

Sisters School District Reports on New Management Process for Capital Project Spending

by Bend Weekly News Sources

At last Monday's school board meeting, Superintendent Ted Thonstad and Facilities Director Leland Bliss reviewed the track record of the Capital Projects Management Process which was adopted by the Board in January 2006. This rigorous program was implemented as a means of improving the Sisters School District's fiscal management record. Through its first eleven months of use 15 capital improvement projects, with a total approved budget of \$530,200, have been completed. Taken as a whole, the projects were delivered 5.8 percent under budget. In addition, every one of the 12 has been completed on schedule, and five were completed well ahead of the approved schedule.

Eleven of the completed projects came in at or under budget, saving the district \$36,656. The final spending total on four of the projects were between 5 and 8 percent beyond budget, offsetting these savings by \$5,950. Total expenditure for the 15 completed projects was \$499,494, or 5.8 percent less than the total spending that had been authorized by the board.

"One aspect of the CP Management Process is a clear, up front statement of exactly what has been approved, and who is accountable for all aspects of the project," said school board chairman Rob Corrigan. "Every week, a small team meets to remind themselves of the original goals for the project, to review the latest tally of spending and discuss progress toward the delivery of the original performance goals. If the program isn't on track to hit its schedule, budget or performance goals, the project manager is obliged to bring it immediately back to the board for review. This form of "Management by Exception" eliminates surprises, improves oversight, and instills feedback and learning into the process."

"Over the past several years of extremely tight finances, the district had deferred a number of important facilities maintenance projects," said Thonstad. "We have an elementary school building that's 28 years old, and needs major repairs to assure its continued use as a safe and comfortable learning environment. We moved our fifth grade to the middle school this year, requiring a number of configuration changes. The CP Management Process is a critical tool for maintaining visibility and oversight on the multiple projects that we've got going."

"Overall, we're pleased with the initial roll-out of the process. Everyone involved is now familiar with the tools we're using and the significance with which we're treating this process," said Corrigan. "The district met 100 percent of its schedule goals. The worst miss in terms of budget was less than \$2,000 on a \$25,000 project to add furnishings for the fifth graders at the middle school. On that one, we had to purchase more desks for the additional kids who enrolled after the budget had been set."

Currently, seven capital improvement projects are underway and being managed through the new process by Leland Bliss, Facilities Supervisor. The last of these is scheduled for completion in May 2007. Total approved spending on these projects is \$182,000.

“Right now, the project teams are reporting that every one of these projects is on schedule and under budget for the defined deliverables,” said Thonstad. “In fact, we think we’re actually almost 5 percent under our spending targets for them as a group.”

“We’re insisting on consistent, predictable performance in managing our taxpayers’ investment in our public schools,” said Corrigan. “The Capital Projects Management Process is a step in the right direction.”

Note: The Capital Projects Program Management Process is described in a 14-page document that defines the roles, documentation, and accountability structure that guides project definition, funding approval, management responsibilities and oversight accountability for capital improvement projects. It is available on the district web site at www.outlawnet.com/ssd or you can contact the district office (541-549-8521) for a copy.

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