

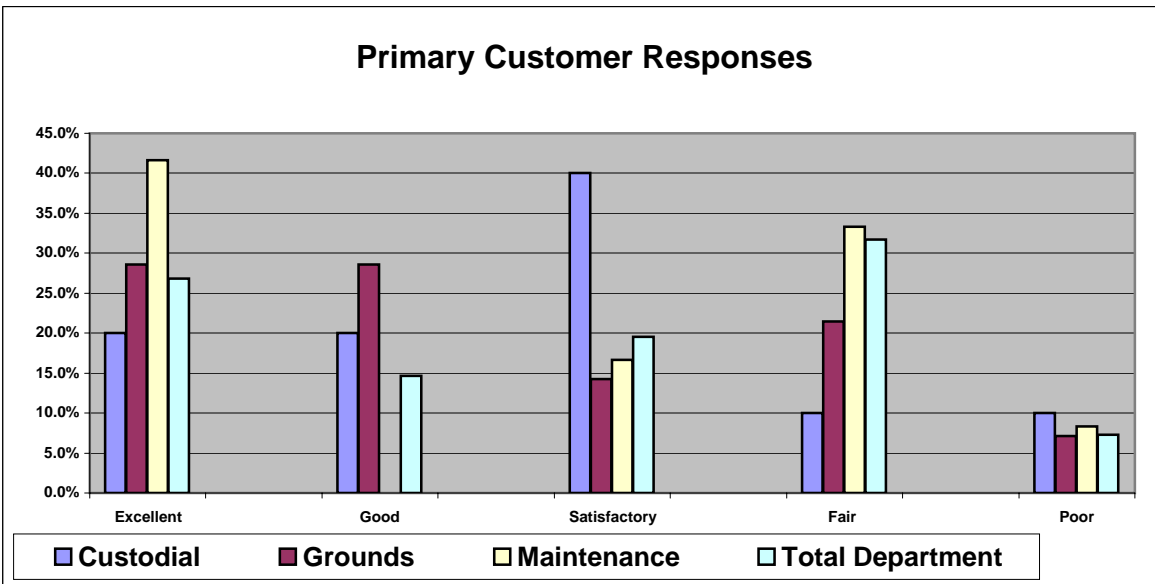
## Service Management Assist, Inc. Initial Operations & Maintenance Review Observations & Initial Recommendations for Your School

Our observations and initial recommendations are intended to begin the process of an improvement plan and to help validate the good work accomplished by your facility people. The report is a short overview which should have significant value in directing our future efforts to refine facility services and insure a cost effective use of tax dollars.

### Customer perspective:

Key customer reviews are critical to the assessment process. The school ownership represented by these leaders gives insight into the potential needs for program improvements. If the facility functions have needs in building basic facility management systems, these needs should be addressed in order to meet the mission of the district to provide an acceptable, safe context for education.

This graph is an overview of your customer responses:



Ratings that tend toward "Excellent", "Good" and "Satisfactory" for a facility function, indicate that a basic level of service to the customer is being realized. These ratings may be used to determine how other parts of the facility function may be improved by copying best practices.

Ratings that tend toward "Satisfactory", "Fair" and "Poor" for a facility function, indicate that a deeper review should be made, with possibly more samplings to validate the trends. System improvements should be identified to move the service to more acceptable levels. Staffing may or may not be a cause for low ratings, in some cases the issue is the proper placement of facility resources.

**Staffing review:**

Your district's staffing levels are depicted here:

	Benchmark	Actual	Variance
Manager	0.70	1.00	0.30
Supervisor	0.88	1.00	0.13
Clerical	0.61	0.00	(0.61)
Custodial	16.99	18.00	1.01
Maintenance	1.98	5.00	3.02
Grounds	0.91	3.00	2.09
Total FTE's	22.07	28.00	5.93

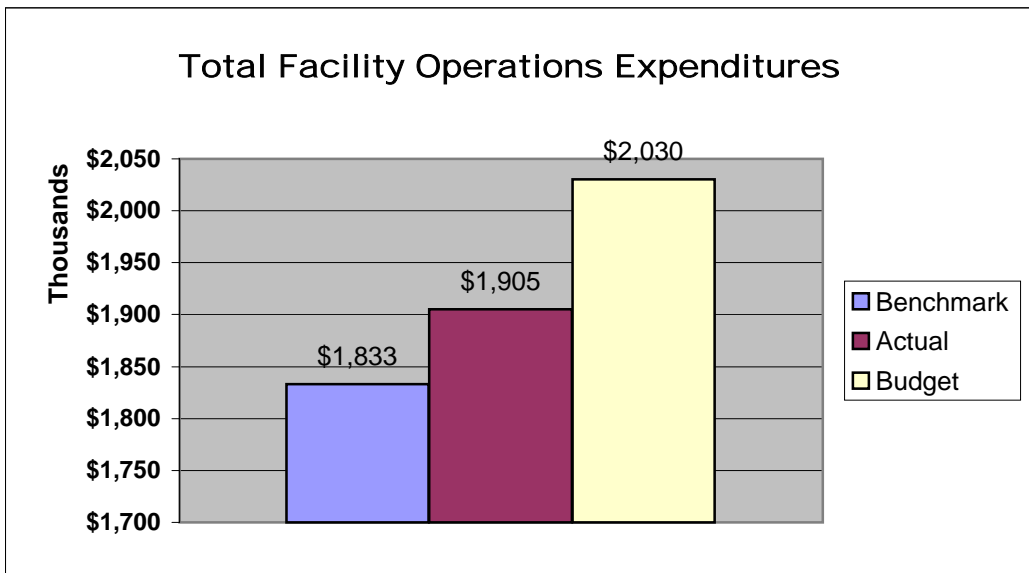
Low staffing brings program challenges that require proper leadership resources. Most districts that are under staffed can not bring staffing up quickly due to the cost of labor. A focus on program design provides many possibilities even with low staffing.

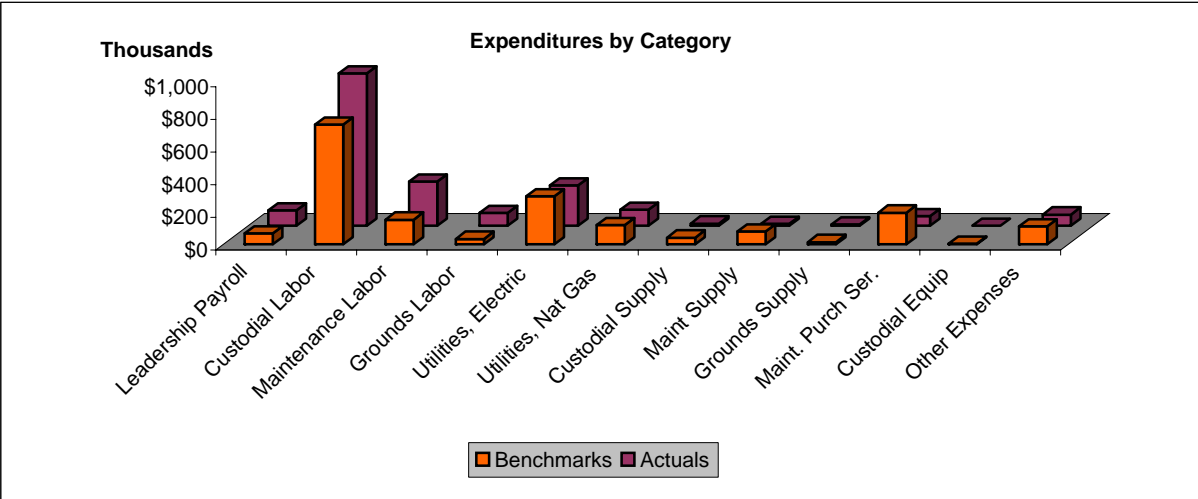
Excess staffing may result from the level of service required in the district or may be the result of the culture of the facility department evolved over previous years. However the staffing came to these levels, the opportunity is there to reduce facility expense. Program design and proper leadership is the key to any reductions.

**Budget review:**

Your district's relationship to the benchmarked overall cost per square foot is over by more than \$1.00 per square foot. This would seem to suggest that a level of savings may be realized. This savings may be found in the reducing of cost per square foot as the district grows. Your overall facility costs will increase but the cost per square foot can come down. The key to realizing the savings while insuring quality service and safety is program design and commitment to excellent leadership. Leadership resources are the key to best use of facility expenditures.

These two graphs show the big picture and the expenses by category.

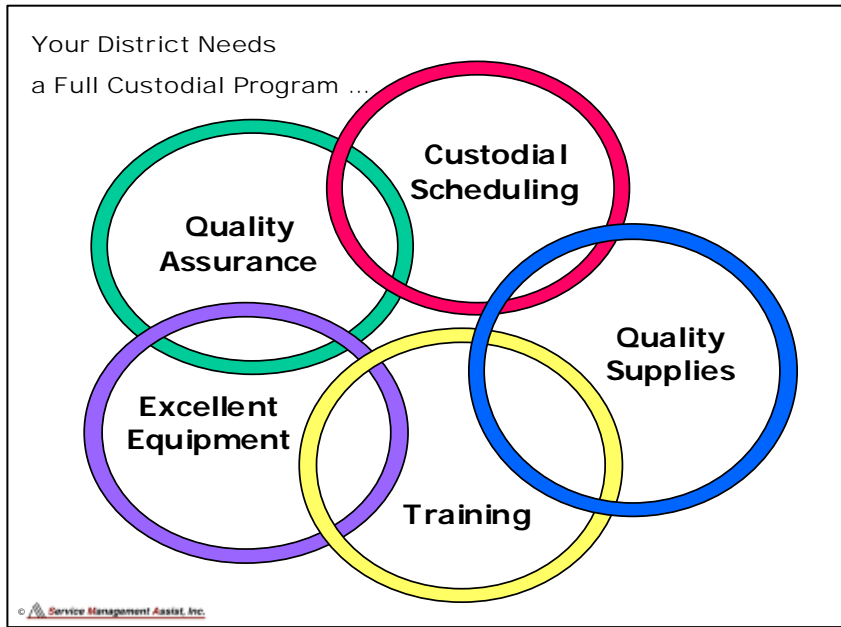




Custodial scheduling is a foundational program for managing the single largest expense.

\* Specific assignments of cleaning with clear expectations provide the basis for clean schools.

The classic cycle of the custodial program include:



\* All of these cycle components need to be in place for a reliable cleaning quality.

The management of the other elements of the custodial cycle can be a combination of vendor support and in-house program development.

### **Energy management issues:**

This initial review show that the energy expenditures for electric and natural gas are above the benchmarked norms. The amount over the benchmark calculates to significant amounts of potential savings. We think it reasonable to capture at least some of this with an energy conservation / education program.

### **Work order system with preventive maintenance:**

A computerized maintenance management system is a necessary part of a good facility program. This information system will easily track your workload and give excellent feedback to the work requestors. The newer systems actually reduce the amount of clerical work.

The computerized system may also be used to provide clear expectations for the grounds program and structure the project cleaning for summer custodial work.

A mature preventive maintenance program has the potential to reduce maintenance expenses by 15% according to facility experts. The PM program requires patience and follows through to realize these results. A fully implemented PM program your savings could be several years making PM's a part of the facility department's culture. Savings are realized in utility reductions, emergency repair labor and extended life for equipment. Starts up expenses are considered investments because they represent a fraction of the savings.

### **Risk management:**

Risk and safety issues should be addressed in nearly every district. Insurance carriers are looking with greater detail at liability management. The savings for the district is in "soft" avoidance cost dollars. A complete risk review will make your district safer and save money.

### **Ongoing support ... focus on program support:**

Sometimes the need is to support the facility leadership people by providing more training and project work on specific leadership program needs. Consider leadership as the most important part running an excellent program.

Some typical areas of development:

Mission/Vision; Leadership Skills Review; Administrative Duties; Planning; Teaming; Staffing Skills; Scheduling; Safety and Compliance; CMMS; Financial Responsibility and Department Training.

### **Sample mission for facilities:**

A facilities management department that strives for a safe, cost effective environment for learning in your district. The department conducts its affairs with professionalism in a customer-focused manner, consistent with the mission statement of your district.

### **Sample vision for facilities:**

To be respected and acclaimed as an outstanding facilities department by the students, teachers, staff, administration and parents of your district. To be a leader among area school districts as an innovator in facilities management.

**Cost reductions and program building:**

The reduction possibilities need to be formed into a practical plan, many of the reductions noted here are overlapping with other suggestions. Program integrity should be a vital part of any discussion on reductions or the savings might be lost completely if your liabilities are increased.

A strong well managed facility program with proper levels of leadership staffing is the only safe way to manage through the process of reducing cost. Focus on building the facility program and set goals for your properly resourced leadership team.

**Summary Statements:**

The facility services typically represent around 8 to 15 percent of your total budget and this department manages many vital interests of the district. Observations and issues are summarized as follows:

1. Facility leadership resources are critical to manage district growth. A Director of Operations & Maintenance position is your most crucial investment. Pulling the facility functions together under one director will give continuity of service and greater potential for efficiencies.
2. The district should address maintenance staffing. Maintenance staffing is the most off of the benchmarked standard. The purchased services expenditures should be reviewed in conjunction with maintenance staffing.
3. Computerized maintenance management with preventive maintenance will improve tracking of your building assets and usually pays for itself in energy savings and reduced emergency work.
4. Custodial scheduling is a key process to help clearly define roles and balance the workload. Your custodians are significantly more densely staffed compared to norms. Establishing schedules for a new expanded workload expectation will be a key to keeping your staffing at current levels.
5. Energy expenditures are above normal levels so this suggests that energy conservation programs should be considered.
6. You may want to initiate a safety manual to pull together district risk management programs.

Our goal is to be your support team in the improvement of facility services. We look forward to helping you accomplish your vision for this vital part of your district.