



# Warwick Valley Central School District Potential Operational Efficiencies

## Report of Examination

Period Covered:

July 1, 2010 — June 5, 2012

2012M-245



Thomas P. DiNapoli

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# State of New York Office of the State Comptroller

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## **Division of Local Government and School Accountability**

May 2013

Dear School District Officials:

A top priority of the Office of the State Comptroller is to help school district officials manage their districts efficiently and effectively and, by so doing, provide accountability for tax dollars spent to support district operations. The Comptroller oversees the fiscal affairs of districts statewide, as well as districts' compliance with relevant statutes and observance of good business practices. This fiscal oversight is accomplished, in part, through our audits, which identify opportunities for improving operations and Board of Education governance. Audits also can identify strategies to reduce district costs and to strengthen controls intended to safeguard district assets.

Following is a report of our audit of the Warwick Valley Central School District, entitled Potential Operational Efficiencies. This audit was conducted pursuant to Article V, Section 1 of the State Constitution and the State Comptroller's authority as set forth in Article 3 of the General Municipal Law.

This audit's results and recommendations are resources for district officials to use in effectively managing operations and in meeting the expectations of their constituents. If you have questions about this report, please feel free to contact the local regional office for your county, as listed at the end of this report.

Respectfully submitted,

*Office of the State Comptroller  
Division of Local Government  
and School Accountability*



## State of New York Office of the State Comptroller

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# EXECUTIVE SUMMARY

The Warwick Valley Central School District (District) is governed by the Board of Education (Board), which comprises nine elected members. The Board is responsible for the general management and control of the District's financial and educational affairs. The Superintendent of Schools is the District's chief executive officer and is responsible, along with other administrative staff, for day-to-day District management under the direction of the Board.

The District operates five schools, and has approximately 4,300 students and 660 employees. Budgeted expenditures for the 2010-11 and the 2011-12 fiscal years were approximately \$78.6 and \$78.7 million, respectively, which were funded primarily with real property taxes and State aid. Total budgeted expenditures for the 2012-13 fiscal year are \$80,046,419.

### **Scope and Objective**

The objective of our audit was to review the District's transportation and custodial operations to determine whether there were opportunities for cost savings for the period July 1, 2010, through June 5, 2012. Our audit addressed the following related questions:

- Did District officials ensure that the Transportation Department was operating economically and efficiently to manage pupil transportation costs?
- Did District officials adequately assess and monitor custodial operations?

### **Audit Results**

The District has an opportunity to save on transportation costs by reducing excess capacity on buses, decreasing the number of spare buses in its fleet and increasing the District's buses-to-mechanics ratio to a more efficient level. By making such changes to improve transportation efficiency, the District could realize up to \$654,000 of annual cost savings and as much as \$1.4 million in avoided future bus replacement costs.

District officials also can improve the efficiency of the Department of Buildings and Grounds (Department) by establishing performance measures. The Department has more staff than recommended by the National Center for Educational Statistics. If the Department maintained custodial staffing levels recommended by these industry benchmarks, the District could reduce costs by up to \$293,000 annually.

## **Comments of District Officials**

The results of our audit and recommendations have been discussed with District officials and their comments, which appear in Appendix B, have been considered in preparing this report. Except as indicated in Appendix A, District officials generally agreed with our findings and indicated that they planned to initiate corrective action. Appendix B includes our comments on issues raised in the District's response.

# Introduction

## Background

The Warwick Valley Central School District (District) is governed by the Board of Education (Board), which comprises nine elected members. The Board is responsible for the general management and control of the District's financial and educational affairs. The Superintendent of Schools (Superintendent) is the District's chief executive officer and is responsible, along with other administrative staff, for day-to-day District management under the direction of the Board.

The District operates five schools, has approximately 4,300 students and has 499 full-time and 161 part-time employees. Budgeted expenditures for the 2010-11 and 2011-12 fiscal years were approximately \$78.6 and \$78.7 million, and were funded primarily with real property taxes and State aid. Total budgeted expenditures for the 2012-13 fiscal year are \$80,046,419.

The District provides transportation to the students within its boundaries. It owns and operates a fleet of 81 buses which range in capacity from seven-seat suburban vehicles to 66-passenger buses. The District also contracts for transportation services for out-of-District routes (parochial and special needs schools and programs). The District transports over 3,900 students on its 62 in-house bus runs.

The District's budgeted expenditures for transportation and buildings and grounds operations for the 2010-11 and 2011-12 fiscal years were approximately \$9.4 million and \$8.8 million, respectively. Budgeted expenditures for the 2012-13 fiscal year are approximately \$8.4 million.

## Objective

The objective of our audit was to review the District's transportation and custodial operations to determine whether there were opportunities for cost savings. Our audit addressed the following related questions:

- Did District officials ensure that the Transportation Department was operating economically and efficiently to manage pupil transportation costs?
- Did District officials adequately assess and monitor custodial operations?

**Scope and  
Methodology**

We examined the District’s transportation operations and assessed staffing levels at the Department of Buildings and Grounds for potential cost savings for the period July 1, 2010, to June 5, 2012.

We conducted our audit in accordance with generally accepted government auditing standards (GAGAS). More information on such standards and the methodology used in performing this audit are included in Appendix C of this report.

**Comments of  
District Officials and  
Corrective Action**

The results of our audit and recommendations have been discussed with District officials and their comments, which appear in Appendix B, have been considered in preparing this report. Except as indicated in Appendix A, District officials generally agreed with our findings and indicated that they planned to initiate corrective action. Appendix B includes our comments on issues raised in the District’s response.

The Board has the responsibility to initiate corrective action. Pursuant to Section 35 of the General Municipal Law, Section 2116-a (3)(c) of the Education Law, and Section 170.12 of the Regulations of the Commissioner of Education, a written corrective action plan (CAP) that addresses the findings and recommendations in this report must be prepared and provided to our office within 90 days, with a copy forwarded to the Commissioner of Education. To the extent practicable, implementation of the CAP must begin by the end of the next fiscal year. For more information on preparing and filing your CAP, please refer to our brochure, *Responding to an OSC Audit Report*, which you received with the draft audit report. The Board should make the CAP available for public review in the District Clerk’s office.

## Transportation Costs

Operating a school district's transportation system in an efficient manner is an effective way to reduce costs without sacrificing necessary services. Periodic analysis of the District's actual bus capacity can help District officials ensure that bus routes are operating efficiently and to plan for future ridership needs. Objective standards, sometimes referred to as benchmarks, provide a quantitative and qualitative reference for school district officials so that they can determine whether they are meeting their district's operational and financial goals.

The District has an opportunity to save on transportation costs by reducing excess capacity on buses, decreasing the number of spare buses in its fleet, and increasing the District's buses-to-mechanics ratio to a more efficient level. By making such changes to improve transportation efficiency, the District could realize up to \$654,000 of annual cost savings and up to \$1.4 million in avoided future bus replacement costs.

### Bus Capacity

Many school districts schedule their bus routes based on the potential riders, but rarely do all potential riders actually take the bus. Therefore, school districts can save money by planning bus routes based on actual ridership. By doing so, the District can reduce its cost to purchase and maintain buses and reduce the environmental impact of operating more buses than necessary.

The District has two bus runs at the start and end of the school day. High school and middle school students are bused together on the first run, and the elementary students are bused on the second run. We evaluated the school bus runs by comparing total capacity<sup>1</sup> to the population of actual riders. We found that the District's high school/middle school buses are running on average at 83 percent of capacity, while the elementary school buses are running on average at 66 percent of capacity. If the District began scheduling bus routes based on actual ridership, it could eventually eliminate seven routes and seven buses. This could result in annual operating savings of up to \$318,000. Long-term savings, resulting from not having to replace seven buses, could amount to as much as \$704,000.

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<sup>1</sup> We calculated the total capacity of full-size buses as 44 for secondary students and 54 for elementary students (instead of 66 seats by the manufacturer's standards), as these allow for the safe seating of students within the confines of the bus seat. These numbers also were used as standards by the former Supervisor of Transportation.



In addition, as required by New York State Education Law, the District transports 98 students to two nonpublic schools that fall within its boundaries. We determined that, if the District scheduled nonpublic bus routes based on actual ridership, it could eliminate three buses and replace two larger vehicles with smaller ones, resulting in annual savings of up to \$136,000. Long-term savings for bus replacement costs could amount to as much as \$431,000.

## **Spare Buses**

Another factor that affects transportation costs is the number of buses a school district has in its fleet. District officials should only maintain as many spare buses as needed. The New York State Education Department's (SED) guidelines recommend that one additional spare bus per type should be available for every 10 buses assigned to regular routes.

The District has 62 regular runs per school day and maintains a fleet of 81 buses. Therefore, it currently has 19 spare buses, including 13 66-passenger buses and six smaller vehicles with a capacity of up to seven passengers. According to SED guidelines, the District would only need seven spare buses: one lift-equipped bus, five 66-passenger buses, and one Suburban. As such, the District currently has 12 more spare buses than it actually needs.

District officials told us that they need the additional spare buses as backup for broken down buses, extra runs for class field trips and sport trips, regular maintenance, and when the New York State Department of Transportation (DOT) is inspecting the buses. We analyzed the extra runs for the period covering January through May 2012 and found that the District had up to four extra runs on most days; on one occasion, the District made seven extra runs. Therefore, the District's maximum number of extra bus runs falls within SED's guidelines for maintaining seven spare buses.

Also, according to transportation employees, DOT inspections are done one or two times a month; five to seven buses are inspected per visit, with approximately 1.5 hours average time for an inspection. However, the District kept the buses due for inspection out of use for the entire day. We determined that the number of spare buses could be reduced by scheduling the buses to be out of service for just a two-hour period instead of the entire day. This would keep a maximum of two buses out of service at the same time, enabling a more efficient use of buses. As such, the District could still operate within the SED guidelines to accommodate DOT inspections.

We estimate that the long-term savings of bus replacement would be up to \$250,000 if the District maintained only seven spare buses

in accordance with SED guidelines.<sup>2</sup> District staff told us that the District would decrease the number of spare buses by two in the 2012-13 fiscal year because the budget authorized the purchase of five buses and the District intended to retire seven.

### **Buses-to-Mechanics Ratio**

A key indicator of transportation efficiency is the ratio of buses to mechanics. This ratio is used by school district transportation departments to assess the efficiency of their bus operations. The District's software vendor recommends a benchmark ratio of buses-to-mechanics of 22.5:1 for efficient operations.<sup>3</sup> If the District reduced its fleet to 69 buses in accordance with SED guidelines and achieved the recommended mechanic staffing ratio of 22.5:1, it could save as much as \$200,400 per year.

The head mechanic stated that our analysis does not consider the fact that the mechanics also repair and maintain 39 buildings and grounds vehicles (pickups, suburban vans, tractors, mowers, food vehicles, etc.). However, the work orders District officials provided did not contain sufficient information to determine that they spent a significant amount of time maintaining these vehicles. Maintaining complete records of work performed will help District officials determine whether the buses-to-mechanics ratio meets the benchmark and operations are running as efficiently as possible.

### **Recommendations**

1. District officials should reevaluate the design of the bus routes based on the actual number of students using the buses. District officials should eliminate buses as necessary.
2. District officials should reduce the number of spare buses to those needed.
3. District officials should assess the current level of mechanic staffing.

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<sup>2</sup> Cost of lowest-priced new vehicles per current OGS contract

<sup>3</sup> This benchmark ratio is proposed in the Transportation Efficiency and Effectiveness booklet that accompanies the software.

## Custodial Costs

District officials are responsible for developing and managing resources as efficiently and effectively as possible. Meaningful performance measurements, or objective expectations, assist officials in identifying program results, evaluating past resource decisions, and facilitating qualitative improvements in future decisions regarding resource allocation and service delivery options. District officials can help ensure that custodial services are delivered efficiently by developing performance measures for custodial services and evaluating the results – costs and services delivered – against expectations established by the performance measures. This requires input from both the Board (which ultimately will authorize funding) and the building administrators (who will manage the funds). Facilities managers must then determine how to staff and support custodial efforts to meet these expectations.

The Department of Buildings and Grounds (Department) has 48 employees as follows: 35 custodians, five maintenance mechanics, five grounds staff, two administrative employees, and a security guard. One of the 35 custodians also is a courier. The overall square footage for the District's buildings is 772,683; the District also maintains 134 acres of fields and play areas.

The National Center for Education Statistics (NCES) has established a five-tiered system of expectations that can be used to help determine the number of required custodial staff. According to this system, the actual number of square feet per shift a custodian can clean will depend on the level of cleanliness that is acceptable by the stakeholders and additional variables, including the type of school, flooring, wall covers, and the number of windows. For each level, the range of square feet expected to be cleaned by a custodian, with the proper supplies and tools in an eight-hour shift, is established. Level 2 cleaning is the uppermost standard for most school cleaning, generally reserved for restrooms, special education areas, kindergarten areas, and food service areas. A custodian at this level can be expected to clean 18,000 to 20,000 square feet in an eight-hour shift. Level 3 cleaning is the norm for most school facilities. A custodian can be expected to clean 28,000 to 31,000 square feet at this level in an eight-hour shift.

Using these NCES benchmarks and the average of 19,000 square feet per custodian for level 2 areas and 29,500 square feet per custodian for level 3 areas, we determined that the Department employs five

full-time custodians more than the benchmarks suggest which results in excess costs of as much as \$293,000 per year.

The District's custodial staffing levels are higher than the benchmark because District officials have not established performance measures to efficiently manage custodial operations. They did not periodically assess staffing levels or compare staffing needs to NCES benchmarks. District officials should assess custodial staffing levels to determine whether they can operate this function more efficiently.

**Recommendation**

4. District officials should develop comprehensive performance measures to evaluate whether the District's custodial services are delivered efficiently and economically, and then use these benchmarks to improve efficiency and productivity.

## **APPENDIX A**

### **RESPONSE FROM DISTRICT OFFICIALS**

The District officials' response to this audit can be found on the following pages.

# Warwick

## WARWICK VALLEY CENTRAL SCHOOL DISTRICT

Timothy J. Holmes  
Assistant Superintendent for Business  
P.O. Box 595  
225 West Street Extension  
Warwick, NY 10990-0595  
PH: 845-987-3000 x10521  
FX: 845-987-8114

May 6, 2013

Office of the State Comptroller  
Division of Local Government & School Accountability  
PSU – CAP Submission  
110 State Street, 12<sup>th</sup> Floor  
Albany, NY 12236

NYS Education Department  
Office of Audit Services, Room 524 EB  
89 Washington Avenue  
Albany, NY 12234

**Re: Warwick Valley CSD  
Potential Operational Efficiencies  
2012M-245**

The Warwick Valley CSD appreciates any assistance or help for our schools to manage the District more efficiently and effectively. The District understands that the schools need to be held accountable for tax dollars being spent to support their operations. This audit is supposed to help school districts with the function of identifying possible opportunities to reduce costs and improve efficiencies. The District welcomes this, but questions some of the practicality in the State's financial savings calculations they provided. The District feels it is imperative when looking at cost savings to fully understand all ramifications of such cost-saving measures. It is also stated incorrectly that we do not have work orders to determine the actual time spent maintaining our vehicles. In fact, Warwick Valley CSD has a very good work order system that details all work on all vehicles serviced in the District. The auditors also agreed that the standards from the NCES (National Center for Education Statistics) are benchmarks and not specific standards school districts are required to meet. Therefore, to hold a district to those standards is not factually correct.

See  
Note 1  
Page 19

See  
Note 2  
Page 19

Our District also has an issue with the term "Comments of District Officials and Corrective Action." Corrective Action infers that the District did something wrong. This term is contradictory if the State's main purpose of this report is to help school districts manage their districts efficiently and effectively. Corrective action implies that the District is managing incorrectly. We feel we have been very diligent in our cost-saving measures and are receptive to suggestions for improvement, but we take offense to the notion that the District needs to take action to correct something that was done wrong.

See  
Note 3  
Page 19

There are many factors involved in determining costs, and every school district is unique when it comes to transportation and custodial costs. We pride ourselves on being as cost effective as possible, yet we are open to improving on the cost-saving measures we have instituted.

**The following is our audit response; this also serves as the Corrective Action Plan (CAP):**

### **Transportation Costs**

Reducing transportation costs has been a top priority during the last several years. The Warwick Valley CSD worked very diligently over the past four years in lowering costs in the Transportation Department. In 2009-10, the District went from a 3-tier busing system to 2-tier busing. This saved the District approximately \$450,000 on fuel, maintenance costs and employee benefits by reducing the number of bus runs in the District.

In 2010-11, the District continued to reduce costs in transportation by pulling back on contracted transportation costs that were less costly to do in-house than it was to have a contractor do the run. This increased our costs in driver salaries and benefits, number of buses in operation and maintenance cost and fuel, but we experienced substantial savings in contract transportation. In 2009-10 our cost for contract transportation was \$1,650,226; this number was reduced to \$745,221 in 2010-11. On the whole, our transportation budget decreased \$354,567 from 2009-10 to 2010-11.

In 2011-12, we further continued to reduce transportation costs. We consolidated bus runs to eliminated unnecessary stops and eliminated a managerial position in the transportation department. We also began co-operative contracting through BOCES to combine runs with other districts that were traveling to the same special educational program. We reduced our contract transportation another \$360,110 from 2010-11 to 2011-12. Overall, our transportation budget decreased \$191,647 during the same period.

In 2012-13, we increased our transportation eligibility from 1/10 mile for elementary school to 3/10 mile, and high school transportation eligibility changed from 3/10 mile to 5/10 mile. We have a proposition on the ballot this year to increase all student transportation eligibility to 1 mile for 2013-14. If passed by voters, this would allow the District to require some students to walk to school which will ultimately save money by reducing overall transportation cost.

The District and the Town of Warwick were awarded a grant to install sidewalks along West Street in the village to the Middle School. The sidewalks will provide students a safe path to walk to the Middle School from the village and require fewer buses to transport those children.

We instituted and consolidated bus stops throughout the District. We experienced a savings of \$117,180 in mileage in 2012-13. Overall our transportation budget was reduced by \$229,779 from 2011-12 to 2012-13. Over the past four years, we have reduced the transportation budget by \$1,225,993; this amount is considerably higher considering employee contracts continue to cause increases each year.

In 2011-12 we increased our potential riders on our bus runs knowing that all riders would not actually ride a bus. We increased these potential riders even further in 2012-13. By implementing higher potential riders, the District's opportunity for higher overall actual capacity did increase. The difficulty in this is determining which students will actually ride the bus. We proceeded with caution

due to the fear of overloading any particular bus. This year we did experience some buses that were overloaded and had to change some children's bus routes to relieve these overloaded buses.

Next year we plan to consolidate buses at St. Stephens School – a private K-8 catholic school in our District with approximately 110 of our resident children enrolled. We are required to transport our resident students who attend the school; and, currently, we have six buses transporting Warwick residents to St. Stephens. Consolidation will require us to transport K-8 St. Stephens students on high school and middle school bus runs. Parents have concerns about mixing younger children with middle and high school students. Our plan is to have the younger students sit in seats at the front of the bus.

Another issue with capacity is the length of transport time our students experience each day. We try to limit the bus ride to school to be less than an hour. If we increase student capacity, the time students spend on buses would also increase. One of our taxpayer's major concerns with the transportation of their children is the time their children spend on the bus each day, especially at the elementary level. A student who spends two hours a day on a bus will ride the bus 360 hours a year, which in the Board of Educations' opinion is too long. The challenge is to balance student capacity with student bus transportation time to an optimal level that benefits all parties involved. We will continue to work on routing that is both beneficial to the school, as far as capacity and ridership are concerned, while at the same time keeping student ridership times at acceptable levels.

The issue of spare buses is a concern. With the increase in overall ridership and the drop in enrollment, it appears we have some excess buses. The District does have athletic trips that can require up to five to six buses on any single day. We currently have 79 buses in our fleet – fifty-seven 66-passenger, nine 30-passenger, eight suburbans and five wheelchair buses. Presently, we have 62 bus runs with nine 66-passenger spare buses, two spare 30-passenger buses and six suburban spares. Last year we reduced two 66-passenger buses by purchasing five new buses and trading in seven. We will reduce two more 66-passenger buses next year to limit our spare 66-passenger buses to seven. The six spare suburbans will be reduced by one next year, and we will continue to monitor their use and need in the future. In the past, we had more special education students utilizing suburban vehicles, but this has not been the case in the last couple of years. We are cautious to eliminate more, because this could change in any given year depending upon student placement. Our fleet will consist of 76 buses in the 2013-14 school year. This is a reduction of over 6% of our fleet since the State Audit findings. We will continue to monitor our fleet and make reductions when necessary. We feel the State recommendation is too aggressive and not realistic in terms of an adequate bus fleet without significantly increasing the students travel time to school.

See  
Note 4  
Page 19

The Warwick Valley CSD maintains the highest standards when it comes to our fleet. We have a consistent DOT rating of 98% or better, and we strive to maintain these high expectations. Cutting bus mechanics would require other staff to pick up the duties from staff that is reduced. This could have a negative impact on the safety of our fleet. In addition, we presently have our transportation mechanics perform service repair and maintenance of our 39 buildings & grounds vehicles. We try to do all work in-house including body work. We also have a shared-services agreement with the Town of Warwick and Town of Greenwood Lake to maintain and service 21 fire department vehicles. We bill each town for the work that is performed. If we reduced staff, we could not maintain our present workload and an increase in outsourced work would be required, which would increase our overall costs. We do keep accurate records and documentation of all repairs on all of our vehicles. With our current staff and

See  
Note 5  
Page 19



taking all vehicles into consideration, the ratio of bus-to-mechanic is 23.1:1. Next year the ratio will be 22.8:1 with the reduction of two more vehicles, which is an acceptable bus-to-mechanic ratio. We feel we are adequately staffed in our transportation department that services over 135 vehicles each year.

Reducing costs in the transportation department is top priority. We appreciate the recommendations from the State, and we will continue to look at the areas that are identified in this report. Even though cost efficiency is important, other issues like student safety and student travel time are just as important. We will make every effort to continue to reduce in these areas and increase the cost efficiency of the transportation department.

**Recommendation:**

- 1) **District officials should reevaluate the design of the bus routes based on the actual number of students using the buses. District officials should eliminate buses as necessary.**

**Action:**

The District will reevaluate the designs of the bus routes to maximize the number of students using the bus but need to limit the amount of time our students will be traveling to and from school. Student safety and student travel time are concerns for the Warwick taxpayer's and the District. We will continue to work on routing that is both beneficial to the school, as far as capacity and ridership are concerned, while at the same time keeping student ridership times at acceptable levels.

**Recommendation:**

- 2) **District officials should reduce the number of spare buses to those needed.**

**Action:**

The District reduced our fleet by 6% since the State Audit findings. We will continue to reduce our fleet based on the number of required bus runs each year. We will continue to carry the necessary six spare buses for sport trips. Each year we will evaluate the number of buses compared to the needs of the District and adjust our fleet accordingly through attrition.

**Recommendation:**

- 3) **District officials should assess the current level of mechanic staffing.**

**Action:**

The District services approximately 139 vehicles between our bus fleet, buildings and grounds and the Town of Warwick and Greenwood Lake. With our current staff and taking all vehicles into consideration, the ratio of bus-to-mechanic is 23.1:1. Next year the ratio will be 22.8:1 with the reduction of two more vehicles, which is an acceptable bus-to-mechanic ratio.

### Custodial Costs

The Warwick Valley CSD takes pride in the cleanliness of our facilities. We have also managed to reduce custodial staff in the District over the last four years, all while meeting these high standards. Since 2010-11 we eliminated three positions – two custodial and one maintenance position. We also reduced three full-time custodial positions when we closed Pine Island Elementary School.

The NCES recommends a 5-tier system of expectations that can be used to help determine the number of required custodial staff. The actual number of square feet per shift a custodian can clean depends on the level of cleanliness that is acceptable. What makes this somewhat difficult is that the custodial staff not only cleans the buildings but also acts as a presence in the buildings during and after school hours, as well as in the evenings. Our buildings are highly used by the community and having custodial staff in the buildings adds to the security of the buildings. This is especially true for the high school and middle school. In the high school the building is used from 6:00 a.m. until 10:00 p.m. most days. Eliminating custodians could mean that we will need to hire more security staff to safeguard our facilities.

The custodial staff is also utilized by our teaching and office staff for other duties. This utilization of custodians in non-cleaning tasks takes time out of their daily duties to help in these other areas and reduces the amount of square footage they can clean in any particular day. For example, we had a music performance at the high school and needed to move musical stands from the middle school to the high school. This appropriation of time out of their day reduces the time they have to clean their areas. This application of staff is common and necessary but is not reflected in the NCES formula.

See  
Note 6  
Page 19

We currently have five school buildings – three elementary, one middle school and one high school. It is difficult to take the total square footage of our facilities to calculate an accurate average square footage per custodial run without taking into consideration the needs of each individual building. In addition, the buildings have staff working different shifts – the elementary schools have two shifts, while the middle school and high school have three shifts. The NCES average cleaning square footage per custodian formula does not take into consideration the size of each individual building, whether there is a higher-than-average square footage designated to tier 2 cleaning, special education classrooms, kindergarten classrooms or cafeteria space compared to other buildings. Due to the different sizes and allocations of space in each of our buildings, the NCES formula cannot accurately support an across-the-board reduction in staff.

See  
Note 7  
Page 20

With that said, Warwick Valley CSD recognizes the need to reduce costs in this area. We are closing a school next year, which will eliminate four full-time custodial positions. We are also planning on eliminating our third shift in both the middle school and high school by implementing team cleaning in those buildings. Team cleaning is one of the more effective ways recommended by the NCES to clean facilities. By eliminating the third shift and establishing the team cleaning concept, we will eliminate an additional two full-time custodial positions.

The need for comprehensive performance measures to evaluate whether the District's custodial services are delivered efficiently and economically is interesting. Next year we will be contracting with the SBGA (Association of Superintendents of Buildings and Grounds) to analyze our procedures, our new

team cleaning concept and to provide the District with comprehensive performance measures. The analyses are conducted using accepted standardized criteria and data comparative indices, work standards, system analysis, safety and health requirements and managerial practices. This will give the District a resource in assessing our facilities when making future staffing decisions. A full report of their findings and recommendations will be provided to the Board of Education.

**Recommendation:**

- 4) **District officials should develop comprehensive performance measures to evaluate whether the District's custodial services are delivered efficiently and economically, and then use these standards to improve efficiency and productivity.**

**Action:**

The District will develop comprehensive performance measures to evaluate custodial services. The District will contract with the SBGA (Association of Superintendents of Buildings and Grounds) to analyze our procedures, our new team cleaning concept and to provide the District with comprehensive performance measures. Team cleaning is one of the more effective ways recommended by the NCES to clean facilities. By eliminating the third shift and establishing the team cleaning concept, we will eliminate an additional two full-time custodial positions. The analyses by the SBGA are conducted using accepted standardized criteria and data comparative indices, work standards, system analysis, safety and health requirements and managerial practices. A full report of their findings and recommendations will be provided to the Board of Education.

Should you have any questions, please feel free to contact Tim Holmes, Assistant Superintendent for Business, at [tholmes@wvcsd.org](mailto:tholmes@wvcsd.org) or 845-987-3000 x10521. Thank you.

Sincerely,

Raymond W. Bryant, Ph.D.  
Superintendent of Schools

C: Paul Caskey  
Board Member & Audit Committee Chairperson

Timothy Holmes  
Assistant Superintendent for Business

## APPENDIX B

### OSC COMMENTS ON THE DISTRICT'S RESPONSE

#### Note 1

We acknowledge that the District has work orders; however, these work orders did not contain sufficient information to help determine the actual amount of time spent maintaining District vehicles.

#### Note 2

To operate efficiently, District officials need to either develop their own performance measures or follow industry benchmarks. In the absence of the District's own performance measures, we used cleaning benchmarks that are the norm for most school facilities, acceptable to most stakeholders, and do not pose any health issues.

#### Note 3

In accordance with Education Law and the Regulations of the Commissioner of Education, District officials are required to prepare a corrective action plan in response to findings and recommendations contained in the audit reports issued by the Office of the State Comptroller.

#### Note 4

Our recommendation is based on SED's guidelines. We commend District officials in their effort to identify transportation efficiencies and encourage them to continue to find ways to bring the number of spare buses down to the number established in SED's guidelines.

#### Note 5

Based on the additional information District officials provided us with at our exit conference, mechanics spent about 5 percent of their total annual work time to service Buildings and Grounds vehicles and/or machines and fire vehicles from the Towns of Warwick and Greenwood Lake. This information does not significantly change our initial findings.

#### Note 6

Our audit analyses were based on the expectation that a custodial worker is responsible for cleaning and the upkeep of buildings, including some maintenance and minor repair tasks, and occasionally for helping teaching and office staff.

Our analysis did not consider or include five grounds workers, five maintenance people, and a security guard who were also employed by the District's Department of Buildings and Grounds during our audit period. These 11 individuals were available to assist other staff while on school premises during the day.

Note 7

Our analysis is based on stipulations provided by the NCEs system, which determine the actual number of square feet per shift that a custodian can clean depending on the acceptable level of cleanliness and additional variables, including the type of school, flooring, wall covers, and the number of windows. We based our analysis on the square footage provided by District officials for both level 2 and level 3 areas, as included in the NCEs model.

## APPENDIX C

### AUDIT METHODOLOGY AND STANDARDS

Our overall goal was to assess the District's internal controls over its Transportation and Buildings and Grounds operations. Specifically, we wanted to determine if the District implemented adequate performance measures to effectively and efficiently manage its student transportation costs, and the Buildings and Grounds staffing levels. To accomplish the objective of this audit, our procedures included the following steps:

- We interviewed the current and former Supervisors of Transportation and the head mechanic.
- We obtained a trip analysis report and used the data to analyze capacity, number of trips, mileage per trips, and number of students.
- We determined the average salary for mechanics, bus drivers, and monitors by using historical salary data, and we determined the average benefits per employee at the Department of Transportation.
- We determined the average fuel and maintenance costs, and we used State Office of General Services contract prices to estimate the replacement costs for vehicles.
- We obtained a list of buses and information pertaining to bus capacity.
- We calculated the total bus capacity for in-house runs.
- We determined the total population of actual riders.
- We calculated the potential cost savings of implementing adequate use of available bus capacity.
- We reviewed the Buildings and Grounds description for custodial staffing and interviewed District personnel to gain an understanding of controls over custodial staffing.
- We compared the District's staffing levels to the industry benchmark using the square footage model from the National Center for Educational Statistics.
- We determined the average salary and benefits for the custodial employees.
- We calculated the potential cost savings of having adequate staffing levels for custodians.

We conducted this performance audit in accordance with generally accepted government auditing standards (GAGAS). Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

## APPENDIX D

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