

Roosevelt Elementary School District

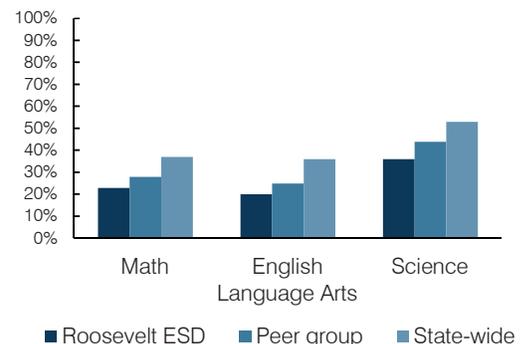
CONCLUSION: In fiscal year 2016, Roosevelt Elementary School District's student achievement was slightly lower than peer districts', and the District operated with higher costs in all noninstructional areas. Specifically, the District's per pupil administrative costs were much higher than the peer districts' average primarily because of higher staffing. In addition, the District needs to strengthen its accounting and computer controls. The District's plant operations costs were much higher than the peer districts' averages primarily because of higher staffing and because it operated many of its schools below their designed capacities. The District also needs to improve oversight of its facility rentals. Further, the District's transportation program's efficiency could not be measured because the District lacked sufficient records supporting the number of miles driven and riders transported on its buses, but its per pupil transportation costs were higher than peer districts', indicating that the program may have been less than efficient. Finally, the District levied \$13.5 million in local property taxes and spent these monies for what it classified as desegregation activities. However, it could not demonstrate that these monies addressed its past violations because it did not have a desegregation plan nor did it operate any specific desegregation programs.

Slightly lower student achievement and higher costs in all areas

Student achievement slightly lower than the peer districts'—In fiscal year 2016, Roosevelt ESD's student test scores were similar to the peer districts' average in Math and slightly lower in English Language Arts and Science.

Costs higher in all operational areas—In fiscal year 2016, Roosevelt ESD's per pupil administrative costs and plant operations cost per square foot were much higher than peer districts', on average, primarily because of higher staffing in each area. Additionally, the District operated many of its schools far below their designed capacities. Its food service costs were higher than the peer districts' averages, but the District has taken steps to reduce its costs. The District's transportation program's efficiency could not be measured because of insufficient records, but its per pupil transportation costs were higher than peer districts', indicating that the program may have been less than efficient. To the District's credit, it began implementing changes in fiscal year 2017 that reduced some costs, but the District likely needs to do more to improve efficiency in its noninstructional areas.

Percentage of students who passed state assessments
 Fiscal year 2016



District had much higher administrative costs and needs to strengthen computer controls

Much higher administrative costs—In fiscal year 2016, Roosevelt ESD's per pupil administrative costs were 44 percent higher than the peer districts' average primarily because it had higher administrative staffing. Specifically, the District employed more principals and assistant principals than peer districts. In fiscal year 2017, the District eliminated 13 assistant principal positions, saving the District more than \$950,000. However, even with the reduction in school administrative staff, the District's administrative costs would still have been higher than the fiscal year 2016 peer districts' average.

Comparison of per pupil expenditures by operational area
 Fiscal year 2016

	Roosevelt ESD	Peer group average
Administration	\$1,043	\$724
Plant operations	1,340	772
Food service	737	545
Transportation	370	289

Poor accounting and computer controls—In fiscal year 2016, the District did not require hourly employees to report the actual hours they worked but instead estimated hours worked based on employees' contracts. Additionally, the District lacked adequate password requirements and procedures for removing terminated employees' access; some accounting system users had more access than they needed to perform their job duties; one of its network-connected servers was using an outdated operating system; and its information technology contingency plan was incomplete.

Recommendation

The District should reduce administrative costs and strengthen accounting and computer controls.

Improvements needed to lower plant costs, increase capacity utilization, and strengthen oversight of facility rentals

Much higher plant operations costs—In fiscal year 2016, Roosevelt ESD's plant operations costs were much higher than the peer districts' average primarily because of higher plant staffing. Had the District staffed similarly to peer districts' averages, it would have employed 23 percent fewer plant employees. Additionally, many of the District's schools operated below their designed capacities, contributing to the District's higher per pupil plant costs. In fiscal year 2016, the District operated its schools at only 74 percent of their total designed capacity. We observed many classrooms that were either empty or being used unnecessarily for other purposes such as storage.

Insufficient oversight of facility rentals—Roosevelt ESD rents space to several organizations at its two previously closed schools, but the District did not exercise sufficient oversight of the rentals. Specifically, the District operated the rentals under outdated contracts, and its rental-payment-tracking spreadsheet was out of date, making it difficult to determine if all payments had been received. Based on our analysis of an 8-month period in fiscal year 2017, it appears likely that the District did not receive at least \$3,700 in rental payments that it should have. Additionally, the District's rental fees had not been reviewed in many years and appeared to be low.

Recommendation

The District should reduce plant operations costs and improve controls and oversight of its facility rentals.

District should improve controls over transportation program

The District did not have adequate supporting records for the number of miles driven or number of students transported on its buses, which prevented us from calculating efficiency measures, such as cost per mile, cost per rider, or bus capacity usage, needed to evaluate the efficiency of the transportation program. Additionally, the District did not follow its own bus preventative maintenance schedule, and 33 of its 44 inspected buses failed a 2016 Department of Public Safety inspection.

Recommendation

The District should maintain records supporting the miles driven and eligible students transported, and ensure that bus preventative maintenance is conducted in a systematic and timely manner.

District levied and spent \$13.5 million that it classified as desegregation activities with no formal plan or programs to address violations

In fiscal year 2016, Roosevelt ESD levied \$13.5 million in local property taxes and spent these monies for what it classified as desegregation activities. However, the District could not demonstrate that these monies addressed its past violations because it did not have a desegregation plan or operate any specific desegregation programs.

Recommendation

The District should determine what, if any, activities are needed to be in compliance with its administrative agreements, create a desegregation plan based on any needed activities, adjust its desegregation tax levy to support only these activities, and ensure that its desegregation monies are used only to directly support these activities.