

Mark S. Swann
Metropolitan Auditor



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METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

February 10, 2015

Dr. Jesse B. Register
Director of Schools
Metropolitan Nashville Public Schools
2601 Bransford Avenue
Nashville, Tennessee 37204

Dr. Register,

I am releasing the [Organizational and Performance Audit of Metropolitan Nashville Public Schools](#) for your review and consideration. The report satisfies our primary requested deliverable as contracted with McConnell Jones Lanier & Murphy LLP. We stand ready to coordinate upcoming presentation of the report's highlights to members of the Metropolitan Nashville Council, Metropolitan Nashville Public Schools Board of Education, and other interested parties.

Readers of the report should be cautioned that recommendations made in this report require careful consideration and, often, further analysis by management before determining the best course of action. In cases of consolidation, outsourcing, and privatization, management must team with outside parties to forge cooperative agreements that will provide lasting benefits.

As noted by your management responses, a number of the 129 report recommendations have been partially or completely implemented, thus demonstrating that the audit is already producing results. Thank you for the concerted effort provided by your staff throughout this audit process.

Sincerely,

A handwritten signature in cursive script that reads "Mark S. Swann".

Mark S. Swann

Enclosure

cc: Mayor Karl Dean
Members of Metropolitan Nashville Council
Members of Metropolitan Nashville Public Schools Board of Education
Members of Metropolitan Nashville Audit Committee



February 10, 2015

Mr. Mark Swann
Metropolitan Auditor
Metropolitan Nashville Government
Office of Internal Audit
222 3rd Avenue North, Suite 401
Nashville, TN 37201

Dear Mr. Swann:

McConnell Jones Lanier & Murphy LLP is pleased to present the final report for the Organizational and Performance Audit of Metropolitan Nashville Public Schools (the School System). We conducted the Organizational and Performance Audit in accordance with the professional services contract between our firm and the Metropolitan Nashville Government executed January 22, 2014.

The objectives of the audit were to assess the School System's major operations; review its program initiatives and evaluation methods; analyze educational spending; document instances of fraud discovered during the project (if any); and deliver draft and final reports of observations, including recommendations for improvement and fiscal impacts.

To achieve the engagement objectives, we conducted this audit in accordance with generally accepted government auditing standards. Accordingly, we reviewed background information to obtain an overall perspective of the School System's organizational structure, educational programs, and operations. We also conducted interviews, performed process walk-throughs and observations, analyzed data, deployed and tabulated surveys, and conducted a search for best practices against which we assessed the School System's overall operations.

Our review identified 129 recommendations to improve operations and business practices. In addition, we identified a net investment requirement of \$(272,463) over five years from 2015-2016 through 2019-2020. Potential outsourcing opportunities in the child nutrition, facilities, energy management, and transportation areas could yield potential savings of \$54,129,373 over the five-year period.

We are grateful for the cooperation of the School System's board, executive leadership team, departmental personnel, principals, teachers, and support staff who assisted us throughout the project. Without their cooperation and support, it would not have been possible to complete the project successfully. We are especially grateful for the leadership demonstrated throughout this engagement by Mark Swann, Metropolitan Auditor and the internal audit staff, Dr. Jesse Register, Director of Schools, and Chris Henson, Chief Financial Officer of the School System and the project liaison for this effort.

McConnell Jones Lanier & Murphy LLP genuinely appreciates the opportunity to have served Metropolitan Nashville Government and Metropolitan Nashville Public Schools.

Very truly yours,

Sharon E. Murphy
Engagement Partner