

Rudolph F. Crew, Ed.D., Superintendent of Schools

SUBJECT: REQUEST FOR APPROVAL OF SUPERINTENDENT'S REALIGNMENT, RESTRUCTURING, REORGANIZATION, AND REDUCTION-IN-FORCE OF SELECT DISTRICT POSITIONS

COMMITTEE: BOARD WORKSHOP – OCTOBER 20, 2004

1. RECEIVE THE AUDITED STRATEGIC ASSESSMENT OF DISTRICT POSITIONS
2. APPROVE SUPERINTENDENT'S REALIGNMENT OF STAFF, RESTRUCTURING AND REORGANIZATION OF SELECT DISTRICT POSITIONS IN ACCORDANCE WITH DISTRICT AND BUDGET PRIORITIES
3. DELETE MANAGERIAL EXEMPT POSITIONS
4. APPOINT AND ASSIGN ADMINISTRATIVE PERSONNEL
5. CHANGE OF TITLE
6. AUTHORIZE THE SUPERINTENDENT TO IMPLEMENT THE EMPLOYEES OUTPLACEMENT ASSISTANCE PLAN TO ALL IMPACTED EMPLOYEES
7. AUTHORIZE THE SUPERINTENDENT TO OFFER RE-EMPLOYMENT OPPORTUNITIES TO ALL IMPACTED EMPLOYEES TO THE EXTENT POSSIBLE
8. AUTHORIZE THE SUPERINTENDENT TO PROVIDE TERMINAL PAY TO ALL IMPACTED EMPLOYEES SEPARATING FROM EMPLOYMENT WITH M-DCPS AND NEGOTIATE, IF NECESSARY, MEMORANDA OF UNDERSTANDING (MOU) TO FACILITATE PROCESS
9. APPROVE A REDUCTION-IN-FORCE OR LAYOFF
10. ELIMINATE POSITIONS OCCASIONED BY THE REDUCTION-IN-FORCE OR LAYOFF, AND
11. AUTHORIZE THE SUPERINTENDENT TO MAKE MINOR PERSONNEL ADJUSTMENTS IN THE REALIGNMENT, RESTRUCTURING, REORGANIZATION, REDUCTION-IN-FORCE, AND SEPARATION PLAN, IF NECESSARY, AND REPORT IN WRITING TO THE BOARD

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Authorization of the Board is requested to approve the Superintendent's realignment, restructuring, reorganization and reduction-in-force of select District positions. In accordance with Florida Statute Sections 1001.42 and 1012.22, and School Board Rules 6Gx13- 4A-1.15, 6Gx13- 4D-1.022, 6Gx13- 4D-1.023 and the collective bargaining agreements, it is within the Superintendent's authority to recommend to the Board for approval, a realignment, restructuring, reorganization and reduction-in-force within the District.

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In August, the Superintendent presented three strategic priorities to the School Board – eliminating low-performing schools, raising achievement for all students in all schools, and improving business and construction practices. These strategic priorities were chosen because they lead to fulfilling the vision of a high-functioning, well-respected school system that equitably and resourcefully serves all children. Operationally, the organizational structure and budget must be aligned towards accomplishing the established goals. Both the organizational structure and budget must be viewed as the means by which the school system serves all children.

At the Board Meeting of September 8, 2004, the Superintendent presented a Board item (Revised A-3) that proposed a new approach for the development of the operating budget. It was indicated in the item that the Superintendent would direct staff to determine an effective but reduced structure of non-school services and departments which will then provide the services and controls required by State and Federal laws, as well as to incorporate necessary business and organizational practices. The Superintendent also indicated that it was likely that reduction-in-force procedures would be invoked and a recommended reorganization would be presented to the Board at its October meeting. Following Board approval of Revised A-3 on September 8, 2004, the Superintendent asked the members of his cabinet to begin re-examining the organization of non-school site departments and offices. Several factors render such a review particularly timely.

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FINANCIAL OUTLOOK FOR THE DISTRICT

The financial outlook for the district is uncertain at best. Continuing uncertainty around the Legislature's action to revise the District Cost Differential leave M-DCPS vulnerable to significant losses of state aid in the coming years. Although the District has entered into litigation about the current calculation of the District Cost Differential (DCD), the outcome of the suit will not be known until at least December. More importantly, the 2005 legislative session must be completed before it can be known whether use of the new calculation method for the DCD will prevail for the second year. If the new calculation method does indeed prevail, Miami-Dade stands to lose an estimated \$58.6 million for 2005-06 and upwards of \$102.7 million during 2006-07.

The impact of this year's record hurricane season on state tax collections and ultimately on state funding, at least for the short-term, cannot be determined, including its impact on the peak winter tourist season. While the district is adequately insured against windstorm loss with commercial insurance supplemented by FEMA, nonetheless, the impact of a hurricane on this community may precipitate major short-term expenditures. While our school system largely has escaped its calamitous impact, this year's historic hurricane season make abundantly clear the need for a sizeable contingency reserve to protect against the impact of natural disasters. For these reasons as well as the dictates of fiscal responsibility, it is essential that the District build its reserves in the Adopted Budget for the General Fund into the range of five percent (or over \$100 million) rather than the current \$40 million or less than two percent. Building that level of Contingency Reserve would also be viewed favorably by credit rating agencies and could serve to restore our financial outlook to stable

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or even result in an upgrade, which is imperative to restore the District's financial stability in order to gain public confidence and for the passage of a future bond referendum.

Education is fundamentally a person-to-person enterprise. M-DCPS must be prepared to continue to pay its teachers and other employees a competitive wage. We must scrutinize and analyze District resources and realign them so that they directly and effectively contribute to the mission of the District – providing and supporting the highest quality education for our diverse community of children and adult learners. Realigned resources will be utilized to strengthen the instructional and curriculum bases of the District with primary focus on literacy access across all grades, technology in the middle schools and preparation for the world of work at the secondary level.

STRATEGIC REASSESSMENT PROCESS

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The process by which senior staff members worked to reorganize and realign the central administration was sensible and equitable. This initial process was reviewed by the School Board Attorney's office and by the Labor Relations attorney. In addition, the Office of Human Resources reviewed the labor contract provisions. The starting point was a thorough examination of the functions performed by each department and office to determine what remains useful in helping students achieve and what can no longer be justified by its effectiveness. The next stage was to compare the personnel allocated to functions to assess if those resources were appropriate. Throughout the work, the needs of students and parents were kept at the forefront. It is important to note that the process was conducted in a standardized way from department to department and was pursued with a goal of transparency in mind. **No targets were prescribed for reductions in costs or in personnel, and only positions – not individual staff members – were considered in making decisions about functions or personnel allotments.**

The Office of Management and Compliance Audits reviewed and summarized the materials provided by the various Cabinet members. The objectives of this review were to determine whether:

- the process was fair and transparent;
- forms and corresponding data were provided by all participants in a consistent manner; and
- all participants provided verifiable and comparable documentation.

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We will continue to review our cost structure to determine additional opportunities for reduction. The next step in our continuous improvement process will be to audit non-salary expenditures. There will also be additional audit review of other potential salary reductions.

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RESULTS

The most compelling proof of the soundness of the process may be in the results it has yielded in the interest of teaching and learning and its alignment to the Superintendent's reform initiatives and the three goals of the District Strategic Plan:

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- An Office of School Facilities is proposed in Item A-5 of the School Board's agenda from the reorganization of the existing Maintenance, Planning and Construction departments. The new office will produce a plan that meets all facilities needs and will improve the delivery of service with tangible results in the creation of a much larger number of new student stations and in significant reduction of the backlog of deferred maintenance. Accountability will be enhanced by organizing work teams for each regional office.
- The 39 schools in the School Improvement Zone will receive support from 92 employees who will now report to the Deputy Superintendent for School Improvement. These employees will be transferred from central curriculum support (34), math and science school-based staff (8), and school-based social workers and psychologists from other ACCESS centers (50). These staff members will serve to further the work of the Zone. Specifically, these employees will improve school's ability to assess, diagnose, and intervene with students to maximize academic achievement.
- Eighty-nine employees previously assigned to a central office of adult and vocational education will be reassigned to the six regions (ACCESS Centers), an important step in bringing to life a vision of M-DCPS that reaches from **child care to adult learning** in a way that more fully satisfies the needs of this community.

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In all, 500 employees are being realigned to make M-DCPS a more efficient and effective operation.

In addition to the realignment, a reduction in force/layoff is also being recommended. A total of 707 positions will be eliminated from school (non-instructional) and non-school sites. Of these, 205 positions are currently filled and another 502 are budgeted, but currently open. The reduction of positions referenced in Board Item A-5 is included in these numbers. **These reductions are deemed necessary and will free \$35.7 million for the school system to reallocate to further the Superintendent's three priorities, the District Strategic Plan, and other school, student and community needs.** One of these priorities is to be able to offer a salary improvement to teachers in order to make their entry level salaries competitive with teacher schedules in surrounding counties. A portion of these savings will allow us to increase our contingency reserve and offer us an opportunity to improve our credit rating.

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The results of the audited strategic assessment of salary positions by Cabinet member and a District summary are set forth in Attachment A to be provided as supplemental information.

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IMPLEMENTATION

The employees affected by these reductions will be treated with dignity, respect, and appreciation for their contributions to the District. The Office of Human Resources will review the current title and credentials of each impacted employee to determine their eligibility to seek re-employment in vacancies that exist throughout the school system. After the realignment, there will be 291 open positions at non-school sites and an additional 276 teacher vacancies. Additionally, a separation plan has been developed to provide an array of services to include outplacement assistance. A hot line desk and personal counseling, related to employee benefits, will also be established. Each employee will be directly notified of these services and provided with an assistance kit. Individuals who leave service with accrued sick leave will be compensated at the appropriate rate in accordance with Board rules and collective bargaining agreements. We will ensure that personalized attention is provided to each of these individuals. This separation plan will also address any individual legal or other issues affecting impacted employees.

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RECOMMENDED: That The School Board of Miami-Dade County, Florida, effective October 21, 2004, or as soon thereafter as can be facilitated, do the following:

1. Receive the audited strategic assessment of District positions
2. Approve the Superintendent's realignment of staff, restructuring and reorganization of select district positions, in accordance with district and budget priorities
3. Delete the following Managerial Exempt Positions:
 - a. Assistant Superintendent, Adult, Vocational, Alternative Education, MEP pay grade 25
4. Appoint and assign the following administrative personnel:
 - a. Carol C. Renick, Assistant Superintendent, Adult, Vocational, Alternative Education, MEP pay grade 25, to Administrative Director, MEP pay grade 24, ACCESS Center 3
 - b. Judith M. Marte, Director I, Cost and Business Services, DCSAA pay grade 45, Controller, to Executive Director,

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Financial Reporting, MEP pay grade 22, Office of Intergovernmental Affairs and Grants Administration

- c. Tabitha G. Fazzino, District Supervisor Grants Administration, DCSAA pay grade 45, Office of Intergovernmental Affairs and Grants Administration, to Executive Director Title I, MEP pay grade 22, Title I Project Administration, and
- d. Bernadette M. Montgomery, Accelerated Facilitator, Title I Project Administration, to Support Specialist, Title I, MEP pay grade 20, Office of Intergovernmental Affairs and Grants Administration

5. Change of title

Deputy Superintendent, Business, Operations, Finance and Construction, MEP pay grade 28 to Deputy Superintendent, Business Operations, MEP pay grade 28

- 6. Authorize the Superintendent to implement the employees outplacement assistance plan to all impacted employees
- 7. Authorize the superintendent to offer re-employment opportunities to all impacted employees to the extent possible
- 8. Authorize the Superintendent to provide terminal pay to all impacted employees separating from employment with M-DCPS and negotiate, if necessary, Memoranda of Understanding (MOU) to facilitate process
- 9. Approve a reduction-in-force or layoff
- 10. Eliminate positions occasioned by the reduction-in-force or layoff, and
- 11. Authorize the Superintendent to make minor personnel adjustments in the realignment, restructuring, reorganization, reduction-in-force and separation plan, if necessary, and report in writing to the Board.

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