the district moves to recovery. The district is not limited to the pre-selected standards and may address additional standards as well. However, the pre selection does provide focus and direction. This process also provides for a prioritization regarding the numerous standards needing immediate attention.

The standards selected represent various levels of difficulty. It is expected that some standards will be met relatively quickly, while others may take the full six months to address. Some standards selected may require longer than the six month period to fully address, but they are of such importance that attention to the standard needs to occur during the first implementation period. Because of the interrelationship between the standards, progress in one standard may address other related standards and its recovery steps. Anticipated progress for each standard is at least two (2) scale points, depending on the difficulty of the recovery steps. The tables on the following pages list these selected standards for each of the five areas.

Community Relations	
Standard to be addressed	Score
1.1 – Decisions and other information are effectively communicated throughout the system in a timely manner.	2
1.3 – The board has a proactive communications and media relations plan.	3
1.5 – Media contacts and spokespersons who have the authority to speak on behalf of the district have been identified.	0
2.4 – Charges or complaints against any employee will be addressed in a timely manner.	1
3.1 – The board supports partnerships with community groups, local agencies and businesses.	5
3.2 – Community collaboratives and advisory councils led by the district all have identified specific outcome goals that are understood by all members.	4
3.3 – The membership of community collaboratives and advisory councils led by the district reflects the full cultural, ethnic, gender and socioeconomic diversity of the student population.	1
3.6 – Community collaboratives and advisory councils led by the district effectively fulfill their responsibilities.	4
4.2 – Policies and administrative regulations are up to date and reflect current law and local needs.	2
4.3 – The board has adopted all policies mandated by state and federal law.	4
4.6 – The district has established a system of securing citizen input in policy development and district operation.	2
5.4 – Functional working relations are maintained among board members.	5
5.9 – Board members respect confidentiality of information by the administration.	6
5.11 – No individual board member attempts to exercise any administrative responsibility.	1
5.13 – The board acts for the community and in the interests of all students in the district.	4

Personnel Management	
Standard to be addressed	Score
3.7 – A summary or evaluation of the results of the year's recruitment efforts is provided in written form.	0
3.10 – The district appropriately monitors teacher assignments and reports as required under Education Code 44258.9.	0
6.3 – The Human Resources Division has an operations procedures manual for internal department use in order to establish consistent application of personnel actions.	0
6.11 – Established staffing formulas dictate the assignment of personnel to the various sites and programs.	7
7.5 – All certificated persons hold one or more valid certificates, credentials or life diplomas that allow the holder to engage in the school services designed in the document.	3
7.11 – The district is in compliance with the Consolidated Omnibus Budget Reconciliation Act of 1986.	5
7.12 – The district is in compliance with the Family and Medical Leave Act, including posting the proper notifications.	2
7.13 – The district is in compliance with the Americans with Disabilities Act of 1990 in application procedures, hiring, advancement or discharge, compensation, job training and other items, conditions and privileges of employment.	4
7.14 – The district has identified exempt and nonexempt employees and has promulgated rules and regulations for overtime, which are in compliance with the Fair Labor Standards Act and California statutes.	3
8.1 – An online position control system is utilized and is integrated with the payroll/financial systems.	0
8.4 – The Human Resources Division has in place a program of providing funds and time for staff training and skill development in the use of computers.	0
8.5 – The Human Resources Division utilizes the latest technology to provide staff and clients with improved communication (i.e., voice mail, fax, and e-mail).	4
10.1 – The Human Resources Division provides a process for the monitoring of employee evaluations and the accountability reporting of their completion.	0
10.4 – The evaluation process is a regular function related to each employee involving criteria related to the position.	2
10.7 – The Human Resources Division has developed a process for providing assistance to marginal employees (remediation).	0

Pupil Achievement	
Standard to be addressed	Score
1.1 – The district through its adopted policy provides a clear operational framework for management of the curriculum.	2
1.2 – The district has clear and valid objectives for students, including the core curriculum content.	2
1.3 – The district directs its resources fairly and consistently to accomplish its objectives.	0
1.4 – The district has adopted multiple assessment tools, including diagnostic assessments, to evaluate, improve, or adjust programs and resources.	2
1.5 – Expectations and a practice exist to improve the preparation of students and to build school structure with the capacity to serve all students.	0
1.7 – Staff development provides staff with the knowledge and the skills to improve instruction and the curriculum.	2
1.8 – Staff development demonstrates a clear understanding of purpose, written goals, and appropriate evaluations.	1
1.9 – Evaluations provide constructive feedback for improving job performance.	0
1.12 – The standards developed by the California Standards for the Teaching Profession are present and supported.	1
1.13 – Teachers modify and adjust instructional plans according to student needs and success.	0
1.14 – Challenging learning goals and instructional plans and programs for all students are evident.	0
1.17 – Goals and grade-level performance standards based on a common vision are present.	0
1.21 – Professional development is linked to personnel evaluation.	0
1.25 – The district will ensure that all instructional materials are accessible to all students.	5
1.26 – The district has adopted a plan for integrating technology into the curriculum.	2

Financial Management	
Standard to be addressed	Score
1.3 – The attitude of the governing board and key administrators has a significant affect on an organization’s internal control. An appropriate attitude should balance the programmatic and staff needs with fiscal realities in a manner that is neither too optimistic nor too pessimistic.	3
2.4 – The District should have formal policies and procedures that provide a mechanism for individuals to report illegal acts, establish to whom illegal acts should be reported and provide a formal investigative process.	0
4.2 – Qualified staff should be assigned to conduct internal audits and be supervised by an independent body, such as an audit committee.	0
5.6 – The district must have an ability to accurately reflect its net ending balance throughout the budget monitoring process. The first and second interim reports should provide valid updates of the district’s net ending balance. The district should have tools and processes that ensure that there is an early warning of any discrepancies between the budget projections and actual revenues or expenditures.	0
6.1 – The budget office should have a technical process to build the preliminary budget that includes: the forecast of revenues, the verification and projection of expenditures, the identification of known carryovers and accruals, and the inclusion expenditure plans. The process should clearly identify one-time sources and uses of funds. Reasonable average daily attendance and cost of living adjustment estimates should be used when planning and budgeting. This process should be applied to all funds.	3
7.3 – The district should have procedures that provide for the development and submission of a district budget that adheres to criteria and standards and is approvable by the Alameda County Office of Education.	7
8.1 – All purchase orders are properly encumbered against the budget until payment.	0
11.1 – An accurate record of daily enrollment and attendance is maintained at the site and reconciled monthly.	4
12.4 – The district’s payroll procedures should be in compliance with the requirements established by the Alameda County Office of Education, unless fiscally independent. Standard accounting practice dictates that the district implement procedures to ensure the timely and accurate processing of payroll.	3

Financial Management	
Standard to be addressed (continued)	Score
<p>16.1 – The governing board must ensure that any guideline that they develop for collective bargaining is fiscally aligned with the instructional and fiscal goals on a multi-year basis. The superintendent must ensure that the district has a formal process where collective bargaining multi-year costs are identified to the governing board and those expenditure changes are identified and implemented as necessary prior to any imposition of new collective bargaining obligations. The governing board must ensure that there is a validation of the costs and the projected district revenues and expenditures on a multi year basis so that the fiscal issues faced by the district are not strained further due to bargaining settlements. The public should be informed about budget reductions that will be required for a bargaining agreement prior to any contract acceptance by the governing board. The public should be given advance notice of the provisions of the final proposed bargaining settlement and be given an opportunity to comment.</p>	2
<p>17.3 – Automated systems should be used to improve accuracy, timeliness, and efficiency of financial and reporting systems. Needs assessments should be performed to determine what systems are candidates for automation, whether standard hardware and software systems are available to meet the need, and whether or not the District would benefit. Automated financial systems should provide accurate, timely, relevant information and should conform to all accounting standards. The systems should also be designed to serve all of the various users inside and outside the District. Employees should receive appropriate training and supervision in the operation of the systems. Appropriate internal controls should be instituted and reviewed periodically.</p>	5
<p>18.4 – The maintenance department should follow standard district purchasing protocols. Open purchase orders may be used if controlled by limiting the employees authorized to make the purchase and the amount.</p>	0
<p>18.8 – The district should adhere to bid and force account requirements found in the Public Contract Code (Sections 20111 and 20114).</p>	0
<p>21.1 – The district should have procedures that provide for the appropriate oversight and management of mandated cost claim reimbursement filing. Appropriate procedures would cover the identification of new mandates for which the district might be eligible for reimbursement; identification of changes to existing mandates; training staff regarding the appropriate collection and submission of data to support the filing of mandated costs claims; forms, formats, and timelines for reporting mandated cost information; and, review of data and preparation of the actual claims.</p>	2
<p>22.1 – The district should actively take measures to contain the cost of special education services while still providing an appropriate level of quality instructional and pupil services to special education pupils.</p>	0

Facilities Management	
Standard to be addressed	Score
1.2 – The district includes the appropriate security devices in the design of new buildings as well as in modernized buildings.	1
1.3 – Demonstrate that a plan of security has been developed which includes adequate measures of safety and protection of people and property.	3
1.4 – To ensure that the custodial and maintenance staff are regularly informed of restrictions pertaining to the storage and disposal of flammable or toxic materials.	0
1.9 – Each public agency is required to have on file a written plan describing procedures to be employed in case of emergency.	5
1.11 – Maintenance/custodial personnel have knowledge of chemical compounds used in school programs that include the potential hazards and shelf life.	0
1.12 – Building examinations are performed, and required actions are taken by the governing board upon report of unsafe conditions.	2
1.14 – Sanitary, neat and clean conditions of the school premises exist and the premises are free from conditions that would create a fire hazard.	1
3.6 – The district has established and maintains a system for tracking the progress of individual projects.	1
3.10 – The district maintains a plan for the maintenance and modernization of its facilities.	1
3.12 – The district actively manages the deferred maintenance projects. The district should review the five-year deferred maintenance plan annually to remove any completed projects and include any newly eligible projects. The district should also verify that the expenses performed during the year were included in the State approved five-year deferred maintenance plan.	1
4.1 – The district maintains an appropriate structure for the effective management of its construction projects.	1
6.3 – The district provides facilities for its Special Education programs that provide appropriate learning environments in relation to educational program needs.	2

Facilities Management	
Standard to be addressed	Score
8.6a – Procedures are in place for evaluating the work quality of custodial staff. The quality of the work performed by the custodial staff should be evaluated on a regular basis using a board adopted procedure, which delineates the areas of evaluation and the types of work to be evaluated.	1
8.6b – Procedures are in place for evaluating the work quality of maintenance staff. The quality of the work performed by the maintenance staff should be evaluated on a regular basis using a board adopted procedure, which delineates the areas of evaluation and the types of work to be evaluated.	2
9.7 – All schools shall have adequate heating and ventilation.	1

