# Executive Summary
# Human Resources

## I. History

Quality and effective teachers are essential in any education system. CMS is no different. In recent years, CMS has increased its efforts to recruit more effective educators. But with a teacher shortage in CMS – like many others in the country, the district has seen growing enrollment and not enough teachers in the employment pool – recruiting the best teachers is a challenge.

In addition to hiring teachers, other areas covered by Human Resources are: employee relations, Human Resources Information Systems, benefits, compensation and licensure.

In October 2006, Dr. Gorman asked the Council of the Great City Schools to examine the district's Human Resources Division and provide the following:

- A high-level review of the organizational structure with recommendations for improvement
- An assessment of the effectiveness of the division's performance as an integral strategic partner in the achievement of the district's goals and objectives
- An evaluation of the operational practices and procedures for effectiveness, efficiency and utility
- An assessment of the readiness and staff capacity to implement a new Enterprise Resource Planning (ERP) system
- An evaluation of the customer service focus and services provided to schools and departments
- A review of the division's role in recruitment, job satisfaction and retention of a high-quality workforce

The work team conducted both site visits and self assessments based on best practices and recommended 16 actions in three major categories:

- Organizational and resource management
- Leadership and decision-making
- Management and operations

The Council work team recommended as a starting point that the district adopt a new management philosophy and organizational structure that reengineers Human Resources and aligns its functions with the district's strategic objectives. This would move Human Resources from being a transactional personnel function to a value-added strategic capital business partner.

The work team specifically stated: "The existing organization structure of Human Resources may not meet the strategic alignment requirements of the school system's strategic vision, mission, goals, and objectives." The team further stated the existing line of authority for major instructional and operational functions may diminish or undermine ownership and accountability for results.

## II. Policies

Federal:

- NCLB - No Child Left Behind
- Title VII – Discrimination
- ADEA - Age discrimination
- 42U.S.C. 12111(6) - Drug testing
- ADA - Disability
- 42 U.S.C 12112(d) - Medical examinations
- Family and Medical Leave Act

State:

- 115C-286.1 - Evaluation of principals and assistant principals
- 115C-287(a - h) School administrators
- 115C-325 - Employment and rights of principals and teachers
- 115C-330 - Employment of handicapped employees
- 115C-332 - Criminal history checks
- 115C-333 - Evaluations of certified staff

Board of Education Regulations:

- GBC-R - Compensation administration
- GCKA-R - Instructional staff assignments and transfers
- GBEB - Standards of conduct
- GBE - Criminal background checks
- GCQA/GCQB - Reduction in force
- GCO - Employee performance
- GCOB - Accountability of staff/action plans for improvement of performance
- GBK - Grievance by employees
- GBKA - Appeals to the BOE by employees

## III. Challenges

Reduction in force

- The current reduction in force is a major undertaking for Human Resources. This reduction could impact approximately 1,200 positions. To date, approximately 700 employees – excluding retirees and temporary, part-time, or end-of-year employees – have been notified that their current position has or will be recommended for elimination. This process is a first for CMS. All types of employees – from central office to schools – have been affected. Some divisions were reorganized. In others, positions have been eliminated and programs will be discontinued or scaled back. In some cases, plans for new initiatives were put on hold. We are making every effort to minimize the number of employees being laid off; however, the driving factor is the budget and whether affected employees meet the licensure requirements for the remaining available positions.

Benefits open enrollment

- This year, CMS must have zero-based open enrollment for all state-offered benefits programs. This means every employee must enroll in all state benefits this month (May). Any employee who fails to enroll will be without benefits – including health and dental.

Teacher contracts

- Until the reduction in force process is further along, we are unable to issue teacher contracts. This creates considerable uncertainty and insecurity for our teachers.

Recruiting and staffing

- The ability to recruit and staff for critical vacancies has been limited due to the budget crisis.

Employee morale

- Employee morale is affected at every level of the organization due to the reduction in force. Many employees feel insecure due to the many factors that affect staffing.

## IV. Goals

Staffing
- Improve and enhance recruiting and staffing standards to ensure continued improvement to customers and business partners

Organizational effectiveness
- Refine the changing roles of staff members as a result of the department's reorganization

Compensation
- Continue moving employees to market rates established in the new compensation plan implemented in October 2007

Succession planning
- Partner with New Leaders for New Schools to develop future administrators. Create processes to identify, monitor and develop future leadership talent for school-based and non-school positions.

Employment compliance
- Develop and expand programs and processes to better serve employees, applications and other customers

Performance management
- Implement a new performance management appraisal instrument and system for exempt employees

Strategic Staffing
- Continue to support Strategic Staffing initiatives to ensure we place the most effective administrators and teachers in low-performing schools

## V. Initiatives

Comprehensive background checks
- A new comprehensive background check process has been implemented to better ensure the safety and welfare of our students and staff. This action supports our safe schools *Strategic Plan 2010* initiative, as well as employment compliance.

Compensation
- Our new market-based compensation plan continues to produce the results expected to lower turnover, improve employee quality and selection, and to improve employee morale

Strategic Staffing
- Specific guidelines and contracts have been designed and implemented for all employees selected for the Strategic Staffing initiative, including financial incentives, selection criteria and displacement guidelines

Reduction in force
- The design and communication of the reduction in force plan is the result of collaboration between the superintendent, chief operating officer, associate superintendent for Pre-K-12, Human Resources, internal and external legal counsel, and all division heads. Human Resources and division leaders are executing the plan. Human Resources is responsible for the day-to-day management, compliance and execution of the plan.

Performance management

- A new hourly performance-appraisal system was implemented to monitor performance. This is directly tied to our pay for performance initiative.
- Attendance programs were implemented for Transportation and HR Direct Connect employees
- Performance appraisal and performance-monitoring systems are being used until we select an appropriate long-term solution

Payroll/pay practices

- All hourly employees have been converted to one bi-weekly payroll schedule. This conversion involved more than 5,000 employees. In addition, the district has announced a paperless-payroll system, meaning employees will receive their pay by direct deposit into their checking account or through a check card. Employees may choose between the two methods.
- Lawson Human Resources Information System/Payroll Enterprise Resource Planning was implemented in April 2009. This impacted all employees and was deemed a success.

## VI. Budget

| Expenditures | FY 2009-10 Proposed Budget | FY 2008-09 Adopted Budget | FY 2007-08 Actual Expenditures |
|---|---|---|---|
| Salaries | $ 5,669,082 | $ 5,887,416 | $ 5,122,766 |
| Benefits | 1,377,671 | 1,378,901 | 1,097,004 |
| Purchased Services | 1,028,031 | 924,584 | 1,748,588 |
| Supplies and Materials | 224,030 | 275,749 | 427,362 |
| Furniture and Equipment | - | - | 25 |
| Other | - | - | - |
| | $ 8,298,814 | $ 8,466,650 | $ 8,395,745 |

Significant Changes: 2009-10 Proposed Budget vs. 2008-09 Adopted Budget

| Description | Amount |
|---|---|
| **Salaries and Benefits** | |
| Certified salary increase and benefit increase | $55,409 |
| Redirected funds for training and quality coordinator and five customer service reps from: | |
| Communications and Finance departments | $279,255 |
| Additional position - compensation and benefits specialist | $86,455 |
| Redirected funds for overtime for information lines | $16,486 |
| Central Office Reductions - eliminated two directors, two executive directors, three secretaries, | |

| | |
|---|---|
| part-time dispatcher, part-time employee program technician, part-time recruiter, college relations manager, specialist, and two recruitment coordinator positions; added a director, two executive directors and technician position | ($489,323) |
| Bonus Program – reduced North Carolina Teaching Fellows signing bonuses | ($17,369) |
| Bonus Program - eliminated human resources performance bonus | ($231,580) |
| Dental Insurance - implementation of employee contribution | ($12,111) |
| **Purchased Services** | |
| Central Office Reductions - eliminated funding for job fair | ($82,000) |
| Redirected funds for contracted temps for information lines from Opening of Schools budget | $135,447 |
| Funds redirected for contracted services | $50,000 |
| **Supplies and Materials** | |
| Reduction of fund balance appropriation for the purchase of software | ($74,356) |
| Redirected funds for supplies for information lines from Opening of Schools budget | $22,637 |

Note: Changes listed are not intended to agree exactly to variance between 2008-09 and 2009-10 budgets.

## VII. Results

The Human Resources Division has been reengineered and reorganized to strategically align resources and to support the district's current and future strategic plans.

- Collaborated with area superintendents, the Principals Leadership Advisory Team (PLAT), Superintendent's Teacher Advisory Council (STAC) and external partners to redesign or develop operational processes to achieve the district's objectives
- Lawson, a software application that consolidated CMS' major business functions into one system, and MyApp, the on-line employment application system, have been successfully implemented through collaborative partnerships with the Finance and Technology divisions
- Customer service has been enhanced for employees through the successful creation of the HR Direct Connect (HRDC) call center
- A customer-improvement plan has been implemented to address focus to the schools and departments along with dedicated Human Resources managers to provide a "one-stop shop" approach. Results indicate significant improvement.
- The recruitment area has been reorganized to align with schools and departments. This provides a clear line of authority for recruiting and licensure to ensure we recruit the best and most qualified candidates. The recent Principal survey and Opening of Schools survey results reflect very positive improvement.

On a scale of 1-4 (with 1 = Very Unsatisfied and 4 = Very Satisfied), HR had a composite score (mean) of 3.3 across the core items on the 2008-09 Principal survey-1st Half. That means that HR on average, across the five core items, scored between Satisfied to Very Satisfied.

Below are some of the items outside of the core (these are found in the Strongly Agree - Strongly Disagree part of the survey):

- HR involves me in the selection of candidates (88% Strongly Agree/Agree)
- The teacher sub-system (SOS) works well (84% Strongly Agree/Agree)
- HR assists me in a timely manner when it comes to filling vacancies (88% Strongly Agree/Agree)
- High-quality candidates attend job fairs (90% Strongly Agree/Agree)

In addition:

- 87.3% of principals who responded said they were Very Satisfied/Satisfied with HR in relation to receiving accurate information
- 95.6% of principals said they were Very Satisfied/Satisfied with the courteous service HR provided

On the Opening of Schools survey:

- 86% of principals Strongly Agree/Agree that HR provided them a quality candidate pool for non-instructional vacancies
- 83% of principals Strongly Agree/Agree that HR provided a quality candidate pool for instructional vacancies
- 82% of principals said HR efficiently processed the required paperwork on their newly hired employees

Reengineering/reorganizing does not always mean additional staffing.

Budget staffing levels for human resources are as follows:

| 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 (proposed budget) |
|---|---|---|---|---|
| 82.5 | 85.9 | 94.38 | 93.92* | 83.2* |

*(does not include call center employees: 14 in 2008-2009 and 18 in 2009-2010)

Key Performance Indicators (KPI's) historical data:

| | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 |
|---|---|---|---|---|
| Recruitment/Staffing: | | | | |
| Vacancies at opening of school | 114 | 95 | 57 | 18 |
| Percent of HQ teacher positions filled | 98.7 | 99.0 | 99.36 | 99.64 |
| Percent of schools staffed at 100% | 61.00 | 68.00 | 70.00 | 83.72 |
| Teacher turnover (DPI) | 14.67% | 15.23% | 14.88% | n/a |
| Total number of teachers | 1,314 | 1,359 | 1,352 | n/a |
| Teach for America (TFA): | | | | |
| First-year corps members | 62 | 65 | 77 | 142 |
| Total number of TFA in CMS | 110 | 121 | 125 | 212 |
| Visiting International Faculty (VIF): | | | | |
| Total number of VIF in CMS | 113 | 130 | 151 | 138 |
| ESL cohort (CMS) | n/a | n/a | 32 | 29 |

| | | | | |
|---|---|---|---|---|
| Teachers with advanced degrees | 2,611 | 2,808 | 2,911 | 3,217 |
| Average years teaching experience | 10.20 | 10.21 | 10.10 | 10.30 |
| Teachers hired with prior teaching experience | n/a | 552 | 509 | 420 |
| Number of National Board Certified Teachers | 779 | 847 | 931 | 1,006 |
| Total number of instructional hires | n/a | 2,184 | 1,947 | 1,553 |
| Total number of non-instructional hires | n/a | 2,576 | 2,132 | 1,481 |
| Total number of administrative placements: | | | | |
| Principal | n/a | 32 | 55 | 35 |
| Assistant principal | n/a | 3 | 32 | 36 |
| Applicants processed through MyApp since 12/08 | | | | 33,703 |
| Number of job requisitions applied for | | | | 208,982 |

## VIII. Next Steps

1. Reduction in force
   - Completion of RIF
   - Restore employee job confidence
2. Implement a performance management succession-planning system and process
3. Continue to build HR capacity to enhance customer service
4. Implement and improve performance-appraisal system for all exempt positions
5. Improve applicant-selection systems with in-depth screening, assessments, interview instruments and best practices initiatives
6. Partner with New Leaders for New Schools to develop school-based leadership and model for non-school based leaders
7. Continue to address the needs of the schools, principals, teachers and employees with perceived value-added support services
8. Support the initiatives of *Strategic Plan 2014*
9. Continue to improve HR processes and systems
10. Enhance HR processes with technology and transition to a paper-less environment