

BOARD OF EDUCATION
The School District of South Orange and Maplewood
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March 1, 2005

TO: Members, Board of Education
Peter P. Horoschak, Superintendent

FROM: Karla Milanette, Business Administrator
William Kyle, Supervisor of Buildings and Grounds
Maurice Howell, Supervisor of Custodial Services

SUBJECT: BUDGET DEVELOPMENT REPORT: CUSTODIAL AND
MAINTENANCE SERVICES

The Board of Education requested an updated analysis of the efficiency of the district's delivery of custodial and maintenance services in preparation for 2005-06 budget discussions.

This analysis consists of two main parts: (1) a discussion of how well we have done in addressing the issues described in last year's custodial services budget analysis; and (2) a discussion of service options for the 2005-06 year and the administration's recommendation on which option to choose.

ANALYSIS FOR DELIVERY OF SERVICES IN 2004-05

Last year's analysis, reported on December 29, 2003 for the 2004-05 budget development identified a number of areas that should be addressed that might result in both improved efficiency and higher cleanliness of the buildings. The observations about the delivery of services in 2003-04 included:

1. The most efficient cleaning is done in the evenings when the buildings are empty.
2. In most buildings, the Head custodian is on duty primarily before and during school hours. In some cases, the Head custodian's day ends before the school day is over because it begins so early. This does not provide time for briefing before the night crew begins to clean without incurring overtime expenses.
3. At several schools, the night cleaning crew's shift begins long before school ends. This is necessary because mid-day custodial assistance is needed at the middle and elementary schools for cafeteria clean-up. Other than the cafeteria, it is difficult to provide efficient cleaning while the building is fully occupied.

4. While the average square footage per total number of custodians is in line with the industry average, the number of custodians available to clean during the hours when the buildings are not occupied is limited by school usage and far exceeds the industry average.
5. Most cleaning shifts do not extend beyond 9:00 p.m.
6. There is no evening supervision. The Director occasionally visits buildings after hours but he is also responsible for Transportation. It makes a very long day for him to observe both early morning bus runs and evening custodial shifts.
7. School administrators prepare evaluations with input from the Director. School administrative support is limited.
8. Support services (1 FTE secretary) are shared among custodial services, transportation services, and maintenance services.
9. Supplies and equipment are purchased through competitive bids on the open market.
10. The current custodial program is understaffed, under-trained and under-supervised.
11. Increased training, supervision, supplies and equipment are necessary to increase productivity.

ORIGINAL PLAN FOR DELIVERY OF SERVICES IN 2004-05

Four alternative approaches for addressing these observations and improving custodial services were developed for consideration during last year's budget discussions. With Board concurrence, it was decided to implement a plan utilizing a combination of district custodians and contracted services overseen by a dedicated district supervisor.

The approach intended to retain 34 of 55 district custodians who would be assigned to Columbia High School and as head custodians at each of the other buildings. Contracted cleaning services would extend after school hours until 11:00 P.M. in all schools when the most efficient cleaning could occur. The plan provided that approximately 21 district custodians would be released and replaced with personnel from the contracted cleaning services. District custodians to be released were those who had not obtained the black seal license required as a condition of their employment per the SOMEA contract, despite repeated incentives and warnings.

Also included in the plan was the addition of a new position -- Supervisor of Custodial Services -- to address the concerns identified regarding adequate supervision. This approach was patterned after the highly successful food service management model already in use in the district. The district contracts for Food Service Management

Services overseen by the Food Service Supervisor, a district employee, who is wholly responsible for the program. The contracted management firm takes over the responsibility for recruiting, hiring, training and supervising contracted employees. In addition, they manage overtime, substitutes and purchasing of supplies and equipment. All of these represent major escalating costs to the district and can be more effectively managed by a professional vendor with its own personnel.

In the proposed custodial management model, the district's Custodial Services supervisor was to serve as the liaison between the building administrators and the contractor, monitoring contract compliance, dealing with complaints in a timely manner and maintaining open communication. The district's supervisor was to remain responsible for all custodial services provided by district employees at Columbia High School and Head Custodians in other schools as well.

In addition, the plan provided for increased secretarial services to handle calls, coordinate custodial services, oversee purchasing, produce evaluations and increase the response to staff and parent concerns. The plan also envisioned the addition of two to four new maintenance positions to provide some of the services such as painting, landscaping, and preventive maintenance that are currently provided by vendors.

It was anticipated that the proposed approach would reduce custodial costs \$500,000 to \$725,000. The proposed approach also addressed many of the concerns identified above, by:

1. Significantly reducing operating costs
2. Improving productivity resulting in cleaner buildings
3. Increasing supervision and making more efficient use of Head Custodian time
4. Providing relief from time consuming non-educational duties for building administrators
5. Using a strong, proven management model
6. Increasing communication and response to staff and parent concerns
7. Enabling more flexible scheduling
8. Addressing other concerns identified

Other alternatives that were considered but rejected in favor of the chosen approach included:

1. retaining current staff and adding supervision and support at an estimated additional cost of \$115,000.
2. releasing all custodians from the district payroll and contracting for all custodial services at an estimated savings of \$1,444,876
3. contracting for management services only at an estimated additional cost of \$500,000

ACTUAL PLAN IMPLEMENTATION IN 2004-05

Implementation of the plan began immediately after budget approval in April 2004. The selection of a satisfactory service provider was the first priority. The district petitioned the Division of Local Government Services, Department of Community Affairs to allow the use of a competitive contracting (request for proposal) process in order to be able to evaluate prospective service providers using evaluative management performance criteria in addition to cost-related factors. The appeal process took a substantial amount of time and ultimately resulted in a denial of the request. The district was instructed to select the service provider submitting the lowest price. Bid specifications were developed that were designed to detail the high expectations of the district.

A significant amount of time and effort was invested to ensure that a quality provider could be procured. As a result, ARAMARK, the successful bidder, was not able to begin operations until August, 2004. The following is a calendar of the procurement process.

April 22, 2004	Submitted request to Division of Local Government Services to use competitive contracting
June 1, 2004	Response (denial) received from DCA
June 3, 2004	Issued Bid Request
June 24, 2004	Bids Received – 2 bids received
July 19, 2004	BOE awarded contract to ARAMARK
August 1, 2004	ARAMARK began operation

The original plan provided for the retention of 34 district employees to staff the high school and day services at all other schools and the discharge of twenty-one custodians lacking a black seal license. As things worked out, 14 of the 21 were retained: 3 requested to work one additional year in order to retire on June 30, 2005 and 11 obtained the license by June 30, 2004. Of the remaining seven, three were hired by ARAMARK (one continues to work in the district as an ARAMARK employee), and four relocated. At the time, a commitment was made in good faith to accommodate these employees and to move to contracted services only as normal attrition of district custodians occurred.

As a result of the retention of district employees, the scope of work contracted with ARAMARK was greatly reduced. The original plan was altered and thus not all of the projected benefits could be realized. There are currently four facilities supported in part or in whole by ARAMARK – South Orange Middle School, Maplewood Middle School, Montrose and the Administration Building. Support in these schools has succeeded to varying degrees as discussed further below. Custodial support for all other buildings comes from the remaining 48 district employees.

Current custodial staffing is outlined in the chart below. These figures reflect the current assignments and not the numbers reflected in the December 2003 report.

Building (custodians)	AREA (SF)	Head Custodian	Cleaning Custodian	SF per Custodian
Columbia HS (19)	341,209	5	14	24,372
Maplewood MS (2) {6}	144,980	2	{6}	24,164
South Orange MS (3) {6}	157,112	3	{6}	26,185
Clinton (3)	63,071	1	2	31,535
Jefferson (3)	71,293	1	2	35,646
Marshall (3)	53,297	1	2	26,649
Seth Boyden (4)	80,116	1	3	26,705
South Mountain (3)	56,414	1	2	28,207
South Mountain Annex (1.5)	19,930	1	0.5	19,930
Tuscan (3)	67,235	1	2	33,618
Montrose (-) {1}	32,117		{1}	20,000
Underhill Field (1.5)	14,940	1	0.5	14,940
Board Office (-) {2}	27,989	{1}	{1}	27,989
District Floater (2)			2	
	1,122,233	19	44	26,719

The averages exclude district floaters.

{ } These brackets reflect the number of ARAMARK personnel at four buildings.

Supervision has been increased to include a full-time, on-site ARAMARK manager and a full-time district Supervisor of Custodial Services. The district Supervisor serves as the liaison among the building administrators, district custodians and the contractor and is responsible for supervising district custodians, monitoring contract compliance, and dealing with complaints in a timely manner and maintaining open communication. Both the on-site ARAMARK manager and the district Supervisor of Custodial Services ultimately report to the Supervisor of Buildings and Grounds who is responsible for the overall program.

The original plan included a number of other items that were not possible due to the reduction in the scope of the program in order to retain the additional custodians.

- Addition of clerical support. One FTE is currently shared among custodial services, transportation and property services.
- Dedicated grounds personnel
- Addition of an 11:00 pm to 7:00 a.m. shift at CHS
- Addition of four new maintenance positions to provide some of the services that are currently provided by vendors, such as preventive maintenance, painting and landscaping.

As identified and discussed in the earlier analysis, the need for these items remains valid.

ARAMARK PERFORMANCE

ARAMARK is a publicly-traded company with \$8 billion in revenues that was founded in 1936. The district is fortunate that such a solid, well-respected company with extensive resources was the lowest bidder and awarded the contract to provide custodial services in district's schools.

Start up of a custodial services program is difficult. It would have been a significant challenge for any company. In my view, ARAMARK rose to the challenge and used its extensive resources to make good on its initial commitments in a timely fashion. Specifically:

- ARAMARK did not begin operations until August 3 due to the extended bidding and selection process. ARAMARK applied a strong commitment, extra manpower and invested in expensive equipment. As a result, the two middle schools were ready on time for the opening of school. ARAMARK went beyond the minimum necessary and significant improvements were accomplished in that short month as well. These included the complete wax stripping and refinishing of the wooden floors at Maplewood Middle School and the removal of built-up wax from the tile floors at South Orange Middle School. This work exposed the original, beautiful marble cove molding in the foyer area. Windows in the four buildings supported by ARAMARK were washed inside and outside -- removing years of built-up grime.
- The scope of work was significantly reduced due to the retention of district custodians. Many of the economies of scale anticipated in the original plan (and bid) were not possible. At an agreed cost of \$1 million, the original plan called for ARAMARK to provide custodial services, management, snow removal equipment, personnel (including all responsibility for social security taxes and benefits), supplies (paper and plastic), vehicles, time clocks, communication devices, office and storage space, mop head laundering and a computerized custodial quality assurance program in 10 buildings. The eventual plan was reduced in scope to the two middle schools, Montrose and the Administration Building for less than \$500,000.
- The concept of the original plan to assign a day-time, district-employed head custodian in a building with ARAMARK providing cleaning services 3:00 to 11:00 proved to be problematic. The challenge of separating roles, establishing clean lines of responsibility, and building staff relationships and confidence for the safety and cleanliness of a building was not achieved.

In my view, the following statement from the ARAMARK manager accurately reflects a few of the success and challenges that were faced:

“Although we are only beginning our 6th month with South Orange Maplewood School District I wanted to take a moment and detail some of the successes that Aramark has had here at SOMSD.

Hard Floor Care:

During the month of August ARAMARK stripped and re-finished the 1st, 2nd and 3rd floor hallways in SOMS, as well as the cafeteria and all the classrooms on the 3rd floor. ARAMARK has instituted a floor care program at SOMS to include frequent high speed burnishing and re-finishing as needed. With the addition of our Tennant 7100 Ride on floor machine, the process has become even more streamlined. The 7100 can clean up to 30,000 sq feet per hour.

We also had great results at MMS where we stripped and re-finished all the classrooms and hallways throughout the school. In five of the classrooms with hardwood floors we sanded and re-coated the floors bringing them back to their natural color. We just recently ordered a battery powered high speed burnisher to assist us in the floor care process at MMS. The older wiring in the building is unable to handle the equipment that we have in the building. Before the holiday break we surveyed all the classrooms in both schools and came up with a list of high priority classrooms that needed to have their floors re-finished. During the holiday break we successfully completed 23 classrooms in SOMS and 20 at MMS. We plan on continuing the process during the upcoming winter break.

Carpet:

We have had the opportunity to work on several different types of carpets in the district so far. At Montrose School we recently bonneted the main entrance and hallway carpets during the holiday break. At SOMS we bonneted 15 classrooms over the same break as well as some offices and hallways at Central Office. We also had the opportunity to do some carpet extraction work at Marshall School where we completed 4 classrooms and at Clinton School where we completed 5 classrooms, the main hallway and the library.

Misc:

We have not limited ourselves to only carpet and hard floor care. We also re-finished the Columbia High School gymnasium floor as well as the SOMS gymnasium. We incorporated a new, water-based screening system that allows the floor to be screened and varnished in two days, allowing another 48-72 hours for drying time of course. This system has all but eliminated the usually heavy sawdust that was left behind by the old screening process. In an ongoing process, we are systematically replacing all the toilet paper dispensers in the buildings to make things more uniform. We feel that the installation of the 9” dual role will dramatically reduce the waste of the toilet paper. We have already installed over 50 units. We most recently took some time to paint the cove base at MMS to make sure the front entryway was looking its best for the school play.

ARAMARK is not content just looking at the past and we have many exciting plans for the future. We are implementing a structured inspection process so that we can provide you with up to the minute feedback on what is happening in the schools. It will also give us a good benchmark to evaluate ourselves. With the addition of a quality control program and continued on-site training I believe that ARAMARK can continue to meet and exceed your expectations.
Thank You”

ASSESSMENT OF ARAMARK’S PERFORMANCE

The following table describes the performance rankings for ARAMARK’s first four months of service in those locations and roles covered by the actual implementation plan. In sum, it is my view that ARAMARK has met our expectations and is a reliable vendor with which we can do business. In particular, they are willing to admit shortcomings or mistakes when they occur and demonstrate the management ability and determination to make things right as quickly as possible. It is clear from a number of their efforts that they have the expertise and resources to deliver on what they contractually promise.

Table Key: E = Excellent G = Good A = Adequate P = Poor

Indicators of Performance

Criteria	Central Ofc	MMS	SOMS	Montrose
Floors:				
Restoration	NA	E	E	G
Heavy Cleaning	G	G+	G+	G
Daily Cleaning	A	A	G	A
Lavatories:				
Restoration	NA	NA	NA	NA
Daily Cleaning	A	A	G	G
Dispenser upgrades	A	A	A	A
Timely re-supply	A	A	A	A
Supplies quality	G	G	G	G
Supplies quantity	G	G	G	G
Windows	G+	G+	G+	G+
Snow Removal:				
Equipment provided	G	A	A	A
Timely response	G+	E	G+	G
Adequate performance	G	G+	G	G
Refuse Removal	G	A	G	G
Supplies:				
Quality	G	G	G	G
Sufficient quantity	G	G	G	G
Personnel Reliability:				
Timeliness	G	G	G	G
Work quality	G	A	G	G
Honesty	G	G	A	G
Absence coverage	E	E	E	E
Longevity	G	G	G	G
Interactions	G	G	A	G

RESPONSES TO QUESTIONS AND CONCERNS

The transition from district-employed custodial services to contracted services is a major undertaking that, in any district, would be met with a great deal of skepticism and some opposition. Some of the most frequently asked questions are addressed in the following question and answer format.

Q. Has a background check and fingerprinting been performed on all ARAMARK employees?

A. ARAMARK management has assured the district that security is as important to the company's operations as job performance. The hiring process used by ARAMARK mirrors the district's hiring process. Job candidates submit an application to ARAMARK which includes an affidavit statement that they have not committed any crime. Employment and personal references are checked by ARAMARK management. An initial computerized criminal background check using a system known as Dataquest is made before a job is offered. Immediately upon hiring, two forms are completed and submitted to the district's human resources office. These are the Authorization and Certification form (A&C form for criminal history) and the fingerprinting application form (Sagem Morpho, Inc.). These forms are submitted to the State of New Jersey for authorization to work in a public school system. This is the same procedure used for new employees in the district. If an applicant is found to be "disqualified from employment in a school district" by the State of New Jersey, ARAMARK agrees to immediately remove the employee from working in the district. The district human resources department maintains files on all ARAMARK employees. The written procedures for this process have been developed and accepted by ARAMARK.

Q. Has there been turnover among ARAMARK staff? It is alleged that contractor firms often rotate employees among job sites to avoid having to perform background investigations which can be costly.

A. Bid specifications required that ARAMARK provide a competitive wage (above local average) to their hires in order to attract and retain the best workers. Nine of the 13 original employees hired by ARAMARK in August remain employed in the district. Among the four who left, two were former district employees, hired by ARAMARK, who chose not to continue, one was dismissed for performance and one was dismissed when observed by district surveillance for improper behavior (theft). In addition to immediately dismissing the employee, ARAMARK agreed to repay the district for the stolen items.

Q. What has been ARAMARK's performance on snow removal? A claim has been made that: "Snow removal was less than perfect due to outsourcing at the middle schools." "No assistance from ARAMARK." "Our custodians did it all by hand because snow blowers did not work." (remarks by SOMEA president to the Board at 1/24/05 public meeting).

A. The first major snow storm of the season occurred on the weekend of January 22 – 23. The snow began around noon and all custodians were requested in on that Saturday. Many district custodians failed to participate in that snow clearing on that Saturday and instead chose to come in on Sunday, January 23. ARAMARK was observed at three of their four sites on Saturday and at all of the sites on Sunday. In several cases, ARAMARK personnel were on site before district personnel.

Q. Are the supplies provided ARAMARK custodians of high quality and in sufficient quantity?

A. Bid specifications detailed district expectations for the standard of supplies. The district Supervisor of Custodial Services monitors the contractor to ensure compliance with specifications. New dispensers for paper towels, soap and toilet paper have been installed throughout the district increasing the availability of these products.

In summary, it is premature to fully assess the impact of ARAMARK services in “drastically” improving the cleanliness of the buildings as originally envisioned due to the reduced scope, short start-up time and deployment schedule discussed previously. The transition has had some successes and some stumbles along the way. However, there are a number of metrics that indicate that the potential exists for a very high-quality program once fully implemented.

- The anticipated savings of \$500,000 was realized due to the reduced scope of contracted services, increased district management of resources and overtime.
- The schedule was met so that the contractor was in place and schools were ready for opening day.
- The average number of square feet per custodian assigned during actual cleaning time was reduced by 22% (from 33,000 sq. ft. to 27,000 sq. ft.).
- More than 300 hours of individual and group training has been conducted to date.
- Controls have been implemented to effectively monitor both the in-house and contracted custodians. A standards manual is in final draft form and nearing production.
- Equipment such as the Tennant 7100 Ride-on floor machine that can process up to 30,000 sq feet per hour has increased efficiency. It would not have been possible for the district to purchase such equipment.
- A floor care program has been instituted resulting in refinishing 43 classroom floors, sanding and refinishing wooden floors in 5 classrooms and resurfacing of 2 gym floors.
- A program for carpet care which utilizes the appropriate process (bonneting vs. extraction) for different types of carpet that is expected to extend the life of the carpet for at least 3 years.
- Windows on all floors in four buildings were washed inside and out -- an event which had not occurred for at least 15 years.
- Documented meetings were held with building administrators and SOMEA Health & Safety Committee with follow-up.

OPTIONS FOR 2005-06 SCHOOL BUDGET

Having reviewed the study done in December 2003, the assumptions remain valid. Additionally, several assumptions were made for the purpose of analysis here.

1. The management requirement outlined in item 6, page 4 of the December 03 paper has in large measure been satisfied by the hiring of Mr. Howell.
2. There is still a need for additional dedicated grounds personnel.
3. The need for a third shift at the High School (11:00 p.m. to 7:00 a.m.) remains valid.
4. Cleaning support provided by a vendor should be from 3:00 p.m. to 11:00 p.m.
5. A shift change should be incorporated to include weekend duty at the High School and the two middle schools to reduce overtime costs.
6. There is still need for four additional maintenance personnel.
7. Consider options that retain a district FTE as head custodian in each school and a second that eliminates district FTE head custodians.
8. Consider an option that replaces the custodial workforce at all schools including the high school.

Four options have been considered for addressing some of the concerns and for continuing the transition to contracted services that was begun this year.

OPTION A

Continue contracted services in four buildings. Use savings from four retiring district custodians to add contracted services at the two middle schools. Both schools would be fully supported by contracted services. This option would eliminate the problems that have arisen from having mixed service providers in a building. Total estimated net savings is expected to be approximately \$150,000.

Building (custodians)	AREA (SF)	Head Custodian	Cleaning Custodian	SF per Custodian
Columbia HS (19)	341,209	5	14	24,372
Maplewood MS {8}	144,980	{2}	{6}	24,164
South Orange MS {8}	157,112	{2}	{6}	26,185
Clinton (3)	63,071	1	2	31,535
Jefferson (3)	71,293	1	2	35,646
Marshall (3)	53,297	1	2	26,649
Seth Boyden (4)	80,116	1	3	26,705
South Mountain (3)	56,414	1	2	28,207
South Mountain Annex (1.5)	19,930	1	0.5	19,930
Tuscan (3)	67,235	1	2	33,618
Montrose (-) {1}	32,117		{1}	20,000
Underhill Field (1.5)	14,940	1	0.5	14,940
Board Office (-) {2}	27,989	{1}	{1}	27,989
District Floater (2)			2	
	1,122,233	18	44	26,719

The averages exclude district floaters.

{ } These brackets reflect the number of ARAMARK personnel at four buildings.

PROS:

- Savings to the district at a time when budget cuts are necessary
- Eliminates problems that have arisen from having mixed service providers in a building since all both middle schools will be supported solely by contracted services

CONS:

- Does not address all concerns identified

OPTION B

Continue contracted services in buildings. Continue combined in-house and contracted services in two middle schools. Use savings from four retiring district custodians to add contracted services at two elementary schools. The estimated net savings of this approach is approximately \$95,000.

Building (custodians)	AREA (SF)	Head Custodian	Cleaning Custodian	SF per Custodian
Columbia HS {19}	341,209	{5}	{14}	24,372
Maplewood MS (2) {6}	144,980	(2)	{6}	24,164
South Orange MS (3) {6}	157,112	(3)	{6}	26,185
Clinton (1) {2}	63,071	1	{2}	31,535
Jefferson (1) {2}	71,293	1	{2}	35,646
Marshall (3)	53,297	1	2	26,649
Seth Boyden (4)	80,116	1	3	26,705
South Mountain (3)	56,414	1	2	28,207
South Mountain Annex (1.5)	19,930	1	0.5	19,930
Tuscan (3)	67,235	1	2	33,618
Montrose (-) {1}	32,117		{1}	20,000
Underhill Field (1.5)	14,940	1	0.5	14,940
Board Office (-) {2}	27,989	{1}	{1}	27,989
District Floater (2)			2	
	1,122,233	19	44	26,719

The averages exclude district floaters.

{ } These brackets reflect the number of ARAMARK personnel at six buildings.

PROS:

- Savings to the district at a time when budget cuts are necessary
- Continues transition to additional schools

CONS:

- Does not address all concerns identified
- Does not eliminate problems that have arisen from having mixed service providers in a building since all three secondary schools will be supported by contracted services

OPTION C

A combination of Options A & B would be possible if additional resignations, non-renewals and/or retirements occurred. Considering 6-8 openings for transition to contracted services, the estimated net savings would be approximately \$320,000.

PROS:

- Savings to the district at a time when budget cuts are necessary
- Eliminates problems that have arisen from having mixed service providers in a building since all both middle schools will be supported by contracted services

CONS:

- Does not address all concerns identified

OPTION D

The greatest savings are realized by expanding contracted services. Providing contracted services at all three secondary schools would result in an estimated net savings of approximately \$1,000,000. This option would require a reduction in force of 24 district custodians.

Building (custodians)	AREA (SF)	Head Custodian	Cleaning Custodian	SF per Custodian
Columbia HS {19}	341,209	{5}	{14}	24,372
Maplewood MS {8}	144,980	{2}	{6}	24,164
South Orange MS {8}	157,112	{2}	{6}	26,185
Clinton (3)	63,071	1	2	31,535
Jefferson (3)	71,293	1	2	35,646
Marshall (3)	53,297	1	2	26,649
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Tuscan (3)	67,235	1	2	33,618
Montrose (-) {1}	32,117		{1}	20,000
Underhill Field (1.5)	14,940	1	0.5	14,940
Board Office (-) {2}	27,989	{1}	{1}	27,989
District Floater (2)			2	
	1,122,233	18	44	26,719

The averages exclude district floaters.

{ } These brackets reflect the number of ARAMARK personnel at three buildings.

PROS:

- \$1 million savings to the district at a time when budget cuts are necessary
- Eliminates problems that have arisen from having mixed service providers in a building since all three secondary schools will be supported by contracted services
- Provides contractor with a large enough contract to realize economies of scale and increase major investment opportunities in the district (i.e., additional on-site manager, additional equipment, etc)
- Large, state-of-the-art equipment available for better cleaning at secondary schools
- Increased supervision/management possible through contracted services
- Additional savings beyond those projected are likely due to reduced overtime payments to district personnel to cover vacations, sick days, compensatory time, etc. ARAMARK assumes these costs for its personnel within the scope of its contract. Additionally, the scheduling flexibility afforded us by the vendor will also reduce overtime by scheduling some normal work shifts at later hours.
- Control of future cost increases through contract renewals
- Reduces custodial supply requirements funded from district's operating budget

CONS:

- District unable to keep commitment to continue transition to contracted services through attrition of district employed custodians

RECOMMENDATION

The district is committed to providing students and staff with an environment that is clean, safe and conducive to learning and doing so in a financially prudent manner. The analysis performed in 2004 revealed that there was a need for additional staffing, training and supervision to meet our standards for cleanliness in the district's buildings. The most cost effective way to meet these additional needs was through contracted services. There has been a good-faith attempt to implement the transition to contracted services only as we experience attrition of current custodial staff. Custodians who were nearing retirement were allowed to remain on staff and others who were successful in obtaining a black seal license were also retained. The legislative impact of S1701, however, has made it necessary to make deep and painful cuts in the school budget. More than \$3 million of reductions must be found in the projected 2005-06 maintenance-level budget in order to conform to the stringent spending limitations imposed by S1701. (The maintenance budget is the total amount necessary to maintain all current programs and services at the current level in the new school year.) For this reason, Option D, with a net savings of \$1 million, is recommended.

This recommendation will require a reduction in force of approximately half of the remaining district custodial staff. It is estimated that 23 staff custodians will still be needed. See the chart that follows for more detail on how they would be deployed.. The reduction will be based strictly on seniority. ARAMARK has committed to consider those district custodians who might be interested for positions on their staff.

	# of	# of	# of	# of
	Custodians	Head	Night	Day
Clinton Elementary	3	1	2	
Jefferson Elementary	3	1	2	
Marshall Elementary	3	1	2	
Seth Boyden Elementary	4	1	3	
South Mountain Elementary	3	1	2	
South Mountain Annex	1.5	1		0.5
Tuscan Elementary	3	1	2	
Underhill Field House & Fields	1.5	1		0.5
Board of Education Office				
Floater/Driver	1			1
TOTAL DISTRICT CUSTODIANS	23	8	13	2

This proposal does not address other items that were identified as significant needs for improving custodial and maintenance services in the district. No recommendation on these other items will be made, due to budget constraints. If any additional savings are identified during the budget year, it is recommended that one new preventive maintenance position be established.