By Julian Guthrie

Assemblyman Kevin Shelley Assemblyman Kevin Snelley told The Examiner he would immediately call for a state monitor to oversee and reorganize San Francisco's beleaguered school sys-

Gov. Davis recommended the district seek outside expertise from the state controller's office or the

Department of Finance.

Mayor Willie Brown said the school board should ask city Controller Ed Harrington to take over management of its business opera-

These were some of the recommendations and reactions after Friday's release of a long-awaited, 115-page state review of the fiscal practices of the San Francisco Unified School District, California's fifth-largest school system.
San Francisco Unified, with a

half-billion dollar budget and 64,000 students, seems to have rearly as many problems as it does kids. Chief among them: book-keeping that "barely functions," employees inadequately trained, level violetions in the Mills. violations in its handling of public projects, security breaches in personnel records, rampant pay-

in personnel records, rampant payroll mistakes, runaway overtime costs and a "general lack of continuity in district leadership and clarity of purpose."

In all, the report by the independent state Fiscal Crisis and Management Assistance Team found 55 areas of concern — 24 deemed "material weaknesses" because they are "so serious that . . . fraud they are "so serious that ... fraud may occur."

While other large urban school stems — notably Los Angeles,

[See SCHOOLS, C-9]

♦ SCHOOLS from C-1

Solutions sought for school woes

Compton and Oakland — are mired in fiscal and academic problems, the scope of San Francisco's woes encompasses nearly every district department.

"San Francisco Unified is seemingly the worst-run school district in California," Assemblywoman Carole Migden, D-San Francisco, said Friday.

Little accountability

The state report on San Francisco schools followed by two weeks the release of an audit by Deloitte & Touche. Both reports found few signs of accountability within San Francisco Unified. Among other things, the state report discovered that 15 percent of the payments made to employees during the 1998-99 year were in error. Some employees were paid more than they were entitled to, some were paid less.

The exhaustive examinations of the school district's financial deal-

ings were prompted by a highly publicized budget battle last year, when then-Superintendent Bill Rojas demanded that state lawmakers reimburse the district for funds already spent on desegrega-tion programs. When the reimbursement money didn't material-ize, the district was forced to cut \$20 million from its budgets this year and last.

Both reports raise the question: How do you reform a school district that seems to be flunking be sic math and losing the public's trust?

Assemblywoman Migden, who called for the audit after finding out that Rojas had spent money the district didn't yet have, said one of the most important things for the district is to find a new superintendent. "The issue before San Francisco should be creating a sense of urgency to find a permanent superintendent who can take charge and make changes.

Teacher Steven Herraiz, left, and Hene Kelly, right, protest teacher wages at SFUSD job fair Saturday.

State schools chief Delaine Eas State schools chief Delaine Eastin believes San Francisco would benefit from a standard accounting system. "There are big problems in San Francisco. It's fair to say that Bill Rojas may have spent money inappropriately."

Attempts to reach Rojas for comment were unsuccessful.

Local control preferred

Davis said it should not be the state government's job to run local school districts. "Unless a district fails year after year, both academi-

fails year after year, both academically and fiscally, the state's role should be that of helping and giving guidance," Davis said.

Brown was also reluctant to assert control over the school district. "We have a directly elected school board and I've been careful and highly rectrained in involving and highly restrained in involving myself," the mayor said. "I would hope, though, that the school trustees would stop pointing fingers at one another and focus on the accuracy of the audit and implement the plement changes." the recommended

However, Assemblyman Shelley, D-San Francisco, favors state

ley, D-San Francisco, iavois Scale action.

"The situation in San Francisco is so bad," he said. "It is appropriate to have a state monitor come in because the district relies on taxpayer money and state education policies. Rojas left this district in ruins. I think the problems in the district are institutional. It's a mind-set of business is usual."

Stanford education Professor Michael Kirst said state intervention has helped troubled in the state of th

tion has helped troubled dispricts

"There's a 15-year history of states interceding in fiscal prob-lems and being able to clean things up," said Kirst. "The long tradi-tion of states monitoring schools began in New Jersey in the '80s. California has been taking over schools for yours. schools for years. At one point, the state took over Richmond, Berke ley and Oakland. It has been running Compton for some five years. What research has shown is that

[See SCHOOLS, C-10]



♦ SCHOOLS from C-10

Solutions sought for school woes

the state can clean it up fiscally."

Districts helped by cities

Districts helped by cities
Education researcher Nancy S.
Education researcher Nancy S.
Brownell said that some problemplagued school districts have been
turned around by forging relationships with city agencies.
"One of the things that the San
Francisco community could do is
call for local intervention," said
Brownell, director of the Institute
for Education Reform, which is
run out of the California State run out of the California State

run out of the California State University Chancellor's Office.
"The school board and local folks should get answers for how this happened and what's going to be done," she said. "If the school board and the superintendent don't step in, the local community and business officials should state. and business officials should step

She cited a similar situation a few years back in Sacramento City Unified

The district, which is nearly the same size as San Francisco Unified, with about 63,000 students, ned, with about 63,000 students, saw six superintendents come and go in the same number of years and came close to having its seven school board members recalled because of mismanagement of dis-

"When we had turmoil with the Sacramento school board, thenSacramento school board, thenMayor Joe Serna got involved,"
Brownell said. "He talked to the leadership of the district. He pulled together a slate of candidates to run for the school board. He organized community forums. We're ized community forums. We're some three years into it and it's had good results."

had good results."

Sacramento City Unified Superintendent Jim Sweeney, who was a deputy superintendent in the mid-1990s when the turmoil boiled had been as id the collaboration with mid-1990s when the turmoil boiled over, said the collaboration with the mayor's office has been critical to achieving reform:

"Our collaboration with the mayor and the city has made a terrific difference." Sweeney said.

Last year's audit of Sacramento City schools found just two areas of concern, Sweeney said