The Facilities Utilization Task Force considered 11 recommendations. The most significant of these is KPMG’s recommendation 19 II-12.1 which states that:

“The District should address the costs of operating excess facility capacity and explore options for either funding these operations or cutting costs, potentially through the closure of schools or multiple use of consolidation of facilities.”

To consider this recommendation, the Task Force divided into three subgroups: 1) School Consolidation 2) Multi-Use and 3) Decentralize/Multi-use of BESC. The three subgroups suggested 10 alternative recommendations to the original KPMG Recommendation 19.

### School Consolidation

#### Alternative Recommendations 19.1, 19.2, 19.3

After evaluating the information the AISC and the Facilities Task Force came to the following conclusion in regard to the potential to operate Portland Public Schools' instructional programs with fewer buildings:

KPMG’s estimates of potential savings of $11 to 15 million from a possible closure of 31 schools is overstated by a factor of four to five in dollar savings and a factor of three in number of schools.

First, KPMG targeted ideal program capacity utilization at 100%. Further discussion with KPMG suggests a target of 90% utilization (we are at 84%) would be a prudent goal. This translates into a potential site closure number of 4-6 rather than 13 sites (based upon a 6% versus 16% program capacity under-utilization).

Second, implementation of KPMG’s proposal as-is does not consider capacity for students at receiving schools. Since KPMG modeled large schools as closure targets, eliminating these sites would impact 4-6 schools for every one that is closed and misalign elementary/middle/high school cluster boundaries. An attempt to implement KPMG’s recommendation as is affected 48 schools to close 11, and impacted at least 12% of the students. This plan would produce family hardship due to the disruption of moving students to more distant schools, and the loss of the neighborhood schools concept would likely be a problem as well. This would pose significant risk to academic achievement.

Finally, KPMG’s estimated savings per school of $400,000-600,000 assumed that all secondary administrative support for each school would be eliminated. Many of these positions—such as food service, library and specialist teaching positions—are allocated per student, and would move with the students unless programs were dramatically restructured. The Task Force’s conclusion is that KPMG’s recommendation to consolidate sites is feasible, but our smaller potential savings estimate raises the question of whether simple closure is the best course of action for improving facilities utilization.

Using several sets of criteria, three exercises were conducted to determine if the District could operate within the 90% program capacity range with fewer school buildings. From these exercises it appears that

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David Judd  
Facilities Utilization Task Force AISC member and Deputy Director, Parks and Recreation, City of Portland

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“Based on the Facilities Task Force’s work with the District, we estimate that the multi-use of buildings and possible consolidation of school buildings could have a positive net impact of between $1.531 million and $2.739 million.”
given any set of criteria, from 3 to 5 elementary school buildings could cease operations. However, it was not clear that any middle or high schools could be eliminated with any real cost savings—there is a lack of adjacent space for these schools’ students, and impact on incoming student “feeder patterns” would be severe.

Detailed models were built to document physical plant and administrative operation costs per school, operating costs per student per site, as well as net savings potential combining mothball costs, new transportation costs, and administrative savings.

An additional model was built which included the above costs as well as age, cluster, PALT test scores and trends, community uses, and classroom data. This provided the Task Force with the ability to begin to see program/achievement and community impacts of closing each building, and impacts on neighboring schools and overall clusters. Using this model the Task Force learned that different decisions are made when economic, community, and achievement criteria are all included in the process.

The Task Force believes the District’s focus should not be on school closures but on best possible asset utilization. While the Task Force’s study showed us that operating with a smaller number of buildings is feasible, simply folding students into a larger school would not likely save enough to balance the harm done to a program and risk of continued loss of community support for the District. The Task Force believes the following would describe an appropriate process, which should include a process to find and implement more community school programs and increase lease revenues for non-District programs at each site:

1. District management leads the process, with community participation in managing the process.

2. Move fast (6-9 months) and start by using resources at hand to conduct a full utilization survey, including all aspects of programs in place in each building.

3. Evaluate sites using a “better use of available space” approach—work from larger sites with low utilization as incoming targets, rather than very small schools as closure targets.

4. Give priority to new locations for alternative programs with district-wide enrollment, and possible physical consolidation of adjacent programs.

5. Evaluate changes using a set of criteria reflecting community needs, achievement/program goals, and net cost savings. The Task Force has developed a set of criteria we would recommend as a starting point.

6. Include a public input process to ensure specific community needs in altered-use buildings are addressed as constructively as possible.

7. Include long-term plans for any buildings to be closed—they must be leased, sold, or otherwise mothballed within a fixed amount of time.

In some middle and high schools, the

“While operating with a smaller number of buildings is feasible, simply folding students into a larger school would not save enough money to balance the harm done and risk loss of community support.”

Antionette Edwards
AISC and Coordinator, Jefferson Family Resource Center
Task Force has the ability to segment the space into “wings” and operate more than one function out of the facility. In light of the growth of community-use of school buildings and the fact that the District operates non-District instructional programs in over 20 former school buildings (frequently at no cost to the tenant), it would make sense to bring some of these community programs into wings of middle and high schools. This would yield: (1) real building mothball or sale opportunities; and (2) provide sites to actively build on the community schools concept. Where community programs are in place or new programs are implemented, the District should work with the providing agency to secure some form of lease or use fee given our deficit budget situation.

Multi-Use of Buildings

Alternative Recommendations 19.4, 19.5, 19.6, 19.7

The Task Force efforts focused on attempting to achieve a balance between promoting school-based community programs and activities—acknowledging the value added to educational achievement and community-building—with the need to place economic value on the use of facilities given the financial challenges facing the District.

Annual partnership agreements could be established between local governments and the District for complete cooperation and access to school buildings.

Expectations for the amounts possible should be limited to what may be reasonably negotiated between local government and District officials.

This is not meant to be the quick fix or stop-gap. A specific consistent dollar amount provided each year from local governments would enhance the educational programs and support to students, families, and neighborhoods while infusing needed resources into the District budget.

Decentralize/Close/ Multi-use of BESC

Alternative Recommendations 19.8, 19.9, 19.10

One of the first conclusions of the subgroup which looked at the best options for the BESC was that the BESC is used for many other functions than just central administration.

• Only 15% of the BESC facility is committed to administrative offices and Board or conference space.

• 65% of the BESC facility is utilized for warehouse materials, property storage, activities of the school maintenance trades, and fleet operations.

• 9% of the space is occupied for central food preparation.

• 8% of the building involves operation of an underutilized central library.

The Task Force’s conclusion was that the District should study each activity center within BESC, document the appropriateness of its activities to the District’s mission and examine the actual square footage functionally required.

The Task Force’s recommendation that the District should remain at the BESC location is predicated on the willingness of the District to:
• Execute an aggressive plan to fully occupy and manage the space; OR

• Sell it to local government and leaseback the District space as required; OR

• Negotiate joint ownership, occupation and operation with similarly taxpayer funded local government, if possible given changes in the District’s use of the space; and

• Proceed with the immediate lease, sale or other profitable action on the graveled parking lot in front of BESC.

The AISC and the Facilities Task Force recommend that similar immediate action must be taken on other school properties that have not been and do not presently appear necessary for District educational activities. These 24 other facilities continue to demand on-going public maintenance expenditures, which are not offset by revenue returns. Based upon the District’s property listings, expenditure reports and revenue projections, we felt that the District could achieve needed significant cost savings and/or one-time revenues through sale, transfer or other disposition of several of these properties, or long-term third party leases which would eliminate the District’s maintenance costs.

“An estimate of between $1 million to $3.8 million could be realized by making changes in rental and lease agreements, custodial maintenance and efficiencies gained from the new Facilities Management Information System.”

Pam Brown
Director of Facilities and Asset Management, Portland Public Schools

Community Use of Buildings


The four recommendations focusing on community use of buildings dealt with maximizing the existing District assets and making renting/leasing procedures and rates more consistent. Currently policies are unclear and different renters and leaseholders are charged different amounts. Policies do not currently exist which deal with where the balance should be between making school space available to public groups and maximizing revenues.

By taking the suggested action on the four recommendations, clear rental and lease policies would be established and a balance would be achieved between making school space available to public groups and maximizing revenue. The Administration Task Force reached similar conclusions on these recommendations.

Custodial Maintenance


Six recommendations in the KPMG report dealt with Custodial and Maintenance costs. Shortly before the KPMG study, the District reduced the Custodial and Maintenance staff due to budget considerations. This raised the issue of performance standards in a lot of peoples mind. What level of cleanliness and building safety are we expecting of the Custodial and Maintenance staff? What about training and job tracking? These are all issues dealt with in the six recommendations.

Since these recommendations came out, the District has instituted a RFP process to contract for the management of the custodial staff. Within
the contract agreement will be performance and job tracking requirements.

District implementation would result in a review of the funding for and delivery of janitorial and custodial services. Agreements would be reached with outside contractors for custodial management. Management agreements would include including training for workers and meeting established performance standards.

**Technology**

**Recommendation 175 VIII-12.1**

This recommendation deals with the finding that the District has established performance measures but does not routinely check them against industry standards. KPMG recommends that the new Facilities Management Information System implement policies and practices to increase the use of performance measures. The alternative recommendation that the Task Force is making is that the District should continue implementation of new facility management policies that increase the use of performance measures.