

CHAPTER 12 – PERFORMANCE ACCOUNTABILITY SYSTEMS

BACKGROUND

Performance measurement and accountability is an important element of an overall conceptual approach to managing school districts and public agencies. A 2010 report authored by the National Performance Management Advisory Commission defined performance management as follows:

Performance management in the public sector is an ongoing, systematic approach to improving results through evidence based decision-making, continuous organizational learning, and a focus on accountability for performance. Performance management is integrated into all aspects of an organization's management and policy-making processes, transforming and organization's practices so it is focused on achieving improved results.

WHY MEASURE PERFORMANCE?

The saying, "What gets measured gets done," has been attributed to Peter Drucker, Tom Peters, and Edward Deming. Certainly, what is measured gets attention. However, school system administrators should ensure that measures reflect the "right things" and measures focus on what really matters.

Performance accountability is measuring and reporting the results of educational programs and administrative/operational functions, and support services based on a school system's clearly stated goals, objectives, and measurable outcomes. Further, the board and director of schools can use these measurable outcomes to develop, monitor, and enforce expectations for staff performance. An effective performance accountability system integrates planning and budgeting, along with reviewing, evaluating and reporting results used to improve the performance of programs, operations, and cost efficiency.

Metropolitan Nashville Public Schools (the School System) is in the process of implementing a detailed educational and academic performance accountability system to monitor its five-year strategic plan, Education 2018: Excellence for Every Student. The assistant director for Program Results Management worked with the executive leadership team to design the performance accountability system around its "Coherence Framework," which is aligned with student and system wide performance goals, objectives, and strategies.

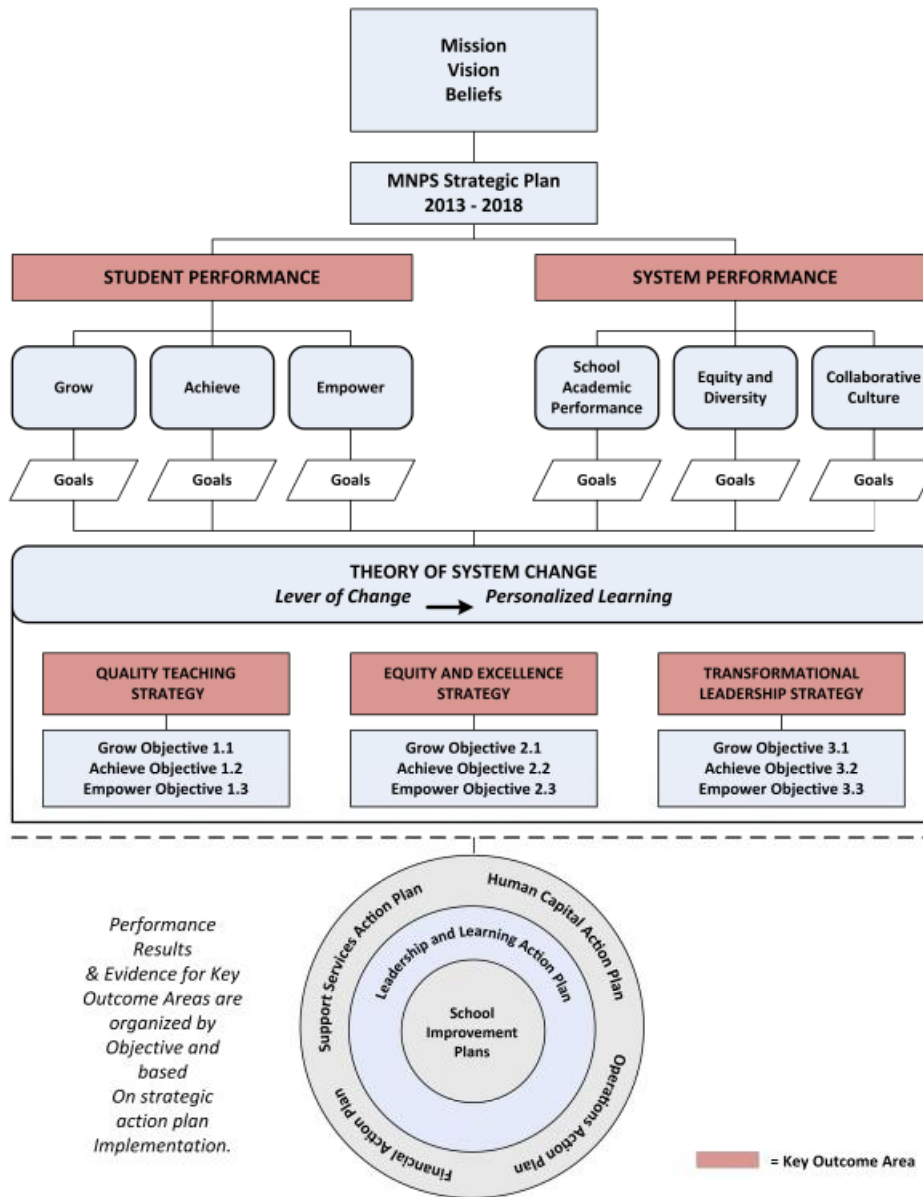
CHAPTER HIGHLIGHTS

- Performance measurement promotes accountability and provides a conceptual framework for monitoring and managing School System operations.
- The School System is implementing a detailed educational and academic performance accountability system tied to its five-year strategic plan, Education 2018: Excellence for Every Student.
- The School System's performance accountability system is designed around its "Coherence Framework," which is aligned with student and system wide performance goals, objectives, and strategies.
- While the School System has planned a comprehensive performance accountability framework, it needs to do a better job of evaluating educational programs.
- The School System is a member of the Council of Great City Schools and has access to some of the Council's key performance indicators to analyze and manage operations.
- The School System should develop a formal performance accountability system to better manage and oversee administrative and operational functions on a monthly basis.

The Coherence Framework has evolved over time through lessons learned and opportunities for continued improvement. It provides an accountability roadmap to ensure student and educational and academic performance have a guide for all actions and activities toward achieving performance goals necessary to execute the School System’s mission, vision and beliefs.

Exhibit 12-1 below graphically depicts the School System’s “Coherence Framework” based on its comprehensive strategic plan.

EXHIBIT 12-1
Metropolitan Nashville Public Schools Strategic Plan 2013–2018
System Coherence Framework for Performance Accountability



Source: Metropolitan Nashville Public Schools’ Coherence Framework, Office of the Director of Schools, June 2014.

The School System’s Coherence Framework outlines three specific strategies to achieve nine objectives necessary to attain student and system performance goals. Accordingly, School Improvement Plans and Division Action Plans form the backbone of the performance accountability system. School Improvement Plans for 2014–2015 directly align school-level actions to executing the nine system-wide objectives. Division Action Plans for every central office division contain specific actions linked to the same objectives to support school and system-level actions/improvements to execute strategies related to Quality Teaching, Equity and Excellence, and Transformational Leadership. School and divisional budgets align with the same strategies, objectives, and actions included in the action plans.

Each action plan includes detailed action steps, measurable outcomes, and yearly targets to facilitate monitoring performance accountability at the program level. Measurable outcomes and targets at the program level are the foundation for division-level key performance indicators to allow executive level monitoring of performance, attendant accountability, and reporting.

McConnell Jones Lanier & Murphy, LLP (or the review team) identified two best practices against which to evaluate Performance Accountability Systems. **Exhibit 12-2** below provides a summary of Performance Accountability best practices that the School System was measured against resulting in observations, which we discuss in the body of the chapter.

BEST PRACTICES

EXHIBIT 12-2
Summary of Best Practices - Performance Accountability Systems

Best Practice Number	Description of Best Practice	Met	Not Met	Explanation
1.	Academic Program Accountability and Program Evaluation. A system is in place to measure academic and educational performance. A program evaluation system is methodologically sound and determines the effectiveness of programs and initiatives and their contribution to student achievement. Evaluation results and recommendations are developed into an implementation plan. Implementation is monitored on a periodic basis and its impact on program improvement is assessed.		X	Observation 12-A
2.	Performance Accountability Systems. The school system clearly reports on the performance of its major administrative and operational support functions.		X	Observation 12-B

Source: McConnell Jones Lanier & Murphy LLP Review Team.

DETAILED OBSERVATIONS

EDUCATIONAL PROGRAM EVALUATION

OBSERVATION 12-A

The School System’s Research Assessment and Evaluation Department has not conducted regular evaluations of system programs and initiatives to determine their effectiveness and contribution to and impact on student performance. While the School System has planned a comprehensive performance accountability framework, educational programs have not been consistently evaluated.

The Research Assessment and Evaluation Department organizational chart consists of a number of program evaluation-related positions, including coordinator program evaluation, program evaluator, and program evaluation analyst. In addition, there are several positions supporting evaluations such as coordinator of research and data analysis, coordinator of statistical and research science, and data quality advisor. However, the department’s focus has not been on program evaluation.

Although the School System has been going through a process of restructuring and changing programs and implementing multiple new initiatives, it has only evaluated three programs since 2009-2010, which include the English Language Learner program (2010), the Special Education program (2012), and the Gifted and Talented program (2012). All three evaluations were conducted by external organizations, of which one evaluation was requested by the state. The Schools System contracted for an outside evaluation in 2014 as a follow-up to the 2010 evaluation of its English Language Learner program. The Research Assessment and Evaluation Department has not had a direct role in any of these evaluations.

As a best practice model, Dallas Independent School District has an extensive program evaluation system, managed through its Evaluation and Assessment Department, consisting of three groups: Federal Title Evaluation, Special Projects, and School Improvement and Assessment. The department evaluates academic programs, district initiatives, grants, and federally funded projects and, to facilitate the process, has established a common evaluation and report organization framework consisting of:

- An executive summary or abstract.
- A program description.
- The stated purpose and scope of the evaluation.
- The major evaluation questions and for each question the associated methodology and results.
- A summary and recommendations.
- Appendices.

The Dallas Evaluation and Assessment Department posts all evaluation reports on its website. The reports are available in two formats: the full report and a brief “at-a-glance” summary.

RECOMMENDATION 12-A.1**Design and implement a formal process for the evaluation of the School System's educational programs and initiatives.**

Ensure that each program and initiative is evaluated periodically; the evaluation results and recommendations are communicated to respective administrators, staff, and the Board and establish a timeline for the reporting on the status of the evaluations.

The Research Assessment and Evaluation Department executive director should:

- Develop a three-to-five year calendar showing the programs and initiatives that will be evaluated each year, giving priority to programs having the greatest impact on student performance.
- Develop an evaluation framework that will define the purpose and scope of the evaluation, articulate the measures and methodology, specify the type of data to be collected and methods of data collection, describe how the data is to be analyzed, and outline the contents of the evaluation report.
- Assume primary responsibility for recommending whether evaluations will be completed by the department or by an external entity. If the evaluation is to be contracted to an outside entity, participate in the development of the request for proposal and oversee and support the selected evaluator.
- Develop a self-evaluation component for annual evaluations and support programs and initiatives implementing annual self-evaluations.

The department should institutionalize follow-up evaluations conducted two or three years after the initial evaluation to determine if, how, and to what extent the program or initiative implemented the recommendations and the effects of the implementation. Initial and follow-up evaluation results should be presented to the Board.

FISCAL IMPACT

This recommendation can be implemented with existing resources.

ADMINISTRATIVE OPERATIONAL PROGRAM ACCOUNTABILITY**OBSERVATION 12-B****A comprehensive performance measurement system exists within the School System; however, not all major administrative and operational functional areas are maximizing its use.**

The Council of the Great City Schools issues a publication each year entitled, *“Managing for Results in America’s Great City Schools.”* This report defines and presents an extensive array of statistical indicators developed by the Council of the Great City Schools and its member urban school districts to measure performance on a broad range of operational functions, including business services, finances, human resources and technology.

The Council of Great City Schools defines benchmarks so that urban school district members can assess their performance and set strategic goals based on operational data. Performance data publications prepared by the Council of Great City Schools state that when a district measures its performance and compares itself to others, it can better identify where it is successful, where it needs to improve, and how to do so strategically. Several other organizations such as the Texas School Performance Review, State of Ohio Auditors Office, and Florida Legislature’s Office of Program Policy Analysis and Government Accountability also publish similar best practice performance measure indicators that can be used by school districts to assist with improving operational areas.

The primary reason for establishing a performance measurement system is to ensure that appropriate data is collected and analyzed so that informed administrative and operational decisions are made about the respective functional areas.

The School System is a member of the Council of Great City Schools and regularly participates in its performance measurement benchmarking surveys. While the School System uses some of the Council of Great City Schools’ key performance indicators to analyze operations, its use of key performance indicators could be expanded. The following is a list of administrative and operational functional areas that could benefit from expanded use of performance indicators.

- Human Capital
- Financial Management
- Facilities Management
- Nutrition Services
- Transportation
- Safety and Security
- Technology Management

Knowing the extent to which certain administrative and operational functional areas are meeting goals helps to determine whether or not to continue, modify, or terminate how certain processes are performed and/or improved. Consistent analysis and evaluation is necessary to determine if administrative and operational functions are fully meeting the needs of the School System. Performance measurement helps identify weaknesses and pinpoints needed changes, which guide continuous improvement. Without administrative and operational performance measurement, the School System is limited in the ability to identify and address causes of poor performance and to develop strategies for increasing effectiveness.

RECOMMENDATION 12-B.1

Develop a formal performance accountability system to better manage and oversee administrative and operational functions on a monthly basis.

The School System should encourage all departments to identify relevant performance measures to manage and monitor operations and use the data to develop a comprehensive monthly performance accountability report that can be used collectively by the executive leadership team to measure to overall performance of the school system.

Exhibit 12-3 on the following page presents a sample of traditional performance metrics and how they would be applied to administrative and operational departments. The definitions immediately below help to describe what the performance metrics are attempting to measure:

- **Productivity**, which quantifies the outputs and inputs of an organization and expresses the two as a ratio. Generally, the ratio is expressed as output to input.
- **Effectiveness**, which determines the relationship of an organization's outputs to what an organization is intended to accomplish.
- **Quality**, which examines an output or the process by which an output is produced. Quality is indicated by attributes such as accuracy (or error rate), thoroughness, and complexity.
- **Timeliness**, which evaluates the time involved producing an appropriate output.

The School System uses performance measures, but not consistently in all areas. For example, the accounts payable and procurement functions use performance measures as a management tool and they publish a monthly operations report summarizing results. Child Nutrition tracks and uses metrics such as meals per labor hour, food costs as a percentage of revenues, food and labor costs as a percentage of revenues, and average daily breakfast and lunch participation. The Technology and Information Services Department tracks and uses performance measures such as average age of computers, computer labs per school, technology spending per student, and number of computers per computer lab. The Transportation Department makes extensive use of performance measures and is in the process of implementing new maintenance software that will provide better data to expand their usage.

Statistical safety and security information concerning the number and type of disciplinary actions, number and types of incidents, number of searches, and the number of closed circuit television cameras is provided to the chief of Support Services for inclusion in a report to the board. However, although these statistics are captured, they could be used more effectively to manage safety and security operations. For example, the information is not being measured against performance targets and annual trends.

The Human Capital Department tracks performance measures such as teacher vacancy\turnover rates, substitute placement rates, and average worker's compensation claims; however, no evidence was provided indicating that this information is used to manage the department.

Exhibit 12-3 provides examples of performance measures that could be used in various areas. The list, though not exhaustive, is a fairly comprehensive one that can be used as a reference. The asterisk in the exhibit denotes that the area is already using the key performance metric.

EXHIBIT 12-3
Sample Performance Measurement Framework

Functional Administrative and Operational Areas	Samples of Key Performance Metrics
<p>Human Capital</p> <p>2 of 19 used =11% used</p>	<ul style="list-style-type: none"> • Ratio of Human Capital staff per school system employee • Ratio of Human Capital staff per student • Human Capital department cost per student • Employee separation rate – teachers • Employee separation rate – certificated staff (excluding teachers) • Employee separation rate – support staff • Average number of days to fill teacher position • Average number of days to fill administrator position • Vacancy/turnover rate – teachers* • Vacancy/turnover rate – administrators • Vacancy/turnover rate – support staff • Teacher absence rate • Substitute placement rate • Worker’s Compensation cost per employee • Average worker’s compensation claim • Worker’s compensation lost workdays per 1,000 employees • Health benefits costs – certificated staff • Health benefits costs – support staff • Cost per pay check*

EXHIBIT 12-3
Sample School System Performance Measurement Framework (Cont'd)

Functional Administrative and Operational Areas	Samples of Key Performance Metrics
<p>Financial Management</p> <p>9 of 24 used = 38%</p>	<ul style="list-style-type: none"> • General Fund Balance Ratio – Unrestricted (GASB 54)* • Cash Management - Fund Reserves as Percent of Total Revenue* • Risk Management Average Cost per Liability Claim* • Accounts Payable Costs per \$1,000 of Accounts Payable dollars spent* • Accounts Payable Cost per Invoice* • Invoices Processed per FTE per month* • Days to process Accounts Payable invoices • Invoices processes per FTE • Invoices past due at time of payment • Payments voided • Purchasing Department costs per procurement dollar spent (percentage)* • Cost per purchase order • Cooperative purchasing ratio • Percent after the fact purchase orders • Average P-Card purchase amount • P-Card transactions ratio* • Procurement savings ratio • Grants receivable aging (weighted)* • Grant funds to total budget • Cost per pay advice (check or direct deposit) pay advices to payroll FTE • Percentage of employees on direct deposit • Hours per audit by school type • Percentage of audit findings resolved one year after audit • Audit hours per FTE

**EXHIBIT 12-3
Sample School System Performance Measurement Framework (Cont'd)**

Functional Administrative and Operational Areas	Samples of Key Performance Metrics
Facilities Management 1 of 17 used = 6%	<ul style="list-style-type: none"> • Maintenance <ul style="list-style-type: none"> – Overall maintenance cost per student – Maintenance and operations as a percentage of general fund expenditures – Average number of maintenance FTEs per trade/discipline (e.g., painters, carpenters, general services/general maintenance, HVAC, electricians, plumbers) per sq. ft. of buildings maintained – Average maintenance cost per labor hour by trade/discipline – Average cost per job by trade/discipline – Average number of days to complete emergency work orders by trade/discipline – Average number of days to complete regular/routine work orders by trade/discipline – Service satisfaction levels for maintenance function performed – Average number of days between preventive maintenance function – Service satisfaction level for maintenance performed • Custodial Cost Per Student (Outsourced)* • Grounds (Athletic Fields) <ul style="list-style-type: none"> – Average acreage maintained per grounds FTE employee – Service satisfaction level • Energy (Tennessee or Southeast Region) <ul style="list-style-type: none"> – Average number of sq. ft. per energy management FTE – Average usage/cost of electricity per sq. ft. – Average usage/cost for gas per sq. ft. – Average usage/cost for water per sq. ft.
Nutrition Services 3 of 6 used = 50%	<ul style="list-style-type: none"> • Meals Per Labor Hour (MPLH) • Food costs as percentage of revenues • Labor costs as percentage of revenues • Total expenses as percentage of revenue* • Average daily breakfast participation (primary and secondary)* • Average daily lunch participation (primary and secondary)*

EXHIBIT 12-3
Sample School System Performance Measurement Framework (Cont'd)

Functional Administrative and Operational Areas	Samples of Key Performance Metrics
<p>Transportation</p> <p>18 of 21 used = 86%</p>	<ul style="list-style-type: none"> • Cost per Total Mile Operated – All Buses* (tracked but unreliable results due to lack of formal method to track mileage) • Transportation budget as a percent of total school system budget* • Cost per student overall* • Cost per regular education student* • Cost per exceptional education student* • Daily cost per bus regular education and exceptional education* • Yearly cost per bus regular education and exceptional education* • Cost per mile regular education and exceptional education* • Average buses per 100 students* • Capacity utilization* • Spare bus ratio* • Accident rate* • Average daily driver and monitor absence* • Average vehicle age* • Bus replacement backlog* • Buses per mechanic (tracked but can be improved with new maintenance software) • Scheduled service rate • Percentage of total fleet available per day* • Road call rate* • Inventory size* • Percentage of available time charged to work orders (not currently but will with implementation of new software)
<p>Safety and Security</p> <p>1 of 8 used = 13%</p>	<ul style="list-style-type: none"> • Safety and Security expenditures as percent of general fund expenditures* • Percent of school sites requiring employee ID badges • Percent of school sites requiring visitor ID badges • Hours of training per school system security and law enforcement member • Arrests on school sites per 1,000 students • Percent of school sites with security camera systems • Percent of school sites with alarm systems • Percent of types of disciplinary actions

**EXHIBIT 12-3
Sample School System Performance Measurement Framework (Cont'd)**

Functional Administrative and Operational Areas	Samples of Key Performance Metrics
Technology Management 8 of 23 used = 35%	<ul style="list-style-type: none"> • Average age of computers and replacement plan* • Computing devices per student/teacher/employee • Computer labs per school* • Number of computers per computer lab* • Spending for IT capital investments* • Spending for hardware/systems/services* • IT personnel cost • IT Contractor usage and cost* • IT personnel training hours and cost • IT spending per student* • IT spending percent of school system budget • Days network usage exceeded 75 percent of capacity • Wide-area network (WAN) downtime • Break fix staffing cost per ticket • First contact problem resolution rate • Help desk call abandonment rate* • Mean time to resolve problem tickets by type • Email system downtime • Student Information System (SIS) downtime • Enterprise Business System (EBS) downtime • Data warehouse downtime • Instructional technology training courses/hours • Cost savings from efficiency improvements

Source: McConnell Jones Lanier & Murphy LLP Review Team from Council of Great City Schools, Texas School Performance Review, State of Ohio Auditors Office, and Florida Legislature's Office of Program Policy Analysis and Government Accountability.

**Indicates that Metropolitan Nashville Public Schools is using the key performance indicator as a Council of Great City Schools peer member.*

FISCAL IMPACT SUMMARY

	RECOMMENDATION	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	TOTAL 5-YEAR (COSTS) OR SAVINGS	ONE TIME (COSTS) OR SAVINGS
CHAPTER 12: PERFORMANCE ACCOUNTABILITY SYSTEMS								
12-A.1	Design and implement a formal process for the evaluation of the School System's educational programs and initiatives.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12-B.1	Develop a formal performance accountability system to better manage and oversee administrative and operational functions on a monthly basis.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTALS Chapter 12		\$0	\$0	\$0	\$0	\$0	\$0	\$0

Management Response

	Recommendation	Concurrence and Corrective Action Plan	Proposed Completion Date
Management of Metropolitan Nashville Public Schools should:			
12-A.1	Design and implement a formal process for the evaluation of the School System’s educational programs and initiatives.	<p>Partially Accept</p> <p>MNPS currently evaluates many of its educational programs and initiatives. The Research, Assessment and Evaluation Department conducts much of the analysis included in program evaluations, and often works with outside agencies conducting evaluations to provide necessary data or assist in analysis and interpretation. MNPS notes that some grants require an independent evaluation.</p> <p>The audit lists three programs that have been evaluated since 2009-10, when in fact there have been many more. MNPS uses its Academic Performance Framework to evaluate many of its educational programs and initiatives. Some additional program and/or initiative evaluations include: Music Makes Us, Pre-Kindergarten, Career and Technical Education (CTE), MNPS Achieves, individual School Improvement Plan analysis/reviews, The Academies of Nashville, Reading Recovery, Social and Emotional Learning, Diversity Management, Community Achieves, Limitless Libraries and many others that vary in levels of complexity/detail.</p> <p>The district will review current evaluative protocols being used across the system for consideration of potential internal best practices that can be applied to a more strategic and comprehensive process. (e.g. School Improvement Plan evaluations, state and federally funded program and initiative evaluations, data warehouse reports relating to specific program participation).</p> <p>A protocol will be piloted and improvements made prior to taking it to scale. Evaluations will consist of predefined levels of complexity in the model design.</p>	December 2016
12-B.1	Develop a formal performance accountability system to better manage and oversee administrative and operational functions on a monthly basis.	<p>Accept</p> <p>As stated within the MJLM audit, many MNPS departments utilize the Council of the Great City Schools’ (CGCS) Key Performance Indicators (KPI) as a mechanism for not only benchmarking performance, but also as a way to monitor performance on a monthly basis. Departments also have performance measures drafted within their strategic action plans which are aligned to the MNPS strategic plan, Education 2018.</p> <p>The focus going forward will be to expand the district’s use of the CGCS KPI software tool in all divisions to inform progress being made on operational efficiencies and performance. In addition, each</p>	June 2016

Management Response

	Recommendation	Concurrence and Corrective Action Plan	Proposed Completion Date
		<p>division's strategic action plan will be revisited to ensure a more concise/focused overview is being monitored with related performance indicators. The more detailed action plans already drafted will be used at the department level to provide greater background on areas of focus as needed.</p>	