DUVAL COUNTY
PUBLIC SCHOOLS

PERFORMANCE AUDIT
of
THE SCHOOL DISTRICT
OF DUVAL COUNTY, FLORIDA

FINAL REPORT

AUGUST 30, 2019

MJ McConnell & Jones LLP

August 30, 2019

Dr. Diana L. Greene
Superintendent
Duval County Public Schools
1701 Prudential Drive
Jacksonville, FL 32207

Dear Dr. Greene:

McConnell & Jones LLP (MJ) is pleased to submit our final report of the performance audit of the School District of Duval County, Florida (the District) pursuant to 212.055(10), *Florida Statutes*. In accordance with the requirements of Ch. 2018-118, *Laws of Florida*, the Office of Program Policy Analysis and Government Accountability (OPPAGA) selected MJ to conduct a performance audit of the program areas related to (1) facilities planning, use, and construction; (2) security and technology equipment purchasing; and (3) facilities leasing & debt servicing associated with the discretionary sales surtax. Huerta & Associates Architects, PC, based in Houston, Texas, served as technical advisor for the project.

We conducted this performance audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.

The objective of the audit was to fulfill the requirements of 212.055(10) *Florida Statutes*. This statute requires that Florida school districts, with a referendum on the discretionary sales surtax held after March 23, 2018, undergo a performance audit conducted of the program associated with the proposed sales surtax adoption. The audit must be conducted at least 60 days before the referendum is held. OPPAGA is charged with procuring and overseeing the audit.

The objectives of the audit are consistent with the requirements of the statute, which are to evaluate the program associated with the proposed sales surtax adoption based on the following criteria:

1. The economy, efficiency, or effectiveness of the program
2. The structure or design of the program to accomplish its goals and objectives

3. Alternative methods of providing services or products
4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments
5. The accuracy or adequacy of public documents, reports, and requests prepared by the school district, which relate to the program
6. Compliance of the program with appropriate policies, rules, and laws

We developed a work plan outlining the procedures to be performed to achieve the audit objectives. Those procedures and the results of our work are summarized in the Executive Summary and discussed in detail in the body of the report.

Based upon the procedures performed and the results obtained, the audit objectives have been met. We conclude that, with the exception of the findings discussed in the report and based upon the work performed, the District's programs that will expend infrastructure sales surtax funds have sufficient policies and procedures in place, supported by appropriate documentation, reports, monitoring tools, and personnel to address the statutory criteria defined in 212.055(10) *Florida Statutes*.

McConnell & Jones LLP

Houston, Texas

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EXECUTIVE SUMMARY

THE SCHOOL DISTRICT OF DUVAL COUNTY, FLORIDA OVERVIEW

Duval County Public Schools (DCPS or the District), located in the City of Jacksonville, Florida in Duval County, Florida, is the 20th largest school district in the nation and the sixth largest school district in the state of Florida. DCPS is the second largest employer in Duval County, with 11,876 full-time employees (including 8,284 teachers) and 1,237 part-time employees. The school district is governed by seven (7) elected members of the DCPS School Board and one superintendent hired by the board. DCPS serves 129,181 students, in more than 196 school sites including 99 elementary schools, three (3) K-6 schools, two (2) K-8 schools, 24 middle schools, two (2) 6-12 schools, 19 high schools, 33 charter schools, and 14 specialty schools.

The DCPS graduation rate is 85.1 percent. In 2019, the Florida Department of Education recognized DCPS for having the highest increase in overall graduation rate among the seven (7) largest school districts in the state of Florida since 2011-2012. According to statistics released by the Trial Urban District Assessment in 2019—a voluntary National Assessment of Educational Progress (NAEP) accountability program for 4th and 8th Grade Reading and Math—DCPS also ranked Number 1 in the nation in 4th Grade and 8th Grade Reading and Math in the All Students, African American Students, and Students with Disabilities categories.

2019 BUDGET SUMMARY

The District is required to prepare an annual budget under *Florida State Law* and the Florida State Board of Education Rules. According to the DCPS Fiscal Year Budget Summary, Fiscal Year(s) 2017-2018 and 2018-2019, the total budget for the 2018-2019 Fiscal Year was $1,494,674,677. This is a decrease of 1.35 percent from the Fiscal Year 2017-2018 budget, or $20,528,843. **Figure ES-1** below shows the budget comparison for Fiscal Year 2017-2018 and Fiscal Year 2018-2019:

FIGURE ES-1
BUDGET COMPARISON FOR FISCAL YEARS 2017-2018 AND 2018-2019

Description	FY 2017-2018	FY 2018-2019	Percent Increase (Decrease)
General Fund	$1,051,228,616	$1,056,251,394	0.48%
Special Revenue Funds	177,162,018	168,427,763	(4.93%)
Debt Service Funds	24,369,346	23,829,527	(2.22%)
Capital Projects Funds	77,360,328	84,937,962	9.80%
Trust Fund	117,098	44,143	(62.30%)
Internal Service Funds	184,966,114	160,092,496	(13.45%)
Enterprise Fund Funds	0	1,091,392	N/A
Total	**$1,515,203,520**	**$1,494,674,677**	(1.35%)

Source: Duval County Public School Final Budget Summary FY 2017-2018 & FY 2018-2019.

Capital Project Funds include financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition, construction, modernization and upgrade of facilities and other capital assets. Projects included in DCPS' Master Plan are capital projects, the cost of which is included in the Capital Projects Fund. All revenue from the ½ cent

surtax will be used to cover the cost of capital projects included in DCPS' Master Plan. DCPS departments that will administer revenue generated by the ½ cent surtax include primarily Operations and Information Technology.

GOVERNANCE IMPLICATIONS OF SURTAX PASSAGE

If Duval County voters approve the ½ cent surtax referendum, the Florida Department of Revenue will distribute revenue generated by the ½ cent surtax to upgrade and modernize schools and facilities included in the District's Master Plan. DCPS' board plans to create an independent citizen oversight committee to review the spending, progress, and completion of projects funded by the ½ cent surtax. The board discussed adopting a board policy creating the citizen oversight committee in a board workshop and DCPS' general counsel prepared a draft policy for the board to review and approve. While the draft policy has not been made available to the public, the policy includes, among other provisions, the following elements related to the citizen oversight committee:

- defines the responsibilities of the committee;
- establishes the life of the committee;
- establishes residency requirements for committee members;
- outlines the terms of individual committee members and the process for filling vacancies;
- identifies non-voting members of the committee, like the superintendent and students;
- defines a quorum for the committee to formally conduct business;
- establishes the frequency of committee meetings;
- outlines the process for disclosing and addressing potential conflicts of interest;
- identifies specific stakeholder organizations; and
- identifies District staff who will provide support to the committee and the duration of the support provided.

As of August 6, 2019, the board had taken no formal action to approve the draft policy.

AUDIT OBJECTIVE

In accordance with s. 212.055(10), *Florida Statutes*, and Government Auditing Standards, the certified public accountant must conduct a performance audit of the School District of Duval County program areas within the administrative unit(s) that will receive funds through the referendum.

The performance audit must include a review of program areas for the District related to: (1) Facilities Planning, Use, and Construction, (2) Security and Technology Equipment Purchasing, and (3) Facilities Leasing and Debt Servicing and must specifically examine the following processes:

(a) Upgrading and modernizing schools and facilities, including security and technology improvements;

(b)   Acquiring land, constructing, demolishing, reconstructing and improving school facilities, in addition to technology implementation;

(c)   Reducing portable classrooms as appropriate to improve school facilities;

(d)   Designing and engineering costs;

(e)   Acquiring equipment including safety and security;

(f)   Acquiring technology hardware and software;

(g)   Making lease payments pursuant to sections 1001.42(11)(b) 5. and 1013.15(2), *Florida Statutes*; and

(h)   Servicing of bond indebtedness.

Audit fieldwork must include interviews with program administrators, review of relevant documentation, and other applicable methods to complete the assessment of the six (6) research tasks.

PROJECT SCOPE

The Operations and Information Technology departments are the primary units that will expend infrastructure sales surtax funds. As such, they are the primary focus of the performance audit. Support units include the Purchasing Department and the Financial and Business Services Division. Within these units, program funds will be specifically used for Facilities Planning, Use, and Construction, Security and Technology Equipment Purchasing, and Facilities Leasing and Debt Servicing. The performance audit was conducted in accordance with *Generally Accepted Government Auditing Standards (GAGAS)*. Those standards require that the audit be conducted in a manner to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. MJ believes that the evidence obtained provides a reasonable basis for our observations and conclusions.

METHODOLOGY

MJ conducted fieldwork for the performance audit from August 5-9, 2019. During fieldwork, an introductory kickoff meeting was conducted to discuss the project scope regarding each of the six (6) audit research tasks. Audit team members conducted 38 individual and/or group interviews with management and executive-level staff during the fieldwork period (Note – some individual interviews were conducted by more than one (1) consultant).

During interviews, management team members' roles were discussed along with processes and procedures the District follows to address the six (6) research tasks and underlying subtasks. MJ made follow-up inquiries and data requests to clarify information related to District processes, procedures, and management reports. Performance audit team members reviewed and analyzed extensive, relevant operational and financial data to support report findings and conclusions.

SUMMARY OF RESULTS

The School District of Duval County Florida's (the District) Operations and Information Technology Divisions are the primary operational units that will expend the discretionary sales surtax funds should the referendum be placed on the November 5, 2019 ballot and if voters pass the measure. Support units include the Purchasing Department and the Financial and Business Services Division.

Figure ES-3 through **Figure ES-8** present a summary of the overall results of the performance audit of the District in the six (6) research tasks required by statute. The six (6) research tasks contain a total of 25 subtasks. MJ's assessment of District performance when evaluated against the subtasks revealed that 16 of the 25 subtasks were met, nine (9) were partially met, and zero (0) was not met.

RESEARCH TASK 1 – The Economy, Efficiency, or Effectiveness of the Program.

Finding Summary: Overall, the School District of Duval County, Florida Meets Task 1.

The District uses various reports that are adequate to monitor project performance and cost. It periodically evaluates its programs using performance information and other reasonable criteria to assess program performance and cost. Findings and recommendations have been included in relevant internal and external reports on program performance and costs, and management has taken actions to address deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. Management evaluates performance and costs based on reasonable measures, including best practices. Based on MJ's review of available documentation, the five projects were completed within budget, completed well, and project costs were reasonable. However, only four of the five projects were completed timely. Finally, written policies and procedures exist to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

FIGURE ES-3
Summary of Results

RESEARCH RESULTS					
1. The Economy, Efficiency, or Effectiveness of the Program.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
1.1	Based on MJ's work in the facilities, planning, use, and construction area, there are no issues or concerns related	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to	Based on MJ's work in the facilities leasing & debt servicing area, there are no issues or concerns related to	**Met**	N/A

RESEARCH RESULTS					
1. The Economy, Efficiency, or Effectiveness of the Program.					
Research Subtask	**Facilities Planning, Use and Construction**	**Security and Technology Equipment Purchasing**	**Facilities Leasing and Debt Servicing**	**Conclusion**	**Recommendation**
	to management reports/data that program administrators use on a regular basis to monitor program performance and costs as they relate to facilities planning, use, and construction.	management reports/ data that program administrators use on a regular basis to monitor program performance and costs as they relate to security and technology equipment purchasing.	management reports/data that program administrators use on a regular basis to monitor program performance and costs as they relate to facilities leasing & debt servicing.		
1.2	Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost as they relate to facilities planning, use, and construction.	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost as they relate to security and technology equipment.	Facilities leasing and debt servicing is not relevant to Subtask 1.2 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes and subject to periodic evaluation. Accordingly, periodic evaluation using performance information to assess program performance and cost is not relevant to these activities.	**Met**	N/A

RESEARCH RESULTS					
1. The Economy, Efficiency, or Effectiveness of the Program.					
Research Subtask	**Facilities Planning, Use and Construction**	**Security and Technology Equipment Purchasing**	**Facilities Leasing and Debt Servicing**	**Conclusion**	**Recommendation**
1.3	Based on MJ's work in the facility planning, use, and construction area, there are no issues or concerns related to findings and recommendations included in any relevant internal or external reports on program performance and cost as they relate to facilities planning, use, and construction.	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to findings and recommendations included in any relevant internal or external reports on program performance and cost as they relate to security and technology equipment purchasing.	Based on MJ's work in the facilities leasing & debt servicing area, there are no issues or concerns related to findings and recommendations included in any relevant internal or external reports on program performance and cost as they relate to facilities leasing & debt servicing.	**Met**	N/A
1.4	Based on MJ's work in the facility planning, use, and construction area, there are no issues or concerns with program administrators taking reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. as they relate to facilities planning, use, and construction	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns with program administrators taking reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/ data, periodic program evaluations, audits, etc. as they relate to security and technology equipment purchasing.	Based on MJ's work in the facilities leasing & debt service area, there are no issues or concerns with program administrators taking reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. as they relate to facilities leasing & debt servicing.	**Met**	N/A

RESEARCH RESULTS

1. The Economy, Efficiency, or Effectiveness of the Program.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
1.5	Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns with the District evaluating program performance and cost based on reasonable measures, including best practices as they relate to facilities planning, use, and construction.	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns with the District evaluating program performance and cost based on reasonable measures, including best practices as they relate to security and technology equipment purchasing.	Facilities leasing and debt servicing is not relevant to Subtask 1.5 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes and subject to periodic evaluation. Accordingly, periodically evaluating program performance based on best practices is not relevant to these activities.	**Met**	N/A
1.6	Based on MJ's work in the facilities planning, use, and construction area, the five projects project costs were reasonable and projects were completed well and within budget. However, only four out of five projects were completed timely. An executed change order for the project delay was not provided.	Based on MJ's review, there are no issues or concerns regarding the sample project reviewed for reasonable cost and if completed well, on time, and within budget.	Based on MJ's work in the facilities leasing and debt servicing area, there are no issues regarding the sample of projects reviewed for timely payment.	**Partially Met**	Maintain sufficient project file information to document the acknowledge-ment and action taken for projects not completed on a timely basis.

RESEARCH RESULTS

1. The Economy, Efficiency, or Effectiveness of the Program.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
1.7	MJ did not divide Subtask 1.7 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's purchasing policies and procedures are universal and apply to all three areas. Based on MJ's review, there are no issues or concerns regarding whether the District has established written purchasing policies and procedures that position the District to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	MJ did not divide Subtask 1.7 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's purchasing policies and procedures are universal and apply to all three areas. Based on MJ's review, there are no issues or concerns regarding whether the District has established written purchasing policies and procedures that position the District to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	MJ did not divide Subtask 1.7 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's purchasing policies and procedures are universal and apply to all three areas. Based on MJ's review, there are no issues or concerns regarding whether the District has established written purchasing policies and procedures that position the District to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	**Met**	N/A

RESEARCH TASK 2 – The structure or design of the program to accomplish its goals and objectives.

<u>Finding Summary</u>: Overall the School District of Duval County, Florida Partially Meets Task 2.

The Design and Construction Services and Financial and Business Services Division both demonstrated program organizational structures with clearly defined units, minimal overlapping functions, and administrative layers that minimize costs. However, these program organizational structure attributes were lacking for the Application Development Department within the Information Technology Division, where non-supervisory staff were placed into the supervisor labor category and they have no supervisory responsibility. Adequate leadership and management positions were in place for the Design and Construction Services, the Information Technology Division, and Financial and Business Services Division. Overall, vacancy rates were 9 percent or below for Design and Construction Services, the Information Technology Division, and the Financial Services Division, which will have primary fund oversight if the referendum passes. Of the individual position titles that were evaluated, heating/air conditioning (HAR) mechanics have been the most difficult for the District to fill. The current vacancy rate for this position is 21 percent, which results in substantial work order backlogs to address equipment repair. The District reported that wage rates for HAR mechanics are often not competitive with the local Jacksonville labor market, which results in frequent turnover. The District often uses contract services to mitigate this issue. MJ recommends that a compensation and classification study be performed to address staff assigned to the wrong labor category and funds be identified to increase wages for HAR mechanics. MJ recommends that the District identify funds to raise wage levels to offer more competitive salaries for HAR mechanic positions to avoid further disruption to Design and Construction Services. MJ recommends the District conduct a compensation and classification study to address issues such as salary levels and job classifications. Additionally, MJ recommends that the District conduct a study of the reasonableness of current staffing levels for specific types of positions to include comparisons with peer districts, use of other benchmarks, and staffing formulas.

Figure ES-4
Summary of Results

		RESEARCH RESULTS			
2. The structure or design of the program to accomplish its goals and objectives.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
2.1	MJ had no issues or concerns related to the program organizational structure to ensure the program has	Our work revealed that 30 non-supervisory staff were placed into the supervisor labor category in the	MJ had no issues or concerns related to the program organizational structure to ensure the program has	**Partially Met**	Conduct a compensation and classification study in the Information Technology Division to correct

RESEARCH RESULTS

2. The structure or design of the program to accomplish its goals and objectives.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.	Application Development Department five (5) years ago as a result of a salary survey conducted by the Human Resources Division. Assigning supervisory titles to staff with no supervisory responsibility blurs lines of authority and potentially creates unrealistic career paths for employees.	clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.		supervisor position titles that have no supervisory responsibility and assess the appropriateness of associated salaries along with any other Information Technology Division positions that may be categorized incorrectly. Additionally, MJ recommends that the District conduct a study of the reasonableness of current staffing levels for specific types of positions to include comparisons with peer districts, use of other benchmarks, and staffing formulas.
2.2	Our work revealed that Facilities and Maintenance Services has encountered some difficulties attracting qualified workers for HAR Mechanic positions reflecting the rising wage levels in the city. Contract staff is used where needed and project budgets and backlogs are within reason when contract staff is utilized.	MJ had no issues or concerns related to the reasonableness of current program staffing levels given the nature of the services provided and program workload.	MJ had no issues or concerns related to the reasonableness of current program staffing levels given the nature of the services provided and program workload.	**Partially Met**	Identify funds to raise wage levels to offer more competitive salaries for HAR Mechanic positions.

RESEARCH TASK 3 – Alternative methods of providing services or products.

Finding Summary: Overall, the School District of Duval County, Florida meets Task 3.

The School District of Duval County, Florida's (the District) program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and their conclusions are reasonable. Program administrators have assessed contracted and/or privatized services to verify effectiveness and cost savings achieved, and their conclusions are reasonable. The District has made changes to service delivery methods when their evaluations/assessments found that such changes would reduce program cost without significantly affecting the quality of services. Finally, there are possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (e.g., other counties, etc.).

FIGURE ES-5
Summary of Results

RESEARCH RESULTS					
3. Alternative methods of providing services or products.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
3.1	Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to whether program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and their conclusions are reasonable as they relate to facilities planning, use, and construction.	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to whether program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing goods and services, and their conclusions are reasonable as they relate to facilities planning, use, and construction.	Facilities leasing and debt servicing is not relevant to Subtask 3.1 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes. Consequently, program administrators do not get involved in this area.	**Met**	N/A

RESEARCH RESULTS					
3. Alternative methods of providing services or products.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
3.2	Based on MJ's work in the facilities planning use and construction area, there are no issues or concerns related to whether program administrators assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and reached reasonable conclusions, as they relate to facilities planning, use, and construction.	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and reached reasonable conclusions, as they relate to security and technology equipment purchasing.	Facilities leasing and debt servicing is not relevant to Subtask 3.2 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes. Consequently, program administrators do not get involved in this area.	**Met**	N/A
3.3	Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to whether program administrators have made changes to service delivery methods when their evaluations and/or assessments found that such changes would reduce program cost without significantly affecting quality of services as they relate to facilities planning, use, and construction.	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to whether program administrators have made changes to service delivery methods when their evaluations and/or assessments found that such changes would reduce program cost without significantly affecting quality of services as they relate to security and technology equipment purchasing.	Facilities leasing and debt servicing is not relevant to Subtask 3.3 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes. Consequently, program administrators do not get involved in this area.	**Met**	N/A

RESEARCH RESULTS

3. Alternative methods of providing services or products.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
3.4	Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities as it relates to facilities planning, use, and construction.	Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns to identify possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities ad it relates to security and technology equipment purchasing.	Facilities leasing and debt servicing is not relevant to Subtask 3.4 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes. Consequently, program administrators do not get involved in this area.	**Met**	N/A

RESEARCH TASK 4 – Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.

<u>Finding Summary</u>: Overall, the School District of Duval County, Florida Partially Meets Task 4.

Program objectives documented in the District's Operations Plan and Technology Plan align with the strategic plan and are clearly stated. However, the goals and objectives are not measurable, and, as a result, it is unclear whether they can be achieved within budget. Although the District maintains various project status reports and uses the performance measures compiled by the Council of the Great City Schools, the District did not provide a standard management report by project, which demonstrates that cost and timing variances are monitored and reported. Comprehensive administrative procedures are not developed to document processes and relevant checklists and required reports to enhance the internal control environment. In addition, the purchasing director reports to the executive director of Facilities Planning. In most organizations, the purchasing function reports within the chief financial officer's organizational unit.

FIGURE ES-6
Summary of Results

RESEARCH RESULTS					
4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
4.1	Based on MJ's review, the program objectives align with the strategic plan and are clearly stated. However, the goals and objectives are not measurable, and, as a result, it is unclear whether they can be achieved within budget. Thus, the assessment is partially met regarding whether program goals and objectives are clearly stated, measurable, can be	Based on MJ's review, the program objectives align with the strategic plan and are clearly stated. However, the goals and objectives are not measurable, and, as a result, it is unclear whether they can be achieved within budget. Thus, the assessment is partially met regarding whether program goals and objectives are clearly stated, measurable, can be achieved within budget, and are consistent with the District's strategic plan.	Facilities leasing and debt servicing is not relevant to Subtask 4.1 because facilities leasing and debt servicing involves making payments on existing debt. Accordingly, assessing whether program goals and objectives are clearly stated, measurable, can be achieved	**Partially Met**	Develop and document program objectives which are measurable and can be achieved within budget.

RESEARCH RESULTS					
4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	achieved within budget, and are consistent with the District's strategic plan.		within budget, and are consistent with the District's strategic plan is not relevant to these activities.		
4.2	Based on MJ's work, the District did not provide a standard management report by project that demonstrates that cost and timing variances are monitored and reported. Thus, this assessment is partially met regarding the measures, if any, the District uses to evaluate program performance and if they are sufficient to assess program progress toward meeting its stated goals and objectives.	Based on MJ's work, the District did not provide a standard management report by project that demonstrates that cost and timing variances are monitored and reported. Thus, this assessment is partially met regarding the measures, if any, the District uses to evaluate program performance and if they are sufficient to assess program progress toward meeting its stated goals and objectives.	Based on MJ's assessment in the Facilities Leasing & Debt Servicing area, there were no issues regarding the measures the District uses to evaluate program performance. Thus, this subtask is met.	**Partially Met**	Develop one report that clearly presents actual versus budgeted expenditures and target versus final completion dates.
4.3	MJ did not divide Subtask 4.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's	MJ did not divide Subtask 4.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's processes for the internal control environment are	MJ did not divide Subtask 4.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories	**Partially Met**	Developed detailed administrative procedures to strengthen internal controls. Also, consider revising the organizational structure to require the purchasing director to

RESEARCH RESULTS

4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	processes for the internal control environment are universal and applies to all three areas. Based on MJ's review, it was observed that comprehensive administrative procedures are not developed to document processes and relevant checklists and required reports to enhance the internal control environment. In addition, the purchasing director reports to the executive director of Facilities Planning. In most organizations, the purchasing function reports to the Financial Division. Thus, this subtask is partially met regarding internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.	universal and applies to all three areas. Based on MJ's review, it was observed that comprehensive administrative procedures are not developed to document processes and relevant checklists and required reports to enhance the internal control environment. In addition, the purchasing director reports to the executive director of Facilities Planning. In most organizations, the purchasing function reports to the Financial Division. Thus, this subtask is partially met regarding internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.	because the District's processes for the internal control environment are universal and applies to all three areas. Based on MJ's review, it was observed that comprehensive administrative procedures are not developed to document processes and relevant checklists and required reports to enhance the internal control environment. In addition, the purchasing director reports to the executive director of Facilities Planning. In most organizations, the purchasing function reports to the Financial Division. Thus, this subtask is partially met regarding internal controls, including policies and procedures, to determine		report to Finance management.

RESEARCH RESULTS

4. Goals, objectives, and performance measures used by the program to monitor and report program accomplishments.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
			whether they provide reasonable assurance that program goals and objectives will be met.		

RESEARCH TASK 5 – The accuracy or adequacy of public documents, reports, and requests prepared by the school district which relate to the program.

<u>Finding Summary</u>: Overall, the School District of Duval County, Florida meets Task 5.

The School District of Duval County, Florida (the District) uses its primary website to disseminate important financial and non-financial information. Examples of information located on the website include the Comprehensive Annual Financial Report which highlights information such the organizational chart, general fund statement of revenues and expenditures, as well as information regarding the District's facilities leasing and debt service arrangements. The District also created the website, www.ourduvalschools.org, in May 2019 to keep the community apprised of issues related to the proposed Long-Range Facilities Plan and the infrastructure sales tax referendum. In addition to the websites, news and social media releases, electronic media (television), and mass notification, calls and emails are used to inform community members of events that require immediate attention. The District effectively executed an online survey to evaluate the accuracy and adequacy of public data. Multiple examples of program and cost information that is available and accessible to the public were provided to the review team as well as examples of documented processes that ensure the program maintains accurate and complete performance and cost information. Lastly, while the District provided examples of taking timely actions to correct erroneous and/or incomplete information that has been provided to the public, no formal procedures are in place to ensure erroneous and/or incomplete information is corrected promptly. MJ recommends that a procedure be developed and implemented to address this issue.

FIGURE ES-7
Summary of Results

	RESEARCH RESULTS				
5. The accuracy or adequacy of public documents, reports, and requests prepared by the school district which relate to the program.					
Research Subtask	**Facilities Planning, Use and Construction**	**Security and Technology Equipment Purchasing**	**Facilities Leasing and Debt Servicing**	**Conclusion**	**Recommendation**
5.1	MJ did not divide Subtask 5.1 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing	MJ did not divide Subtask 5.1 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's	MJ did not divide Subtask 5.1 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing &	**Met**	N/A

RESEARCH RESULTS				

5. The accuracy or adequacy of public documents, reports, and requests prepared by the school district which relate to the program.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	categories because the District's process to assess systems to provide useful, timely, and accurate financial and non-financial information is universal and applies to all three areas. MJ had no issues or concerns related to whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.	process to assess systems to provide useful, timely, and accurate financial and non-financial information is universal and applies to all three areas. MJ had no issues or concerns related to whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.	debt servicing categories because the District's process to assess systems to provide useful, timely, and accurate financial and non-financial information is universal and applies to all three areas. MJ had no issues or concerns related to whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.		
5.2	MJ did not divide Subtask 5.2 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to review available documents, including relevant internal and external reports to evaluate accuracy and adequacy of data is universal and applies to all three areas.	MJ did not divide Subtask 5.2 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to review available documents, including relevant internal and external reports to evaluate accuracy and adequacy of data is universal and applies to all three areas. Our work revealed no issues or concerns	MJ did not divide Subtask 5.2 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to review available documents, including relevant internal and external reports to evaluate accuracy and adequacy of data is universal and	**Met**	N/A

RESEARCH RESULTS

5. The accuracy or adequacy of public documents, reports, and requests prepared by the school district which relate to the program.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	Our work revealed no issues or concerns related to whether available documents, including relevant internal and external reports that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by DCPS related to the program.	related to whether available documents, including relevant internal and external reports that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by DCPS related to the program.	applies to all three areas. Our work revealed no issues or concerns related to whether available documents, including relevant internal and external reports that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by DCPS related to the program.		
5.3	MJ did not divide Subtask 5.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess the availability and accessibility of program and cost information is universal and applies to all three areas. Our work revealed no issues or concerns related to the availability and accessibility of program performance and cost	MJ did not divide Subtask 5.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess the availability and accessibility of program and cost information is universal and applies to all three (3) areas. Our work revealed no issues or concerns related to the availability and accessibility of program performance and cost information that is provided to the public.	MJ did not divide Subtask 5.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess the availability and accessibility of program and cost information is universal and applies to all three areas. Our work revealed no issues or concerns related to the availability and accessibility of program	**Met**	N/A

RESEARCH RESULTS					

5. The accuracy or adequacy of public documents, reports, and requests prepared by the school district which relate to the program.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	information that is provided to the public.		performance and cost information that is provided to the public		
5.4	MJ did not divide Subtask 5.4 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess the accuracy and completeness of program and cost information that is provided to the public is universal and applies to all three areas. Our work revealed no issues or concerns related to whether processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.	MJ did not divide Subtask 5.4 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess the accuracy and completeness of program and cost information that is provided to the public is universal and applies to all three areas. Our work revealed no issues or concerns related to whether processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.	MJ did not divide Subtask 5.4 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess the accuracy and completeness of program and cost information that is provided to the public is universal and applies to all three areas. Our work revealed no issues or concerns related to whether processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.	**Met**	N/A
5.5	MJ did not divide Subtask 5.5 into facilities planning, use, and construction; security and technology equipment purchasing; and	MJ did not divide Subtask 5.5 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt	MJ did not divide Subtask 5.5 into facilities planning, use, and construction; security and technology equipment	**Partially Met**	Establish and implement a formal procedure to ensure timely actions are taken to correct erroneous

RESEARCH RESULTS

5. The accuracy or adequacy of public documents, reports, and requests prepared by the school district which relate to the program.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	facilities leasing & debt servicing categories because the District's process to ensure that reasonable and timely actions are taken to correct erroneous/ incomplete information provided to the public is universal and applies to all three areas. Our work revealed that while the District provided multiple examples of taking timely actions to correct erroneous and/or incomplete information that has been provided to the public no formal procedures are in place to: (1) document the process/procedure that should be followed, (2) ensure all appropriate staff are knowledgeable of the process/ procedure, and (3) to ensure consistency.	servicing categories because the District's process to ensure that reasonable and timely actions are taken to correct erroneous/ incomplete information provided to the public is universal and applies to all three areas. Our work revealed that while the District provided multiple examples of taking timely actions to correct erroneous and/or incomplete information that has been provided to the public no formal procedures are in place to: (1) document the process/procedure that should be followed, (2) ensure all appropriate staff are knowledgeable of the process/procedure, and (3) to ensure consistency.	purchasing; and facilities leasing & debt servicing categories because the District's process to ensure that reasonable and timely actions are taken to correct erroneous/ incomplete information provided to the public is universal and applies to all three areas. Our work revealed that while the District provided multiple examples of taking timely actions to correct erroneous and/or incomplete information that has been provided to the public no formal procedures are in place to: (1) document the process/ procedure that should be followed, (2) ensure all appropriate staff are knowledgeable of the process/ procedure, and (3) to ensure consistency.		and/or incomplete data in the public domain.

RESEARCH TASK 6 – Compliance of the program with appropriate policies, rules, and laws.

Finding Summary: Overall, the School District of Duval County, Florida Partially Meets Task 6.

The School District of Duval County, Florida's (the District) chief legal counsel is a City of Jacksonville employee who works for the Office of General Counsel. The chief legal counsel provides transactional and governance legal services to the District. In this capacity, the chief legal counsel reviews all contracts requiring board approval for compliance with legal requirements and board policy. The chief legal counsel's signature signifies that the contracted goods or services have been procured properly according to board policy and meet requirements as to legal form and sufficiency. The director of Government Relations is a nonpracticing attorney and registered lobbyist who is responsible for keeping board members, the superintendent, department heads, and other District stakeholders apprised of new or changes to federal, state, and local laws that may impact the District. The executive director of Policy and Compliance reports to the chief of staff and is primarily responsible for interpreting and updating board policies and ensuring that all policies comply with *Florida Statutes*. The board internal auditor position remained vacant for one year during which an audit plan was not developed and internal audits were not performed. Program internal controls could be improved with detailed policies and procedures. Over 64 percent of schools, for which activity fund audits had been performed during Fiscal Year 2019, were in violation of board policy requiring a 10-working day response to audit findings, and the District lacked sufficient documentation confirming the implementation of two (2) corrective action plans in response to an external audit.

On May 7, 2019, the school board approved Agenda Item #47, which was a resolution directing a referendum to be held on November 5, 2019, to put before voters a one-half cent discretionary sales surtax. As required by law, the resolution includes a brief and general description of the school capital outlay projects to be funded by the sales surtax and is consistent with the provisions of *Florida Statute* 212.055(6).

FIGURE ES-8
Summary of Results

RESEARCH RESULTS					
6. Compliance of the program with appropriate policies, rules, and laws.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
6.1	MJ did not divide Subtask 6.1 into facilities planning, use, and construction;	MJ did not divide Subtask 6.1 into facilities planning, use, and construction; security and	MJ did not divide Subtask 6.1 into facilities planning, use, and construction;	**Met**	N/A

	RESEARCH RESULTS				
6. Compliance of the program with appropriate policies, rules, and laws.					
Research Subtask	**Facilities Planning, Use and Construction**	**Security and Technology Equipment Purchasing**	**Facilities Leasing and Debt Servicing**	**Conclusion**	**Recommendation**
	security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess legal compliance is universal and applies to all three areas. Based on MJ's review, there are no issues or concerns regarding whether the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.	technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess legal compliance is universal and applies to all three areas. Based on MJ's review, there are no issues or concerns regarding whether the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.	security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess legal compliance is universal and applies to all three areas. Based on MJ's review, there are no issues or concerns regarding whether the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.		
6.2	MJ did not divide Subtask 6.2 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's	MJ did not divide Subtask 6.2 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's internal control environment is universal and applies	MJ did not divide Subtask 6.2 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the	**Partially Met**	The District should document detailed procedure manuals, maintain appropriate supporting documentation of the implementation of audit recommendations, and ensure that the internal school

RESEARCH RESULTS					
6. Compliance of the program with appropriate policies, rules, and laws.					
Research Subtask	**Facilities Planning, Use and Construction**	**Security and Technology Equipment Purchasing**	**Facilities Leasing and Debt Servicing**	**Conclusion**	**Recommendation**
	internal control environment is universal and applies to all three areas. Based on MJ's review, Program internal controls require improvement including the following areas: 1. Detailed procedure manuals to document the specific requirements including checklists, technology tools, and reports to comply with the board policies. 2. Clear and complete documentation to provide evidence that audit recommendations were fully implemented. 3. Consistency in maintaining the internal school board auditor function: the internal school board auditor position was vacant for one (1) year during which no internal audits were conducted, or audit plan developed.	to all three (3) areas. Based on MJ's review, Program internal controls require improvement including the following areas: 1. Detailed procedure manuals to document the specific requirements including checklists, technology tools, and reports to comply with the board policies. 2. Clear and complete documentation to provide evidence that audit recommendations were fully implemented. 3. Consistency in maintaining the internal school board auditor function: the internal school board auditor position was vacant for one year during which no internal audits were conducted, or audit plan developed. Thus, the assessment is partially met regarding the review of program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations;	District's internal control environment is universal and applies to all three areas. Based on MJ's review, Program internal controls require improvement including the following areas: 1. Detailed procedure manuals to document the specific requirements including checklists, technology tools, and reports to comply with the board policies. 2. Clear and complete documentation to provide evidence that audit recommendations were fully implemented. 3. Consistency in maintaining the internal school board auditor function: the internal school board auditor position was vacant for one year during which no internal audits		board auditor functions continue through outsourcing or other alternatives if vacancies occur.

RESEARCH RESULTS					
6. Compliance of the program with appropriate policies, rules, and laws.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	Thus, the assessment is partially met regarding the review of program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.	contracts; grant agreements; and local policies and procedures.	were conducted, or audit plan developed. Thus, the assessment is partially met regarding the review of program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.		
6.3	MJ did not divide Subtask 6.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's practice of taking reasonable and timely actions to address any noncompliance is universal and applies to all three areas. Based on MJ's review, over 64	MJ did not divide Subtask 6.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's practice of taking reasonable and timely actions to address any noncompliance is universal and applies to all three areas. Based on MJ's review, over 64 percent of schools, for which activity fund audits had been performed during Fiscal Year	MJ did not divide Subtask 6.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's practice of taking reasonable and timely actions to address any noncompliance is universal and applies to all three areas. Based on	**Partially Met**	The District should enforce Board Policy 7.60 requiring schools to respond to activity fund audits within 10 business days, and the Internal Audit Department should enhance follow up efforts including early reporting of noncompliant schools to the board audit committee. In addition, the corrective action plans and management

RESEARCH RESULTS					
6. Compliance of the program with appropriate policies, rules, and laws.					
Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	percent of schools, for which activity fund audits had been performed during Fiscal Year 2019, were in violation of board policy requiring a 10-working day response to audit findings. In addition, the District lacked documentation clarifying the implementation of two (2) external audit corrective action plans. Thus, MJ concludes that the District inconsistently takes reasonable and timely actions to address noncompliance. Thus, this subtask is partially met regarding whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external	2019, were in violation of board policy requiring a 10-working day response to audit findings. In addition, the District lacked documentation clarifying the implementation of two (2) external audit corrective action plans. Thus, MJ concludes that the District inconsistently takes reasonable and timely actions to address noncompliance. Thus, this subtask is partially met regarding whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.	MJ's review, over 64 percent of schools for which activity fund audits had been performed during Fiscal Year 2019, were in violation of board policy requiring a 10-working day response to audit findings. In addition, the District lacked documentation clarifying the implementation of two (2) external audit corrective action plans. Thus, MJ concludes that the District inconsistently takes reasonable and timely actions to address noncompliance. Thus, this subtask is partially met regarding whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and		responses should clearly explain the actions taken and reference the name and location of specific checklists and procedures developed or revised to implement the recommendation.

	RESEARCH RESULTS				
6. Compliance of the program with appropriate policies, rules, and laws.					
Research Subtask	**Facilities Planning, Use and Construction**	**Security and Technology Equipment Purchasing**	**Facilities Leasing and Debt Servicing**	**Conclusion**	**Recommendation**
	evaluations, audits, or other means.		local policies and procedures identified by internal or external evaluations, audits, or other means.		
6.4	MJ did not divide Subtask 6.4 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the determination of whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations is universal and applies to all three areas. Based on MJ's review, there are no issues or concerns regarding whether program administrators have taken reasonable and timely actions to determine whether planned	MJ did not divide Subtask 6.4 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the determination of whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations is universal and applies to all three areas. Based on MJ's review, there are no issues or concerns regarding whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with	MJ did not divide Subtask 6.4 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the determination of whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations is universal and applies to all three areas. Based on MJ's review, there are no issues or concerns regarding whether program administrators have taken	**Met**	N/A

RESEARCH RESULTS

6. Compliance of the program with appropriate policies, rules, and laws.

Research Subtask	Facilities Planning, Use and Construction	Security and Technology Equipment Purchasing	Facilities Leasing and Debt Servicing	Conclusion	Recommendation
	uses of the surtax are in compliance with applicable state laws, rules, and regulations.	applicable state laws, rules, and regulations.	reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations.		

DETAILED FINDINGS AND RECOMMENDATIONS

RESEARCH TASK 1

THE ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM.

FINDING SUMMARY – **Overall, the School District of Duval County, Florida Meets Task 1.**

The District uses various reports that are adequate to monitor project performance and cost. It periodically evaluates its programs using performance information and other reasonable criteria to assess program performance and cost. Findings and recommendations have been included in relevant internal and external reports on program performance and costs, and management has taken actions to address deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. Management evaluates performance and costs based on reasonable measures, including best practices. Based on MJ's review of available documentation, the five projects were completed within budget, completed well, and project costs were reasonable. However, only four of the five projects were completed timely. Finally, written policies and procedures exist to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

RESEARCH SUBTASK ANALYSIS AND CONCLUSIONS

SUBTASK 1.1 – Review any management reports/data that program administrators use on a regular basis and determine whether this information is adequate to monitor program performance and cost.

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 1.1 as they relate to facilities planning, use, and construction, MJ conducted the interviews and reviewed the management reports listed in **Figure 1-1**. Each of the management reports is discussed after the figure.

FIGURE 1-1
Task 1.1 Interviews/Management Reports
Facilities Planning, Use, and Construction

Title	Department	Date
INTERVIEW		
• Assistant Superintendent Operations • Executive Director Design and Construction Services	Operations	08/05/2019
MANAGEMENT REPORTS		
• Facilities Master Plan • Annual Projects Report • Five-Year Capital Plan • Major Maintenance Execution Report • Expenditure Reports		

Source: MJ's Master Interview Schedule and Data Requests.

Facilities Master Plan

The District developed a facilities master plan (FMP) over a two-year period between July 2017-June 2019. The plan, entitled: *A Bold Plan for DCPS-Master Facility Plan Recommendations*, is a 15-year master plan that was developed through a collaborative effort involving District and school staff, school communities, professional service firms, and the school board.

In June 2017, the District contracted with an engineering firm to conduct a Facilities Condition Index (FCI) assessment of all 157 campuses and to provide planning services. In August 2018, the District contracted with another firm to conduct a 10-year enrollment projection study that was completed in March 2019. These two (2) initiatives form the basis of the FMP, which the school board approved at its July 2, 2019 regular board meeting.

The District will use funds from the half cent sales surtax to fund the plan if the referendum is passed by voters. The plan is based on the following five (5) principles:

- Increase School Safety and Security
- Reduce the Age of School Facilities
- Remove Portables
- Reduce Excess/Unused Seats thru School Consolidation
- Remove FCI Maintenance Backlog

Figure 1-2 provides a District-wide overview of the FMP

FIGURE 1-2
Facilities Master Plan District-wide Overview
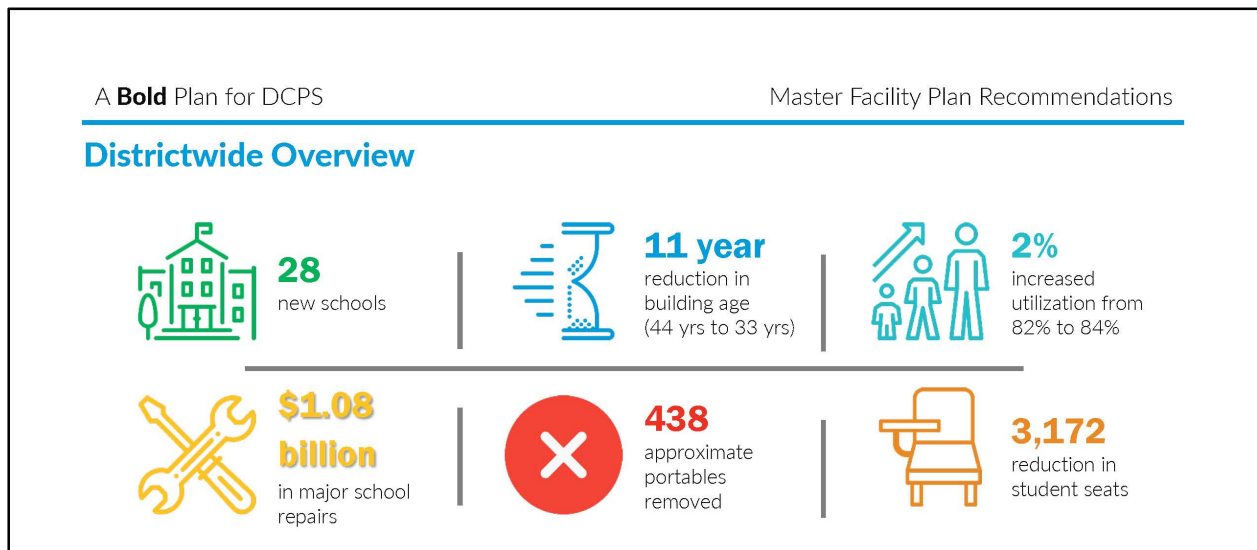
Source: A Bold Plan For DCPS-Master Plan Recommendations.

The cost of the FMP is projected to be $1.9 billion. The school district plans to pledge $500 million of sales tax referendum proceeds to service a bond issuance the proceeds of which will be used as startup funds for the FMP. Each of the seven (7) districts will receive a prorated amount of bond funds to finance facility projects in the respective district. **Figure 1-3** provides a summary of each district's recommended allocation and the bond fund startup amount.

FIGURE 1-3
Facilities Master Plan Allocations by District

District Number	Recommended Plan Allocation	Bond Fund Startup	Recommended Plan Allocation %
1	$ 129,171,692	$ 34,000,000	6.8%
2	172,364,466	45,000,000	9.0%
3	321,818,485	84,500,000	16.8%
4	458,785,417	120,000,000	24.0%
5	401,811,073	105,000,000	21.0%
6	219,781,732	57,500,000	11.5%
7	207,125,880	54,000,000	10.8%
Total	**$ 1,910,858,745**	**$ 500,000,000**	**100.0%**

Source: A Bold Plan For DCPS-Master Plan Recommendations.

District management uses the FMP regularly because it is the basis for how facilities construction and renovation funds will be used. MJ deems the report to be adequate to communicate and guide facility master plan goals and initiatives.

Five-Year Capital Plan

Consistent with its FMP, the District has an ongoing five-year capital plan for construction and maintenance projects. Dated as of September 2018, the Five-Year Capital Plan (FYCP) covers the five-year period from Fiscal Years 2019 through 2023. The FYCP provides the sources and uses of funds for each year during the period and consists of the following elements:

- Detailed schedule of annual revenues and expenditures.
- Schedule of amounts due to charter schools.
- Breakdown between technology costs and facilities/maintenance costs.
- Detailed list of maintenance projects funded for the current year.
- List of technology projects funded for the current year by category (e.g. computers, servers, phone systems, data center, enterprise applications, etc.).

Figure 1-4 presents the schedule of annual revenues and expenditures from the FYCP while **Figure 1-5** shows an example of the list of maintenance projects for Fiscal Year 2019.

FIGURE 1-4
Five-Year Capital Plan
Schedule of Revenues and Expenditures

Duval County Public Schools 2018-19 Five Year Capital Plan							
9/5/18							
Sources and Uses	Prior Year 2017-18	Difference from Prior to Current	Year 1 2018-19	Year 2 2019-20	Year 3 2020-21	Year 4 2021-22	Year 5 2022-23
Property Taxes							
Property Tax Basis. (Source: 18-19 2nd FEFP Calculation School Tax Values, Year 19-20 to Year 22-23 Source EDR)	$64,320,200,875	$4,825,221,982	$69,145,422,857	$72,770,900,000	$77,068,600,000	$81,714,600,000	$86,426,100,000
Mills	1.50	0.00	1.50	1.50	1.50	1.50	1.50
Revenue							
1.5 Mills 96%	$92,621,089	$6,948,320	$99,569,409	$104,790,096	$110,978,784	$117,669,024	$124,453,584
COPs Southside K8							$40,000,000
COPs Northside K8							$40,000,000
Gas Tax - Used for streets and street access improvements	$380,203	($0)	$380,203	$380,203	$380,203	$380,203	$380,203
CO&DS Revenue	$2,528,804	($528,804)	$2,000,000	$2,000,000	$2,000,000	$2,000,000	$2,000,000
DCPS PECO Revenue Maintenance	$2,653,058	$27,214	$2,680,272	$0	$0	$0	$0
Charter School PECO - Directly from the STATE PECO appropriations, not associated with the 1.5 Mills collected by the district. This revenue is a pass-through to Charter Schools.	$2,471,613	$0	$2,471,613	$2,471,613	$2,471,613	$2,471,613	$2,471,613
Interest Income	$645,000	$5,000	$650,000	$656,500	$663,065	$669,696	$676,393
Total Revenue	$101,299,768	$6,451,729	$107,751,497	$110,298,412	$116,493,665	$123,190,536	$209,981,793
Expenditures - Capital Transfers to Debt Service Fund							
Debt Service/Sinking Fund Requirements transfer from Capital Funds (reduction in 1819 partially due to refunding of COPS)	$29,500,000	($343,659)	$29,156,341	$29,500,000	$29,500,000	$29,500,000	$29,500,000
Debt Service /Capital Transfers for new COPs. Assumes issuance in December and one semi annual payment.							$3,200,000
Subtotal - Debt Transfers	$29,500,000	($343,659)	$29,156,341	$29,500,000	$29,500,000	$29,500,000	$32,700,000
Expenditures - Capital Transfers to General including Charter School Capital Outlay							
Charter Schools - PECO Capital Outlay Funds - Direct passthrough from the State to DCPS to Charter Schools	$2,471,613	$0	$2,471,613	$2,471,613	$2,471,613	$2,471,613	$2,471,613
Charter School Appropriations HB 7069 (1.5 mils)	$3,835,156	($3,835,156)	$0	$6,120,347	$6,828,048	$7,618,448	$8,433,049
Subtotal - Charter School Transfers	$6,306,769	($3,835,156)	$2,471,613	$8,591,960	$9,299,661	$10,090,061	$10,904,662
New FFE for Schools	$300,000	$0	$300,000	$300,000	$300,000	$300,000	$300,000
Replacement Equipment - Inventory	$350,000	$0	$350,000	$350,000	$350,000	$350,000	$350,000
Property Insurance	$2,600,000	$0	$2,600,000	$2,600,000	$2,600,000	$2,600,000	$2,600,000
Transportation Transfer	$9,000,000	$0	$9,000,000	$9,000,000	$9,000,000	$9,000,000	$9,000,000
Minor Maintenance Transfer	$12,000,000	$2,999,997	$14,999,997	$12,000,000	$12,000,000	$12,000,000	$12,000,000
Subtotal - General Fund Transfers	$24,250,000	$2,999,997	$27,249,997	$24,250,000	$24,250,000	$24,250,000	$24,250,000
Subtotal - General and CSCO Transfers	$30,556,769	($835,159)	$29,721,610	$32,841,960	$33,549,661	$34,340,061	$35,154,662
Other Expenditures							
New Replacement Vehicles	$1,000,000	$0	$1,000,000	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Equipment & Furniture for Magnet and Operations	$1,450,000	$0	$1,450,000	$1,450,000	$1,450,000	$1,450,000	$1,450,000
Subtotal - Other	$2,450,000	$0	$2,450,000	$2,450,000	$2,450,000	$2,450,000	$2,450,000
Total Expenditures	$62,506,769	($1,178,817)	$61,327,951	$64,791,960	$65,499,661	$66,290,061	$70,304,662
Net Revenue Available for Five Year Plan - Major Maintenance and Technology	$38,792,999	$7,630,547	$46,423,546	$45,506,452	$50,994,004	$56,900,475	$139,677,131
Net Funding for Maintenance and Technology	$38,792,999	$7,630,547	$46,423,546	$45,506,452	$50,994,004	$56,900,475	$139,677,131
Less Gas Tax and CO&DS	($2,909,007)	($528,804)	($2,380,203)	($2,380,203)	($2,380,203)	($2,380,203)	($2,380,203)
Less PECO for Facility Maintenance	($2,653,058)	$27,214	($2,680,272)	$0	$0	$0	$0
Less COPs Funding 2020/21	$0	$0	$0	$0	$0	$0	($80,000,000)
Adjusted Funding Maintenance and Technology	$33,230,933	$7,128,956	$41,363,071	$43,126,249	$48,613,801	$54,520,272	$57,296,928
Assume 50/50 Split for Maintenance and Technology							
Maintenance Amount	$16,615,467	$4,066,069	$20,681,535	$21,563,125	$24,306,900	$27,260,136	$28,648,464
Technology Amount	$16,615,467	$4,066,069	$20,681,535	$21,563,125	$24,306,900	$27,260,136	$28,648,464
Maintenance/Facilities							
Maintenance Millage Funding	$16,615,467	$4,066,069	$20,681,535	$21,563,125	$24,306,900	$27,260,136	$28,648,464
Plus Peco Funding (not yet finalized)	$2,653,058	$27,214	$2,680,272	$0	$0	$0	$0
Plus COPs	$0	$0	$0	$0	$0	$0	$80,000,000
Total Major Maintenance Amount	$19,268,525	$4,093,283	$23,361,807	$21,563,125	$24,306,900	$27,260,136	$108,648,464
Total Allocation	$35,883,991	$8,159,351	$44,043,343	$43,126,249	$48,613,801	$54,520,272	$137,296,928

Source: Five-Year Capital Plan.

FIGURE 1-5
Major Maintenance Projects List-Fiscal Year 2019

2018-19 MM Execution List						5-Sep-18
Board Approved Line Item	School Number	School Name	Project Number	Description	2018/19 MM Funded	2018/19 PECO Funded
1	DW	District-wide	M-84420	**BLEACHER** Repairs cited in Inspection Report-Next Inspection Cycle is **2018-19, List #1**	$ 150,000.00	
2	DW	District-wide	M-83630	**GREASE TRAPS** (Include Kitchen Floor Replacement and/or matching repair) **List #2**	$ 150,000.00	
3	DW	District-wide	M-83990	**EMERGENCY GENERATOR** Replacement / Repair (**List #3**)	$ 1,000,000.00	
4	DW	District-wide	M-84820	**WINDOW** Replacement **(List #4)**	$ 1,300,000.00	
5	DW	District-wide	M-83810	**DRAINAGE**; NON-FULL CAMPUS - Isolated Campus Area Drainage and site work (**List #5**)	$ 250,000.00	
6	DW	District-wide	M-84320	**PLUMBING** (**List #6**)	$ 2,226,000.00	
7	DW	District-wide	M-83970	**PECO - FIRE ALARM -Intercom-SECURITY SYSTEM (Lists #7 & #7a)**		$ 1,380,272.00
8	DW	District-wide	M-84310	**ELECTRICAL** Systems, Components, Repairs, Replacements **(List #8)**	$ 2,460,000.00	
9	DW	District-wide	M-83590	**LIFT STATION** Replacement & Component Replacement See **List #9**	$ 120,000.00	
10	DW	District-wide	M-88380	**MAJOR REPAVING** full schools and/or major areas beyond sealcoating and repair. ParGhandour lot repair, and seal coating, concrete repair, restriping & handicap restriping **(List #10)**	$ 150,000.00	
11	DW	District-wide	M-83700	**ENVIRONMENTAL** / Asbestos Abatement **(List #11)**	$ 400,000.00	
12	DW	District-wide	M-86030	**PROFESSIONAL SERVICES**, Misc **(List #12)**	$ 31,935.00	
13	DW	District-wide	M-83800	**NON-PECO - ROOF** replacement and/or Major Re-cap and/or Roof Repair and/or Waterproofing	$ 1,600,000.00	
14	DW	District-wide	M-83800	**PECO ONLY - ROOF** replacement and/or Major Re-cap and/or Roof Repair and/or Waterproofing		$ 1,300,000.00
15	DW	District-wide	M-84400	Backflow, fire equipment, kitchen hood repair and service, (**ANNUAL CONTRACT WITH CINTAS**)	$ 250,000.00	
16	DW	District-wide	M-84800	**DOOR** Repair/ReplacemenT & Hardware	$ 71,300.00	
17	DW	District-wide	M-86490	**FENCING**; Chain Link Fencing & Gates w/Hardware (Annual Contract)	$ 400,000.00	
18	DW	District-wide	M-81510	**HVAC** Equipment Replacement Repair/Replacement Chiller Repair/Replacement/Plant Modifications & Annual Chiller Service-Repair and Diagnostic & Natural Gas Conversion Projects	$ 2,000,000.00	
19	DW	District-wide	M-83050	**FLOORING;** District Wide Flooring: Including Damaged Subfloor, Rotting Joists and Damage from Termites	$ 700,000.00	
20	DW	District-wide	M-84630	**CONTRACTED CARPENTER**/Capital Services	$ 825,000.00	
21	DW	District-wide	M-87480	**PAINTING** (Maintain 10-year cycle)	$ 890,000.00	
22	DW	District-wide	M-84620	**EMERGING PROJECTS** & Emergency Maintenance Repairs/Replacement.	$ 500,000.00	
23	DW	District-wide	M-87540	**ELEVATOR** Repair/Service	$ 300,000.00	
24	DW	District-wide	M-80030	**MOTORIZED BLEACHER** Repairs & Replace	$ 35,000.00	
25	DW	District-wide	M-86000	**ATHLETIC TRACK** Repair and Service (Per Annual Contract)	$ 750,000.00	
26	DW	District-wide	M-80210	**TERMITE** Control Related Repairs and Pest Exclusion Requirements	$ 94,300.00	
27	DW	District-wide	M-86500	**SIDEWALK**; Hazardous Sidewalk Repair/Replace - Concrete - Base - Grading	$ 430,000.00	
28	DW	District-wide	M-84810	**DEMOLITION**/Debris Removal	$ 20,000.00	
29	DW	District-wide	M-86240	**EMCS** Upgrades, Repairs, and Standardization Etc	$ 500,000.00	
30	DW	District-wide	M-86470	**LOCKER** Repair & Replacement	$ 75,000.00	

Source: Five-Year Capital Plan.

The FYCP is an important budgeting tool for projecting and managing technology and facility capital and maintenance costs and is used by management to plan annual facilities-related expenditures. MJ deems the report to be adequate for this purpose.

Expenditure Reports

Expenditure reports are generated from the District's financial accounting system. These reports show the budget, commitments, encumbrances, expenditures, and unexpended amounts by any selected element of the coding string for example fund, object, and account. Any department to which funds have been allocated can access expenditure reports.

When accessing expenditure reports on the District's financial system, each report element can be drilled into for further information. Drilling into each column on the system screen provides additional detail and supporting documentation such as fund, fund center, function, object, text, vendor, purchase requisition, purchase order, and vendor invoice and quote.

Figure 1-6 provides an example of a printed expenditure report while **Figure 1-7** provides a screenshot of report elements from which users can drill down.

FIGURE 1-6
Printed Expenditure Report

Source: Expenditure Report.

FIGURE 1-7
System Expenditure Report

Source: Screen Shot from District's Financial Accounting System.

The expenditure reports provide program administrators with the ability to track budgeted and actual expenditures for any fund, project, or accounts. MJ deems the expenditure report to be adequate for monitoring program costs.

Annual Projects Report

The Annual Projects Report (APR) is an Excel workbook with spreadsheets that allow Design and Construction Services management to track and monitor costs and operational data for existing and completed projects. The workbook shows summary information for each active project and includes a tab for completed projects and summer projects, including technology summer projects. **Figure 1-8** provides a list of the fields on the report to illustrate the type of data the report captures.

FIGURE 1-8
Annual Projects Report Data Fields

Annual Projects Report Data Fields	
• Project #	• Plan Review Completed?
• Project Category	• Contractor
• School #	• Long Lead Items (Mark X)
• School Name	• Contractor Activation
• Project Description	• Contractor Contacts/Phone
• Maintenance Station Number	• Permit Issued (Y/N)
• Project Budget	• Notice to Proceed
• Summer Construction Project	• Pre-Construction Conference Completion
• Project Manager	• Construction Status (0%-100%)
• Estimated. Start Date	• Actual Substantial Completion Date
• Estimated Completion Date	• Final Inspection/Completion Date
• Architect/Engineer	• Close-Out
• Architect/Engineer Activate Number	• Warranty Info
• Architect/Engineer Contact/Phone	• Status
• Design Status (0%-100%)	

Source: Annual Projects Report.

Program managers use the Annual Project Report to monitor and manage operational and financial data on all construction and maintenance projects. MJ deems the Annual Project Report to be adequate to monitor program performance and costs.

Major Maintenance Execution Report

The Major Maintenance Execution Report (MMER) is an Excel workbook that provides the approved funding amount for every project funded during the current fiscal year, expenditure information from the District's financial accounting system, and other specific project related information. The first tab in the workbook is a by project summary that captures the information shown in **Figure 1-9**.

FIGURE 1-9
Major Maintenance Execution Report Data Fields

Major Maintenance Execution Report Data Fields	
• Board Approved Line Item • School Number • School Name • Project Number • Project Description • 2018-2019 Major Maintenance Funded $$ • Project Manager Assigned	• 2018-2019 Public Education Capital Outlay (PECO) Funded $$ • Prior Year Funding/Funding Shifts • Total Funding • Planned Spend • Reserve • Reserve % • Notes

Source: Major Maintenance Execution Report.

The summary worksheet is followed by a worksheet for each project showing the approved funded amount, potential costs, and projected surplus or deficit. The projects are prioritized for funding based on input from maintenance shops as to high priority repairs needed. FCI school reports are also used. The planned spend amount for each project worksheet is totaled and checked to ensure spending remains within available funding. Amounts are reconciled to the District's financial accounting system. If there is a discrepancy, the amount in the financial accounting system prevails and the project spreadsheet is adjusted. **Figure 1-10** provides an example of project M-84420 for bleacher repairs.

FIGURE 1-10
Project M-84420 Detail

2018-19 MAJOR MAINTENANCE PROJECTS

DW Bleacher Repairs

DW Bleacher Funding Projected -->> $322,949
Potential FY18 Funded Projects -->> $ 315,739
Projected Surplus/Deficit -->> $7,210

PROJECT #	Board MM Sum List #	School Number	School Name	Description	Cost		Running Total	PM Assigned	Design Required (Y or N)	Annual A/E Assigned	A/E FEES	CM/ CONTRACT Assigned	CONTRACT AMOUNT	COMMENTS
M-84420	1	DW	District Wide	DW Bleacher Repairs	$395,739		Running Total				$ 75,255		$ 240,484	
		3033	Lee HS	Handrails on Grandstands	$ 32,038	$ 32,038		BA	Y	GM Hill	$ 2,135	Gulf Coast Sports	$ 29,903	
		3075	Paxon HS	Handrails on Grandstands	$ 32,038	$ 64,075		BA	Y	GM Hill	$ 2,135	Gulf Coast Sports	$ 29,903	
		3086	Parker HS	Handrails on Grandstands	$ 32,038	$ 96,113		BA	Y	GM Hill	$ 2,135	Gulf Coast Sports	$ 29,903	
		3090	Englewood HS	Handrails on Grandstands	$ 34,803	$ 130,915		BA	Y	GM Hill	$ 4,900	Gulf Coast Sports	$ 29,903	
		3096	Ribault HS	Handrails on Grandstands	$ 34,803	$ 165,718		BA	Y	GM Hill	$ 4,900	Gulf Coast Sports	$ 29,903	
		3165	Raines HS	Handrails on Grandstands	$ 34,803	$ 200,520		BA	Y	GM Hill	$ 4,900	Gulf Coast Sports	$ 29,903	
		3237	Sandalwood HS	Handrails on Grandstands	$ 33,991	$ 234,511		BA	Y	GM Hill	$ 2,825	Gulf Coast Sports	$ 31,166	
		3248	Ed White HS	Handrails on Grandstands	$ 32,728	$ 267,239		BA	Y	GM Hill	$ 2,825	Gulf Coast Sports	$ 29,903	
		DW	All High Schools	Inspection of Bleachers	$ 30,000	$ 297,239		BA	Y	GM Hill	$ 30,000	N/A		Received GM Hill Proposal dated 11 Dec 18 for $30K
		DW	All Middle Schools	Inspection of Bleachers	$ 18,500	$ 315,739		JM	Y	GM Hill	$ 18,500	N/A		Need to issue Structural RFQ to complete MS Work
Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line	Cut Line
		3096	Ribault HS	Design and Install lateral bracing (U2 Rating)	$ 20,000	$ 335,739								Get desitgn proposal from GM Hill
		3241	Westside HS	Replace Bleachers Units 3 thru 8 (U2 rating)	$ 60,000	$ 395,739								Get proposal fro Gulf Coast sports asap
		3248	Ed White HS	Design and install cage around ladder leading to top of pressbox (U2 Rating)	$ 10,000	$ 405,739								
		3248	Ed White HS	Replace Bleachers Units 3, 5, and 6 (U2 rating)	$ 30,000	$ 435,739								Get proposal fro Gulf Coast sports asap
		3155	Stanton HS	Evaluate and perform structural repairs to columns (U1 rating)	$ 10,000	$ 445,739								

Source: Major Maintenance Execution Report.

The MMER report provides summary and detailed information by project that allows program management to track approved funding, expenditures, and project-related information for each individual major maintenance projects. MJ deems this report to be adequate to monitor project information and costs.

Based on MJ's work in the Facilities Planning, Use, and Construction area, there are no issues or concerns related to the adequacy of management reports/data that program administrators use on a regular basis to monitor program performance and costs as they relate to facilities planning, use, and construction.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 1.1 as they relate to security and technology equipment purchases, MJ conducted the interviews and reviewed the management reports listed in **Figure 1-11**. Each of the management reports is discussed after the figure.

FIGURE 1-11
Task 1.1 Interviews/Management Reports
Security and Technology Equipment Purchasing

Title	Department	Date
INTERVIEW		
Chief Information Officer and Staff	Information Technology	8/6/2019
MANAGEMENT REPORTS		
- Information Technology Project Status Report - Weekly Technology Portfolio Updates - Capital Plan Tracking Workbook		

Source: MJ's Master Interview Schedule and Data Requests.

Information Technology Project Status Report

The Information Technology Division maintains the status of its projects on a spreadsheet that is maintained on SharePoint and is readily available for department management and project managers to view and update. The report captures all of the information necessary to track the status of each IT project. **Figure 1-12** lists the fields on the report.

FIGURE 1-12
Information Technology Project Status Report Fields

Annual Projects Report Data Fields		
- Project # - Project Title - Project Description - Status	- Project Manager - Adjusted Start Date Expected End Date - Sponsor - IT Lead	- End Date Status - Current Status - Project Health

Information Technology Project Status Report.

The report uses overall project health indicators, which are color-coded for quick identification. The meaning of the colors is as follows:

Green: Project is on track, no changes in the scope, schedule, or budget.

Yellow: The project is on track but problems with scope, schedule, or budget have arisen that could impact critical tasks. A reasonable plan is executed to correct any issues and move the project back to green.

Red: The project is **not** on track. There is a serious problem with scope, schedule, or budget. Immediate attention is needed from higher management to bring the project under control. The project may have a number of high-impact risks and/or issues that are impacting performance. The project is behind schedule and, if a recovery plan does not exist, the project is at risk. An action plan action is required to bring the project back on track.

Amber: The project is on hold. There is a problem with scope, schedule or approvals. Attention is needed from senior management and project sponsors to bring the project under control. An action plan action is required to bring the project back on track.

Figure 1-13 provides a snapshot of an IT project status report. MJ noted that out of a total of 41 projects, 35 were green, five (5) amber, and one (1) yellow.

FIGURE 1-13
Information Technology Project Status Report

SR #	Project Title	Project Description	Status	Sponsor	IT Lead	PM/RM	Start Date	Adjusted Start Date	Expected End Date	End Date Status	Current Status	Project Health
SAP												
SR504043	ESS - Phase II implementation and deployment	This implementation is an extension of the initial ESS implementation and deployment. Phase II will consist of the development and implementation of employee Leave requests and approvals.	In Progress	Jim Culbert	Tina Mcgowens	Jessica Keller	03/26/16	04/01/16	12/31/19	On Time	[Activities Performed or Completed: Date 07/30/19] - No changes to report -Change to the business process for Timekeepers and Approvers [Activities Planned for the Next Period] -Payroll is conducting live training for Timekeepers and Approvers -Pushing to have pilot schools to online leave -Working on substitutions and Mass Approval for leave approvers [Risk/Issues]	GREEN
SR322027	Web-based School Accounting System	Purchase an accounting system for Internal Funds that allows for: centralized system of management controls; centralized reports; user-level reports; acceptance of payments for student activity fees via credit card; and issuance of electronic tickets for athletic and other events for which an admission is charged.	In Progress	Margie McGriff-Shannon	Tina Mcgowens	Jessica Keller	08/26/16	07/01/17	12/01/19	On Time	[Activities Performed or Completed: Date 07/30/19] - -Received communication from Sponsor [Activities Planned for the Next Period] -PM to reach out to Sponsor regarding next steps [Risk/Issues]	Green
SR530052	Enterprise Document Management	The objective of this project is to stablish an Enterprise Information Management solution that will allow DCPS organization to build a cohesive information management strategy that leverages existing resources, meets urgent needs and establishes a fast path to Information Readiness, Information Capabilities, and Information Security	In Progress	Jim Culbert	Tina Mcgowens	Alex Rivas	10/31/18	11/12/18	12/30/19	On Time	[Activities Performed or Completed: Date 08/04/2019] Configuration of workspaces in OpenText progressing, initial demo of PO workspace performed. [Planned for the Next Period] - Meet with DataBank to work on finalizing SOW. - Workspace configuration continuing, SAP and DCPS team working on completing all workspaces. [Risk/Issues] - Scope requires SAP to configure 40 documents types, remaining to be done by DCPS. There are approx. 300 document types identified. There is a potential risk that the excessive document type configuration might interfere and impede progress affecting the timeline. To be watched closely. - Similarly, DCPS identified 24 workspaces to be configured. SAP will do 10 and transfer knowledge for DCPS staff to complete the remaining. Watch closely for any impact to timeline.	Green
Information Management & Student Information System												
SR898951	TDSI (Teacher Development Support Induction)	The purpose of the Teacher Development Support Induction (TDSI) is to eliminate the lag time between communications with Human Resources and Teacher Certification by generating real time updates and email notifications from SAP	In Progress	Jennifer White	Greg Lukach	Heather Henderson	04/01/19	4/0/19	08/01/19	Delayed	[Activities Performed or Completed: Date 7/16/19] - No changes this reporting period [Activities Planned for the Next Period] - Meeting with Business [Risk/Issues]	Green
SR526054	Health and Wellness Application/ Care Dox	DCPS produce an internal application that will integrate FOCUS and SEAS, to help eliminate redundant work.	On Hold	Melissa Kicklighter	Greg Lukach	Heather Henderson	10/16/17	01/21/18	06/15/18	Delayed	[Activities Performed or Completed: Date 7/16/19] - On Hold - Draft Scope sent to Sponsor for review. [Activities Planned for the Next Period] [Risk/Issues] - Data Sharing	Amber
SR295452	OneView Briefing/Newsletter	This project creates a weekly briefing application, viewable in OneView, which provides targeted communication to staff and stakeholders at multiple levels throughout the organization. It also includes the ability to create and distribute news letters to targeted groups.	On Hold	Dana Kriznar	Gregory Lukach	Heather Henderson	12/27/16	01/30/18	12/10/18	Delayed	[Activities Performed or Completed: Date 7/16/19] - On Hold - Interim briefing solution complete. [Activities Planned for the Next Period] - Set up meeting with Dr Kriznar to verify the next steps. Sent an e-mail requesting a meeting. [Risk/Issues]	Amber
SR790337	Office of Economic Opportunity Minority/Women Business Enterprise Application	Creating a web application to streamline the application process for Minority/Women Business Enterprise (M/WBE) as it pertains to business conducted within Duval County Public Schools.	In Progress	Beth Casey	Gregory Lukach	Heather Henderson	09/01/16	03/15/18	08/01/19	Delayed	[Activities Performed or Completed: Date 7/16/19] - CR790386 is closed for Phase 1. Project has two more phases. Working with Business to recieve requirements. [Activities Planned for the Next Period] - V. Quan is working on Business Requirements for Phase 2. [Risk/Issues] - None at this time.	Green

*Source: Major Maintenance Execution Report.*

The IT project status report is a useful tool that IT management and project managers use to monitor the status and health of IT projects. MJ deems this report to be adequate to monitor project information and status.

Weekly Technology Portfolio Updates

IT leadership meets regularly with project managers to review the status of their projects using the Weekly Technology Portfolio Update report. This report is prepared from data in the project status report and is graphically illustrated in the form of a dashboard to allow a quick visual identification of project status. MJ reviewed these reports for March and May 2019. An example of this report is shown in **Figure 1-14**.

FIGURE 1-14
Weekly Technology Portfolio Update Dashboard
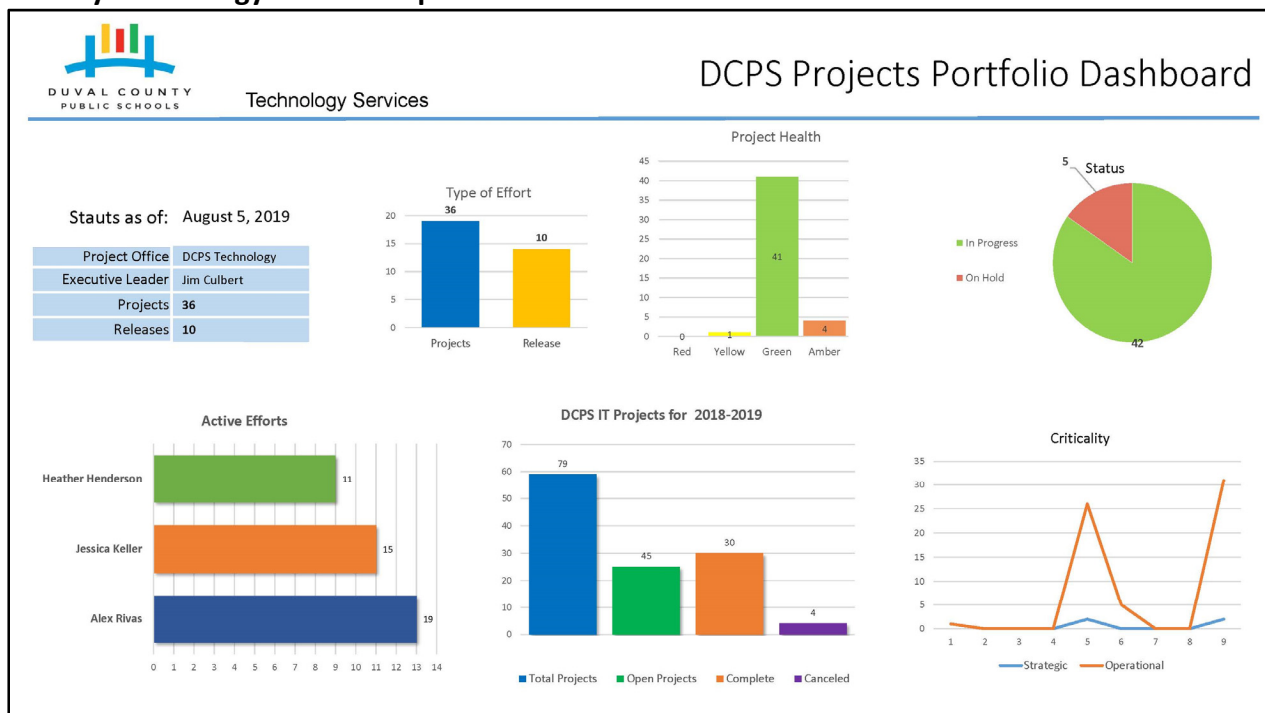
Source: Weekly Technology Portfolio Update Report.

IT management and project managers use the Weekly Technology Portfolio Update Dashboard to view key project data points at a glance. MJ deems this report to be adequate to monitor project information and status.

Capital Plan Tracking Workbook

The Capital Plan Tracking Workbook (CPTW) tracks all IT funds approved in the capital budget, and it is reconciled to amounts in the District's financial accounting system. While the Information Technology Project Status Report and the Weekly Technology Portfolio Update track project status from an operations perspective, the CPTW tracks the financial status and progress of an IT project.

IT management and project managers use the CPTW to monitor projects to ensure they stay within the approved budget and to determine when a budget amendment might be necessary. The report shows the current year's approved allocation from the Five-Year Capital Improvement Plan, category of expenditure (school technology, school infrastructure, enterprise systems, etc.), expenditures, and remaining balance. MJ deems this report to be adequate to monitor project costs. **Figure 1-15** provides a snapshot of a small section of the CPTW.

FIGURE 1-15
Capital Plan Tracking Workbook

		Enterprise-Data Ctr Build	**$4,501,000**	Remaining Balance		
		EMTEC REFUND (37Q, 37R, 37S & 37T)	**$154,911**			
		EMTEC REFUND (37T)	**$0**			
		Capital 5 yr plan 18/19 Allocation	**$20,681,535**			
		Totals	$25,337,446			
18/19 Capital Planning as of 7/19/18			$25,182,535.000			
					$25,383,275.86	-$200,740.86
		New Capital Total 2018/19	$25,337,446			
		Remain to allocate				
Capital Group		Cap. Sub-group	Allocation	Expenditures		Remaining Budget
School Technology						
		Totals	$16,087,935		$15,660,269.04	$427,665.96
		Computers/Interactive Monitors				
		Student	$14,280,485		$14,261,232.98	
		Teachers	$1,656,400		$597,966.12	
		Admin/School Staff	$101,050		$784,965.85	
		Printers			$0.00	
		Centralized	$50,000		$16,104.09	
		Interactive Monitors			$0.00	
		DTO Schools	$0		$0.00	
		Elementary	$0		$0.00	
School Infrastructure						
		Totals	$600,000		$904,822.69	-$304,822.69
		Network Electronics Refresh	$0		$0.00	
		Infrastructure Wiring/Wireless/Laptop Lockers	$600,000		$904,822.69	
		Admin Offices Telephone System & School phones	$0		$0.00	
		Increase Bandwidth Electronics	$0		$0.00	
Enterprise Systems						
		Totals	$5,601,000		$5,706,900.77	-$105,900.77
		Data Ctr/School Server Refresh	$600,000		$500,730.76	
		Test Center Refresh	$0		$0.00	
		Computer Hardware/Racks/Tables	$200,000		$373,982.00	
		Enterprise/Data Ctr Build/Team Ctr Reno	$300,000		$331,188.01	
		18/19(Data Center Upgrade (SAP/SIS/Data Ctr Upgrade Fund)	$4,501,000		$4,501,000.00	

Source: Capital Plan Tracking Workbook.

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to the adequacy of management reports/data that program administrators use on a regular basis to monitor program performance and costs as they relate to security and technology equipment purchasing.

FACILITIES LEASING & DEBT SERVICING

To address the requirements of Subtask 1.1 as they relate to facilities leasing & debt servicing, MJ conducted the interviews and reviewed the management reports listed in **Figure 1-16**.

FIGURE 1-16
Task 1.1 Interviews/Management Reports
Facilities Leasing & Debt Servicing

Title	Department	Date
INTERVIEW		
Chief Financial Officer and key staff members	Finance	8/5/2019
MANAGEMENT REPORTS		
• Debt Service Report Fiscal Year 2020 • Debt Service Payment Schedule		

*Source: MJ's Master Interview Schedule and Data Requests.*

According to District Financial and Business Services Division staff, none of the surtax funds will be used to retire existing debt. The District plans to use $500 million of sales surtax funds to secure new debt.

When necessary, the District makes transfers to its Debt Service Funds from the Capital Projects Fund, as permitted by *Florida Statutes*, to service existing debt. The primary sources of Capital Project Fund revenues are property taxes and state sources such as the Public Education Capital Outlay (PECO) Fund.

Nearly all of the District's existing debt consists of certificates of participation (COP). A COP is a type of financing used by governmental entities where investors purchase a share of lease revenues pursuant to a facility lease back arrangement with a third party. Funds provided by investors are used to construct school facilities that are then leased back to the governmental entity. The investor "participates" by receiving a share of the lease payments made by the governmental entity pursuant to the agreement with the third-party. The COPs are secured by lease revenues. **Figure 1-17** illustrates a typical COP arrangement.

FIGURE 1-17
Certificate of Participation Arrangement
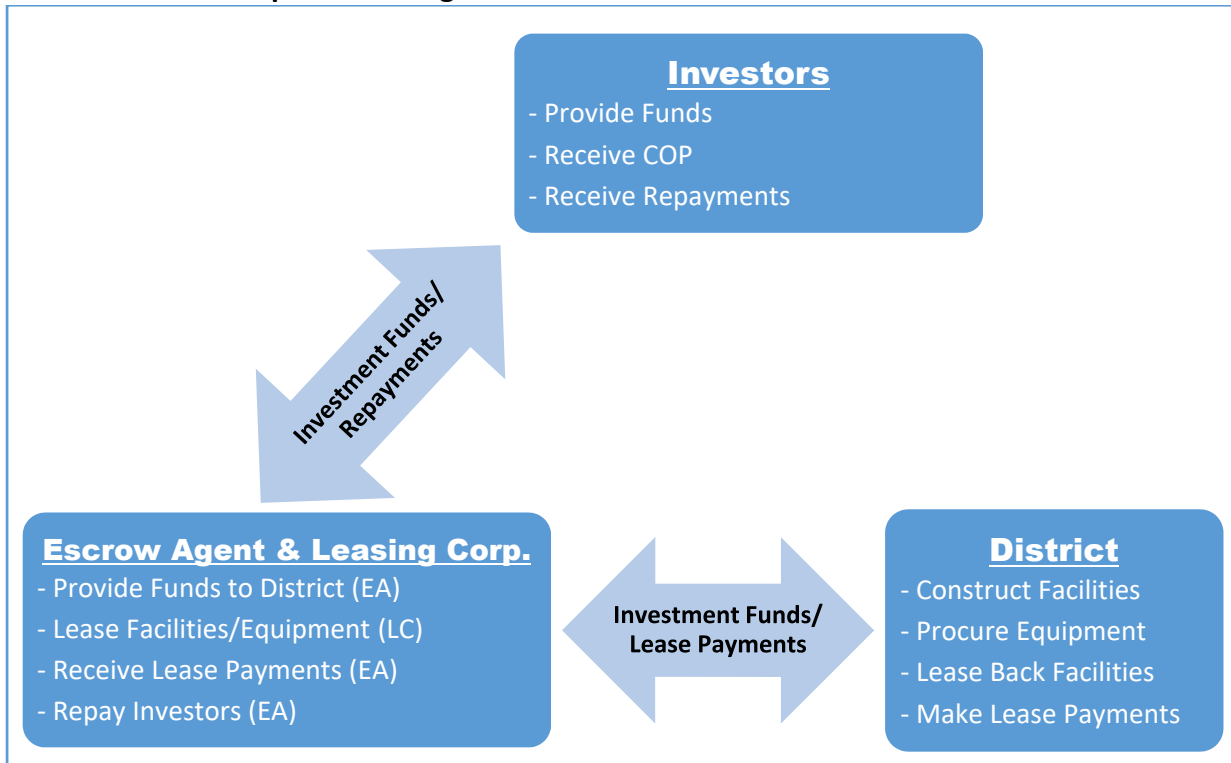
Source: Developed by MJ based upon interviews and independent research.

To accomplish a COP transaction, a trustee issues securities that represent percentage interests in the right to receive payments from the school district under a lease-purchase contract. The school district's underwriter sells the COPs in the bond market.

In appropriate circumstances, the school district may "qualify" (make eligible) lease-purchase financing as Qualified Zone Academy Bonds (QZAB) or Qualified School Construction Bonds (QSCB). QZABs and QSCBs are a type of borrowing sanctioned by federal law that pays a federal income tax credit instead of interest and functions as a federal subsidy for qualifying public schools, thereby reducing the school district's interest costs.

According to the June 30, 2018 Comprehensive Annual Financial Report (CAFR), the District's long-term debt totaled $401,796,585 of which $401,582,651 consisted of COPs sold in the bond market. The District's bonded COP debt is listed in **Figure 1-18**.

FIGURE 1-18
Bonded Certificates of Participation as of June 30, 2018

Series	Amount Outstanding	Lease Term Maturity
2003-QZAB**	$ 5,667,000	2018
2005-QZAB	1,015,000	2021
2009B-QSCB	13,050,000	2025
2010A-QSCB	33,074,000	2027
2012-QZAB	29,000,000	2027
2013A	14,560,000	2038
Refunding 2014A*	33,298,791	2025
2014B-QZAB	50,000,000	2028
Refunding 2015A*	11,274,833	2020
Refunding 2015B*	121,850,000	2033
Refunding 2016A*	44,990,000	2035
Refunding 2017A*	27,944,000	2035
Unamortized Premium and Discount	15,859,027	
Total	$ 401,582,651	

Source: Comprehensive Annual Financial Report, Fiscal Year 2018.
*Refunding is retiring or redeeming an outstanding bond issue using the proceeds from a new bond issue. Typically, the new issue has a lower interest rate thereby reducing borrowing costs.
**Matured in December 2018.

Florida Statutes 1001.42 (11(5) and 1013.15 (2) authorize school boards to "*enter into leases or lease purchase arrangements with private individuals or corporations for the rental of grounds and educational facilities for school purposes or of educational facilities to be erected for school purposes. Current or other funds authorized by law may be used to make payments under a lease-purchase agreement.*"

The District formed the Duval School Board Leasing Corporation (Leasing Corporation) as a separate legal entity to facilitate financing the acquisition of District educational facilities and equipment. In October 2000, the District entered into a master financing lease purchase arrangement with the Leasing Corporation to obtain financing for school facilities and equipment. The financing was accomplished through the issuance of COPs by the Leasing Corporation to third-party investors. The Leasing Corporation leases back to the District the facilities and related equipment covered by the ground lease. Revenues from the lease payments are used to repay the investors. **Figure 1-19** presents a list of facilities leased to the District under the COP arrangement. Debt-related management reports are discussed after the figure.

FIGURE 1-19
Certificate of Participation Leased Facilities

Certificate Issue	Lease Term	Facility Description
Series 2003-QZAB	Earlier of date paid in full or 12/23/2018 (No longer outstanding after 12/23/2018)	Technology related equipment and improvements at: John Love Elementary School Highlands Middle School Southside Middle School J.E.B. Stuart Middle School Mandarin Middle School Landmark Middle School
Series 2005-QZAB	Earlier of date paid in full or 10/20/2021	Technology related equipment and improvements at: Cedar Hills Elementary School Brookview Elementary School
Series 2009B-QSCB	Earlier of date paid in full or 12/16/2025	Dinsmore Elementary School-Classroom Additions Ed White High School-Classroom Additions Gregory Drive Elementary School-Classroom Additions Robert E. Lee High School-Classroom Additions New Berlin Elementary School-Classroom Additions
Series 2010A-QSCB	Earlier of date paid in full or 7/1/2027	Waterleaf Elementary School – New School Eugene Butler Middle School – Additions John E. Ford K-8 School – Additions
Series 2012-QZAB	Earlier of date paid in full or 7/1/2027	Technology related equipment and improvements at 41 schools designated as magnet academy programs
Series 2013A	Earlier of date paid in full or 7/1/2038	Douglas Anderson School of the Arts cafeteria and classroom additions.
Series 2014A Refunding of Series 2005A	Earlier of date paid in full or 7/1/2025	Arlington Middle School – Replacement Nutrition Service Center – New District-wide Facility
Series 2014B-QZAB	Earlier of date paid in full or 7/1/2028	Technology and retrofits for eligible school projects for the purpose of repair, renovation, and equipping of qualified facilities
Series 2015A Refunding of Series 2005 Refunding of Series 2000	Earlier of date paid in full or 7/1/2033	Oceanway Elementary School – New School Kerman Trail Elementary School – New School Don Brewer Elementary School – New School Kernan Middle School – New School Sandalwood High School – Ten Portable Replacements to permanent classrooms

Certificate Issue	Lease Term	Facility Description
		Alfred I. DuPont Middle School – Addition of New Sixth Grade Wing Paxon School for Advanced Studies – Additional Science Labs
Series 2015B Refunding of Series 2007A	Earlier of date paid in full or 7/1/2033	Atlantic Coast High School – New School Westview K-8 School – New School North Shore K-8 School – Completion
Series 2016A Refunding of Series 2009A	Earlier of date paid in full or 7/1/2035	Bartram Springs Elementary – Reimbursement Darnell Cookman Medical School of the Arts – Renovations Comprehensive Needs at Various Schools – Technology and Information Upgrades
Series 2017A Refunding of Series 2010B	Earlier of date paid in full or 7/1/2035	Robert E. Lee High School – Replacement and Renovations

Source: Financial and Business Services Division-Lease Term Schedule.

Debt Service Report (DSR)

Financial and Business Services Division staff prepare the DSR report to calculate the amount of funds that will be needed to service the District debt for the current and coming year. Budget staff prepare the report, Treasury Department staff make the payment to the escrow agent, and directors in Budget and Treasury approve payment journal entries. The report is critical to ensuring that the District has the funds necessary to service its debt and that such payments are recorded timely and accurately. The report contains the fields shown in **Figure 1-20**. MJ deems the debt service report adequate to predict, monitor, and manage the amount of resources necessary to satisfy future debt obligations.

FIGURE 1-20
Debt Service Report Fiscal Year 2020

Field Name	Description
Fund	Bond fund number
Type	Type of debt obligation
Fund name	Name of bond fund
Beginning fund balance Fiscal Year 2019-2020 projection	Fund balance at the beginning of Fiscal Year 2020.
Ending fund balance Fiscal Year 2019-2020 projection	The budget from the ending fund balance in Fiscal Year 2018-2019 is being rolled to the ending fund balance for Fiscal Year 2019-2020.
Revenue subsidies	Represents revenue received from the federal government for some of the applicable debt series.
Principal	Principle portion of debt service.
Interest	Interest portion of debt service.

Field Name	Description
Total Principal and Interest-2019-2020	Amount to send to the fiscal agent and will remain until the principal and interest payments are due.
Fees	Fees payable
Total amount needed in sinking funds ending fund balance	Amount to send to the fiscal agent and will remain until the principal and interest payments are due.
Transfers from capital if using fund balance Object 3630	Funds transferred from the Capital Projects Fund to the Debt Service Fund to make debt payments.
Transfers from Capital Fund. This assumes the ending fund balance will roll from Fiscal Year 2018-2019 to 2019-2020 and not be used to cover expenses in 2019-2020	This amount in this column assumes that the debt fund ending fund balance is sufficient so as not to require a transfer from the Capital Projects Fund.
Principal Object 710 July 2020	Principal portion of Fiscal Year 2020 debt service.
Interest Object 720 July 2020	Interest portion of Fiscal Year 2020 debt service.
Total principal and interest July 2020	Total principal and interest payable July 2020
Total needed less ending fund balance	Total amount needed in the 2019-2020 Fiscal Year to make debt payments less the amounts appropriated in ending fund balance.

Source: Debt Service Report Fiscal Year 2020.

Debt Service Payment Schedules

The Debt Service Payment Schedules (DSPS) are amortization schedules for each form of debt issued by the District. DSPS show the name of the debt series, payment date, principal amount, interest rate, interest amount, total payment due for the period and total payment due for the Fiscal Year. The DSPS schedule is critical to tracking how much interest and principal is due on each debt issuance and when.

Before debt service payments are due, the escrow agent sends the District a notification with wiring instructions. MJ examined the June 2019 notification, which stated the following:

> *Pursuant to Sections 4.03 of the Master Lease-Purchase Agreement and the Lease Schedule, please provide the Basic Rent Payments as outlined on the attached schedule to the [Escrow Agent Name] by June 25, 2019.*

For three (3) debt issuances, MJ compared the Basic Rent Payment amounts in the escrow agent's notification letter to the amounts on the DSPS noting that the amounts agreed and there were no exceptions. MJ deems the DSPS report adequate to track the amount and due date of each principal and interest payment due on each debt issuance over the life of the debt.

Based on MJ's work in the facilities leasing & debt servicing area, there are no issues or concerns related to the adequacy of management reports/data that program administrators use on a regular basis to track and manage debt obligations as they relate to facilities leasing & debt servicing.

Based on MJ's review of management reports/data that program administrators use on a regular basis the reports and information are adequate to monitor program performance and cost. Accordingly, Subtask 1.1 is met.

> **SUBTASK 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.**

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 1.2 as they relate to facilities planning, use, and construction, MJ reviewed the reports discussed in Subtask 1.1 to determine how they are used to evaluate program performance and cost. **Figure 1-21** provides an analysis of these reports in relation to Subtask 1.2.

FIGURE 1-21
Facilities Planning, Use, and Construction Evaluation Reports

Report Name	Who Prepares & Maintains	Source of Data	Frequency	How Does the Report Satisfy Subtask 1.2?
Expenditure Report	Generated out of accounting system and is available to staff responsible for managing a budget and monitoring expenses.	District's Accounting System	Available 24/7/365 to staff responsible for managing a budget and monitoring program expenses.	Allows managers to compare budgeted to actual costs to ensure the program is on budget and to take appropriate action if it is not.
Annual Projects Report	Executive director and project managers create the report with input from maintenance leadership. Report is maintained through regular review meetings with project managers with input from project managers and other facility reports.	Original project budgets provided by the District's enterprise resource planning (ERP) software known as Systems, Applications, and Products (SAP) and/or as reported and updated by project managers. As various project documents are processed, the APR is updated to reflect the information contained within those documents. Before actions are taken with regard	The Annual Project report is updated at the beginning of the school year (July timeframe) with new project cost and scope information. The APR is reviewed monthly at the beginning of the year and accelerated to weekly or biweekly (as schedules permit) in the April timeframe throughout the summer months to keep up with	The Annual Project Report allows Design and Construction Services to monitor overall program performance by feeding into metrics and helps keep the overall program on schedule. This report enables Design and Construction Services' staff to track which projects perform successfully, especially during the crucial summer months so that projects can be completed before

| Report Name	Who Prepares & Maintains	Source of Data	Frequency	How Does the Report Satisfy Subtask 1.2?
		to funding or contract administration, the sources are typically checked to ensure accuracy.	a heavier project work schedule.	school begins for the next school year and as other full-year projects continue.
Major Maintenance Execution Report	The Major Maintenance Execution Report is prepared by the executive director Design and Construction Services working with the Financial and Business Services Division and the Design and Construction Services' support technician to obtain project budget information from the Five Year Capital Plan and SAP, the District's Enterprise Resource Planning (ERP) system. An ERP is a modular software system designed to integrate the main functional areas of an organization's business processes into a unified system. The MMER is a planning tool that allows Design and Construction Services to keep track of how much funding is available under a given project number for projects the department desires to fund. The ultimate source for funding data is SAP. If there is a difference in SAP versus MMER funding, the SAP funding numbers take precedent. The MMER report is for planning and programming work	Five Year Capital Plan, SAP for project budget data, project backlog review meetings with maintenance personnel, prior costs for similar systems, and contractor proposals for project work.	The MMER report is set up at beginning of the year based upon available funding within the Five-Year Capital Plan and SAP. The MMER report is updated as actual project cost proposal information becomes available from various contractor proposals and District decisions to add or remove work based upon actual costs and when new unforeseen project funding requirements become available.	The MMER allows staff to keep track of program funding versus project requirements to ensure that funds are available to cover projects underway.

Report Name	Who Prepares & Maintains	Source of Data	Frequency	How Does the Report Satisfy Subtask 1.2?
	so that staff know how much work can realistically be performed under a given project number.			
Design and Construction Metrics Report	The executive director Design and Construction Services prepares the metric reports.	The Annual Project Status report is the source of data for the metrics report	Monthly	Allows Design and Construction Services' staff to track project progress through various steps of performance (project creation, design, construction, and completion, and paperwork closeout).

Source: Indicated Reports and Staff Inquiries

The executive director Design and Construction Services meets with project managers frequently to review project status. MJ examined the executive director's calendar entries for April through August 2019 noting evidence of these meetings. **Figure 1-22** presents a sample calendar entry from August 8, 2019. The project status meetings are marked with an asterisk.

FIGURE 1-22
Executive Director Design and Construction Services
August 8, 2019 Calendar Entry
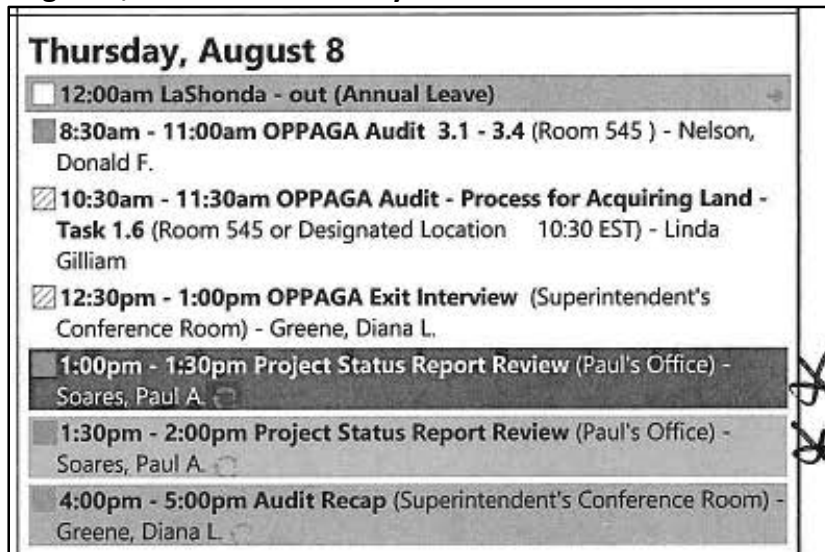
Source: Executive Director Design and Construction Services, August 8, 2019 Calendar.

Figure 1-23 presents a summary of project status meetings held between April and August 2019.

FIGURE 1-23
Executive Director Design and Construction Services
**May through August 2019 Project Status Meetings**

Date	Subject	Number of Meetings
08/08/2019	Project Status Report Review	2
08/01/2019	Project Status Report Review	2
07/25/2019	Project Status Report Review	2
07/18/2019	Project Status Report Review	2
07/15/2019	Update Annual Projects Report	1
07/11/2019	Project Report Review	2
06/27/2019	Project Status Report Review	2
06/26/2019	Project Status Report Update	1
06/25/2019	Update Annual Projects Report	1
06/19/2019	Project Status Report Update	1
06/19/2019	Project Status Report Review	2
06/07/2019	Annual Project Report Review	1
05/23/2019	Update Annual Projects Report	1
05/22/2019	Update Annual Projects Report	1
05/17/2019	Annual Project Report Review	4
05/10/2019	Annual Project Report Review	4
05/03/2019	Review Project Status	4
04/25/2019	Update Annual Projects Report	1
04/24/2019	Update Annual Projects Report	1
04/23/2019	Update Annual Projects Report	1

Source: Executive Director Design and Construction Services, May through August 2019 Calendar.

The APR and the DCM reports are discussed and updated during the project status meetings. The DCM presents APR information in graphic form. The executive director Design and Construction Services and each project manager uses this information to review project status and to evaluate schedule performance. The Summer 2019 DCM report is shown in **Figure 1-24.** Each project manager receives this report for their specific projects.

FIGURE 1-24
Design and Construction Metrics Report
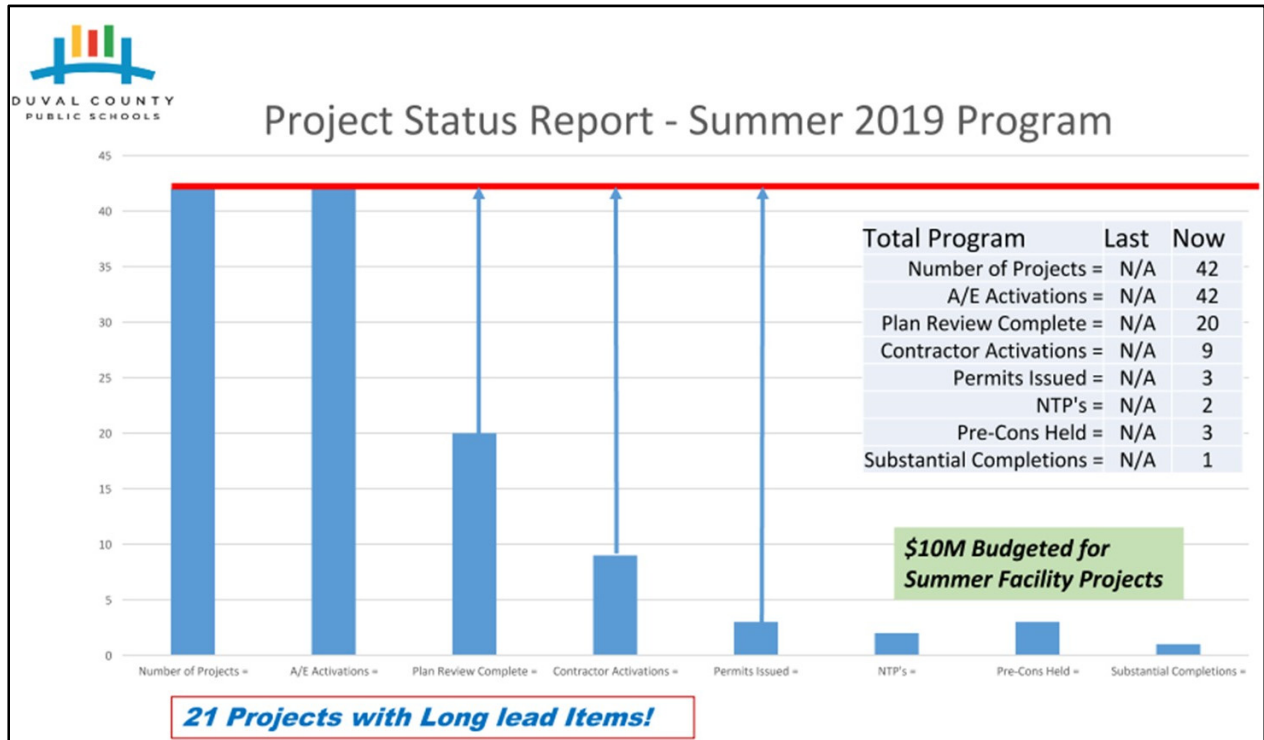
Source: Design and Construction Metrics Report.

In addition to internal monitoring, the district benchmarks itself against other large urban districts using information from the Council of the Great City Schools (CGCS) benchmarking survey. CGCS consists of 75 of the nation's largest urban public school systems. The purpose of this coalition of school districts is to improve education for children in the inner cities.

In 2002, CGCS developed key performance indicators (KPIs) that school districts could use to evaluate and improve their operations. The goal was threefold:

- Establish a common set of key performance indicators (KPIs) in a range of school operations, including business services, finances, human resources, and technology;

- Use these KPIs to benchmark and compare the performance of the nation's largest urban public school systems; and

- Use the results to improve operational performance in urban public schools.

The District incorporated CGCS KPI information into its regular facility reports for review and evaluation. the KPI benchmark showed where the District stood with respect to costs for design, renovations, and construction. The colored cells in the last three (3) columns of **Figure 1-25** labeled Lower, Median, and Upper indicate where the District fell on the KPI rating scale. Design and Construction Services' management presented this information to staff as a means of evaluating and improving performance.

The District was below the middle range for renovation and new construction, but higher on the design to construction ratio (see red KPI). From this report, the District determined that its design costs could be lower and pursued and awarded a separate structural engineer design contract in May 2019 to lower its costs for structural repairs. MJ reviewed the contract noting that on May 7, 2019, the board approved an engineering consulting contract for architectural, civil, structural, mechanical, and electrical engineering services.

Figure 1-25 compares the District's KPIs from the 2018 CGCS benchmarking survey, which used Fiscal Year 2017 performance data.

FIGURE 1-25
Council of the Great City Schools KPI Report
Maintenance and Construction

Facilities Benchmark Metrics - CGCS

	2013-14	2014-15	2015-16	2016-17		Lower	Median	Upper
MM - Cost per Student	$73	$28	$5	$128		$29	$88	$235
MM - Delivered Const Cost as % of Total Costs	86.5%	89.4%	45.2%	82.8%		79.4%	88.7%	94.8%
MM - Design to Construction Cost Ratio	10.2%	6.8%	46.8%	13.4%		4.4%	6.7%	13.7%
Renovations - Cost per Student	$ 1.00	$ 43.00	$ 63.00	N/A		$ 57.00	$ 262.00	$ 491.00
Renovations - Delivered Const Cost as % of Total Costs	53.1%	86.0%	87.3%	N/A		86.2%	90.9%	93.8%
Renovations - Design to Construction Cost ratio	6.8%	7.9%	7.5%	N/A		5.7%	8.0%	13.3%
New Construction - Cost per Student	$ 68	$ 127				$ 14	$ 149	$ 1,091
New Construction - Delivered Const Cost as % of Total Costs	87.7%	92.5%				87.2%	93.4%	95.6%
New Construction - Design to Construction Cost ratio	12.1%	7.1%				3.9%	8.8%	9.1%

Source: Design and Construction Metrics Report. District Obtain from the Council of the Great City Schools October 2018 KPI Report.

Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to whether projects are periodically evaluated using performance information and other reasonable criteria to assess program performance and cost as they relate to facilities planning, use, and construction.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 1.2 as they relate to security and technology equipment purchasing, MJ reviewed the reports discussed in Subtask 1.1 to determine how they are used to evaluate program performance and cost. **Figure 1-26** provides an analysis of these report in relation to Subtask 1.2.

FIGURE 1-26
Security and Technology Equipment Purchasing Evaluation Reports

Report Name	Who Prepares & Maintains	Source of Data	Frequency	How Does the Report Satisfy Subtask 1.2?
Information Technology Project Status Report	*Contracted Technology Program Manager Consultant	District's enterprise resource planning (ERP) software known as Systems, Applications, and Products (SAP), Information Technology Service Management (ITSM) software system, change management, weekly project status meetings, Gartner data	Data is continually updated	The District uses the status report to update leadership on the status and budget of ongoing projects. Used to identify both schedule issues and budget compliance.
Weekly Technology Portfolio Updates	*Contracted Technology Program Manager Consultant	SAP, Information Technology Service Management (ITSM) software system, change management, weekly project status meetings, Gartner data	Updated weekly	Provides leadership with status and alignment with the budget. Keeps projects on schedule and allows management to reassign tickets and staff as required. Supervisors are tasked with work assignments.
Capital Plan Tracking Workbook	Director, Technology Programs	SAP	As purchase orders and goods receipts are created	Critical to track spending that is aligned with the capital plan submitted to the school board for approval and our public notices for capital spending.

Source: Indicated Reports and Staff Inquiries.
*The District does not have skillsets internally for a project management office; therefore, this position is contracted out.

The CGCS benchmarking survey includes an Information Technology section with the following KPIs:

- Average Age of Computers
- Computers per Employee
- Devices per Student
- Advanced Presentation Devices per Teacher
- Information Technology Spending Percent of District Budget
- Information Technology Spending-Capital Investments
- IT Spending per Student
- Bandwidth per Student
- Days Network Usage Exceeded 75 Percent of Capacity
- WAN Availability
- Break/Fix Staffing Cost per Ticket
- Help Desk Call Abandonment Rate
- Help Desk Staffing Cost per Ticket
- Business Systems Cost per Employee
- Instructional Systems Cost per Student

Information Technology Division personnel indicated that metrics are tracked weekly and reported to CGSC yearly using standard reporting from the department's IT Service Management software system. Staff provided the following supporting documentation:

- Help Ticket Counts by Staff Type.
- Tickets Resolved on First Contact.
- Time to Resolve Tickets.
- Tick Ticket numbers and time to resolve.
- Customer Survey – Every ticket that is closed generates a customer survey. Results are used results to improve overall service and ticket resolution.
- Report listing every student device by the school and its location in the District.
- Device Ratios Report-Used to track ratio numbers, life cycle, and device utilization.
- Weekly Report for Help Desk – Weekly service desk call report for wait time, abandoned calls, and average call length.

MJ examined email correspondence and written exchanges between staff that support the use of these KPIs to manage IT operations.

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to management reports/data that program administrators use on a regular basis to monitor program performance and costs as they relate to security and technology equipment purchasing.

FACILITIES LEASING & DEBT SERVICING

Facilities leasing and debt servicing is not relevant to Subtask 1.2 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes and subject to periodic evaluation. The District uses the Debt Service Report to project how much will be needed to service debt, and payment plans are made around these projections so that funds are available. The District also uses amortization schedules for each debt issuance to verify payment notices from the escrow agent. Debt servicing activities are consistent and well defined. Accordingly, periodic evaluation using performance information to assess program performance and cost is not relevant to these activities.

Based on MJ's review, programs are periodically evaluated using performance information and other reasonable criteria to assess program performance and cost. Accordingly, subtask 1.2 is met.

> **SUBTASK 1.3 – Review findings and recommendations included in any relevant internal or external reports on program performance and cost.**

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 1.3 as they relate to facilities planning, use, and construction, MJ reviewed the external reports described in **Figure 1-27.** No other internal or external reports with findings and recommendations related to facilities planning, use, and construction operations were identified during MJ's interview with District staff.

FIGURE 1-27
External Assessment Reports
Facilities Planning, Use, and Construction

Report Name / Date	Description
State of Florida Auditor General-Report No. 2017-145 / March 2017-Operational Audit	The Florida Auditor General conducts operational audits of Florida governmental entities to promote accountability and stewardship and to improve government operations. The objectives of the operational audit were to: (1) evaluate management's performance in establishing and maintaining internal controls; (2) examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives; (3) determine whether management had taken corrective actions for findings included in previous state auditor reports; and (4) identify statutory and fiscal changes that may be recommended to the Legislature.

Report Name / Date	Description
State of Florida Auditor General-Report No. 2017-210 / June 2017-Full-Time Equivalent Student Enrollment and Student Transportation Audit	The Florida Auditor General examined the District's compliance with state requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment reported under the Florida Education Finance Program for the fiscal year ended June 30, 2016. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, *Florida Statutes*; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the FTE General Instructions 2015-16 issued by the Department of Education.
	The Auditor General also performed an examination of the District's compliance with state requirements relating to the classification, assignment, and verification of student transportation as reported under the Florida Education Finance Program for the fiscal year ended June 30, 2016. These requirements are found primarily in Chapter 1006, Part I, E. and Section 1011.68, *Florida Statutes*; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the Student Transportation General Instructions 2015-2016 issued by the Department of Education.
State of Schools Facility Report / December 2018	This was a comprehensive facilities condition assessment of every campus facility within the District. An external consultant completed the assessment the objective of which was to inform and direct long-range capital planning, investment, and improvement in school facilities.
Enrollment Projections Report / March 2019	An external consultant prepared the enrollment projections to serve as a planning tool for the future. The District used the projections to develop its Facilities Master Plan.
Three-year AHERA Asbestos Reinspection Report / February 2019	The Asbestos Hazard Emergency Response Act (AHERA) requires public school districts to inspect their schools for asbestos-containing building material and to prepare management plans to prevent or reduce asbestos hazards. The District contracted with an asbestos inspection firm to conduct a mandatory three-year asbestos reinspection for the Mattie V. Rutherford Alternative Education school.

Source: The Indicated Reports.

Based on MJ's work in the facility planning, use, and construction area, there are no issues or concerns related to findings and recommendations included in any relevant internal or external reports on program performance and cost.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 1.3 as they relate to security and technology equipment purchasing, MJ reviewed the external/internal reports and information described in **Figure 1-28**. No other internal or external reports with findings and recommendations related to security and technology equipment purchasing operations were identified during MJ's interview with District staff.

FIGURE 1-28
External Assessment Reports
Security and Technology Equipment Purchasing

Report Name/Date	Description
Florida Safe Schools Assessment Tool (FSSAT), 2018-2019 Aggregate Report Summary and Recommendations	Senate Bill 7026, also known as the Marjory Stoneman Douglas High School Safety Act, requires each school district in Florida to conduct a school security risk assessment in accordance with *Florida Statute* 1006.1493 at each public school using the Florida Safe School Assessment Tool (FSSAT) developed by the Office of Safe Schools. Based on the assessment findings, the district's school safety specialist provided recommendations to the district school board that identified strategies and activities that the district should implement to improve school safety and security. Annually, each district school board must receive such findings and the School Safety Specialist's recommendations at a publicly noticed district school board meeting to provide the public an opportunity to hear the district school board members discuss and act on the findings and recommendations
State of Florida Auditor General-Report No. 2017-145 / March 2017 - Operational Audit	This is the same report discussed in **Figure 1-27** above. Findings #9 and 10 in the report concern information technology issues.

Source: The Indicated Reports.

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to findings and recommendations included in any relevant internal or external reports on program performance and cost.

FACILITIES LEASING & DEBT SERVICING

To address the requirements of Subtask 1.3 as they relate to facilities leasing & debt servicing, MJ reviewed the external reports described in **Figure 1-29.** No other internal or external reports with findings and recommendations related to facilities leasing and debt service were identified during MJ's interview with District staff.

FIGURE 1-29
External Assessment Reports
Facilities Leasing & Debt Servicing

Report Name/Date	Description
Arbitrage Rebate Analysis-2013A Certificates of Participation/ February 2019 *Arbitrage Rebate Analysis-2014A Certificates of Participation/ February 2019*	The District's bond advisor performed an arbitrate rebate analysis on the District's 2013A Certificates of Participation issuance for the period December 2013 to December 2018 and on 2014A Certificates of Participation issuance for the period April 11, 2014 to April 11, 2019. Arbitrage earnings are investment earnings on bond proceeds that exceed the bond yield. Every five (5) years during the life of a bond, issuers must calculate whether an arbitrage rebate is due to the federal government.

Source: The Indicated Reports.

Based on MJ's work in the facilities leasing & debt servicing area, there are no issues or concerns related to findings and recommendations included in any relevant internal or external reports on program performance and cost.

Based on MJ's review, there are no issues or concerns related to findings and recommendations included in any relevant internal or external reports on program performance and cost. Accordingly, Subtask 1.3 is met.

> **SUBTASK 1.4 – Determine whether program administrators have taken reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc.**

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 1.4 as they relate to facilities planning, use, and construction, MJ reviewed management's responses to each of the reports discussed in **Figure 1-27** to determine whether program administrators took reasonable and timely actions to address deficiencies in program performance and/or cost.

Figure 1-30 summarizes the results of MJ's review of management's response to report recommendations as they relate to facilities planning, use, and construction reports.

FIGURE 1-30
Management's Response to Internal/External Reviews and Assessments
Facilities Planning, Use, and Construction

State of Florida Auditor General-Report No. 2017-145/March 2017-Operational Audit		
The audit identified ten (10) findings and recommendation across a broad range of areas from bank account reconciliations to background screenings to ad valorem taxation. MJ reviewed the finding and recommendation that is the most relevant to the sales surtax focus areas.		
Key Report Information	**Reasonable/Timely Actions Taken?**	**Work Performed by MJ**
Key Finding & Recommendation **Finding #4:** The District's annual relocatable building inspection report summaries indicated that a substantial percentage of the District's relocatable classrooms did not meet the standards to be rated satisfactory. A similar finding was noted in a previous year's report. **Recommendation #4:** Ensure that relocatable buildings designed as classrooms or spaces intended for student occupancy comply with state standards.	Yes	The District prepared an Audit Corrective Action Plan to address the deficiencies noted in the auditor general's report. The Audit Corrective Action Plan indicated that the implementation of the recommendation would be ongoing to January 1, 2022. MJ also reviewed an audit finding response letter the former District superintendent wrote to the Florida Joint Legislative Auditing Committee dated March 12, 2018, which stated: *"The District has allocated funding for covered walkway projects, demolished old relocatables, and is continuing to explore waivers as an option for some of the relocatables that may now be eligible under recently passed legislation. The District has continued efforts to bring relocatables into compliance with state standards and ensure that relocatables are reported as satisfactory in the Florida Inventory of School Houses (FISH). The percent of "unsatisfactory" relocatables classrooms has decreased by 31.5% since 2010, but more noticeably the number of "unsatisfactory" relocatables due to lack of covered walkways has decreased by 154 since 2010 (489 to 390). This decrease is attributed to the construction of covered walkways for existing relocatables, combined with the demolition of older relocatables that are deemed unsatisfactory or are no longer required for educational purposes due to excess seats in our permanent school structures. The District has created a plan to remove and dispose of unneeded relocatables in an effort to decrease the number of relocatables requiring covered walkways. Additional funding will be budgeted each year to construct covered walkways for the ainder*

State of Florida Auditor General-Report No. 2017-145/March 2017-Operational Audit

The audit identified ten (10) findings and recommendation across a broad range of areas from bank account reconciliations to background screenings to ad valorem taxation. MJ reviewed the finding and recommendation that is the most relevant to the sales surtax focus areas.

Key Report Information	Reasonable/Timely Actions Taken?	Work Performed by MJ
		of the relocatables, until all are completed…. The School District plans to continue efforts to demolish relocatable classrooms no longer required, along with installing covered walkways, as funds permit. Overall, the combination of continued annual funding and removal of older relocatables from the inventory is expected to further reduce the number of unsatisfactory rated relocatables. With the reduction in capital funding, the District is not expected to complete construction of covered walkways within the next 10 years; however, the District estimates that over the next five years it will further reduce the number of unsatisfactory rated relocatables by approximately 12 per year, through the construction of covered ways and the demolition of relocatables that have reached their end of life."
		The assistant superintendent Operations told MJ that since the District's response to the Florida Joint Legislative Auditing Committee in 2018, the District has further reduced portables by an additional 22 structures for a new total of 421 (390+21).
		MJ also noted that the District's Five-Year Capital Plan includes an allocation of $300,000 per year through 2022-2023 for portables and covered walks. In addition, the District's Master Facility Plan: *A Bold Plan for Duval County Public Schools,* includes the removal of approximately 438 portables district-wide.

State of Florida Auditor General-Report No. 2017-210/June 2017-Full-Time Equivalent Student Enrollment and Student Transportation Audit

The FTE Student Enrollment component of the audit identified 101 findings at schools throughout the District and made 18 recommendations to address deficiencies. The transportation component identified nine findings and made nine recommendations to address deficiencies.

Key Report Information	Reasonable/Timely Actions Taken?	Work Performed by MJ
FTE Student Enrollment 101 findings / 18 recommendations. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled negative 7.4148 (6.4146 applicable to District schools other than charter schools and 1.0002 applicable to charter schools) but has a potential impact on the District's weighted FTE of negative 82.5594 (77.5946 applicable to District schools other than charter schools and 4.9648 applicable to charter schools).	Yes	MJ noted that the superintendent responded to the Florida Auditor General in a letter dated June 2, 2017, stating the following: *"The deficiencies outlined in the preliminary and tentative report indicate that there are areas requiring attention, and these will be addressed. For further assurance of compliance, the District FTE auditors will continue to examine student and school documentation to assist with school and district administration's focus on requirement of adequate documentation to support FTE reporting within the Florida Education Finance Program, and the findings will continue to be reported to school and district administration for corrective actions. The District's corrective action for the findings of the preliminary and tentative report are attached."*
Transportation Audit-nine findings, nine recommendations. Noncompliance related to student transportation resulted in a proposed net adjustment of negative 127 students.		MJ reviewed the corrective action plan that was attached to the letter noting that it addressed all of the findings with detailed actions.

State of Schools Facility Report/December 2018 and the Enrollment Projections Report/March 2019

The District used these reports as the foundation for developing its five-year Master Facility Plan entitled: *A Bold Plan for Duval County Public Schools.*

Key Report Information	Reasonable/Timely Actions Taken?	Work Performed by MJ
State of Schools Facility Report / December 2018 The facility condition assessment identified $243.0 million in current need. The projected five-year life cycle renewal needs for DCPS's facilities are estimated to be $816.0 million and the total ten-year life cycle forecast is $1.82 billion. Combining current needs with the next ten (10) years of anticipated life cycle	Yes	At its July 2, 2019 board meeting, the school board approved the Master Facility Plan recommendations, which resulted from the State of Schools Facility Report and the Enrollment Projections Report. MJ reviewed the board agenda item noting the recommendation that the Duval County School Board approve the Superintendent's master facility plan recommendations.

State of Schools Facility Report/December 2018 and the Enrollment Projections Report/March 2019

The District used these reports as the foundation for developing its five-year Master Facility Plan entitled: *A Bold Plan for Duval County Public Schools.*

Key Report Information	Reasonable/Timely Actions Taken?	Work Performed by MJ
renewal forecast, DCPS can anticipate $2.07 billion in facility-related needs.		
Enrollment Projections Report-March 2019 / The report concluded: *"As with any projection, the District should pay close attention to live birth counts, enrollment in elementary school, open enrollment/transfers, non-public enrollment, in / out migration patterns, and any housing growth. It is recommended that this document be reviewed on an annual basis to determine how more recent growth and enrollment trends will impact the enrollment projections."*		

Three-year AHERA Asbestos Reinspection Report/February 2019

Key Report Information	Reasonable/Timely Actions Taken?	Work Performed by MJ
Three-year AHERA Asbestos Reinspection Report-Mattie V. Rutherford Alternative Education School Report/February 2019. The report assessed a hazard ranking of "0" and a response action priority of "8."	Yes	Three-year AHERA Asbestos Reinspection Reports are prepared for all schools that contain any known asbestos containing materials. During Fiscal Year 2019, 106 reports were completed. MJ reviewed the list of inspected facilities and examined the report for the Mattie V. Rutherford AEC facility. MJ also reviewed the report's conclusion noting that the facility had received a hazard ranking of "0" and a response action priority of "8". As defined in the report, and verified, by the District's director of Environmental Services and Projects, this classification requires that the District monitor the condition of the materials and remove the materials if they become damaged. Periodic surveillance is required to take place every six (6) months. MJ reviewed a contract activation for an asbestos firm to conduct the next session of required inspections. The contract demonstrated that the District acted on the report's findings.

Source: The Indicated Reports and Various Evidence of Implementation.

Based on MJ's work in the facility planning, use, and construction area, there are no issues or concerns with program administrators taking reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. as they relate to facilities planning, use, and construction.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 1.4 as they relate to security and technology equipment purchasing, MJ reviewed management's responses to each of the reports discussed in **Figure 1-28** to determine whether program administrators took reasonable and timely actions to address deficiencies in program performance and/or cost. **Figure 1-31** summarizes the results of MJ's review of management's response to internal and external report recommendations as they relate to security and technology equipment purchasing.

FIGURE 1-31
Management's Response to Internal/External Reviews and Assessments
Security and Technology Equipment Purchasing

Florida Safe Schools Assessment Tool (FSSAT) 2018-19 Aggregate Report Summary and Recommendations

Duval County Public Schools completed 157 individual FSSATs for each of the district's "brick and mortar" schools. All completed assessments were required to be submitted electronically through a web portal to the School Safety Center within the Florida Department of Education prior to August 1, 2018. Once all assessments were submitted, an aggregate report was generated that compiled and summarized all of the assessment responses and recommendations. On August 23, 2018, the District prepared a report entitled: *School Security Risk Assessment 2018-19 Aggregate Report Summary and Recommendations,* which is a compilation of all of the data gathered from the 157 individual FSSAT assessments.

Key Report Information	Reasonable/Timely Actions Taken?	Work Performed by MJ
The report contained 34 recommendations across ten (10) categories. The information in the report is confidential; therefore, MJ will not describe the details of the findings or recommendations.	Yes	The District used the recommendations from the FSSAT report to apply for a $4.5 million grant with the Florida Department of Education to enable implementation of the report's recommendations. MJ reviewed the notice of grant award (NOGA) dated 1/15/2019, noting that the recommendations from the report were attached to the NOGA and served as the basis for award. MJ also reviewed the grant expenditure report noting that 29 percent of grant funds had been expended as of July 2019. This percentage excludes grant funds earmarked for charter schools. MJ also reviewed the October 2, 2018 board meeting agenda item where the board accepted the report's recommendations.

State of Florida Auditor General-Report No. 2017-145/March 2017-Operational Audit		
The audit identified ten (10) findings and recommendation across a broad range of areas from bank account reconciliations to background screenings to ad valorem taxation. MJ reviewed two findings and recommendations that are the most relevant to the sales surtax focus areas.		
Key Report Information	**Reasonable/Timely Actions Taken?**	**Work Performed by MJ**
Finding #9: Inappropriate or unnecessary information technology access privileges existed that increased the risk that unauthorized disclosure, modification, or destruction of District data and IT resources may occur. **Recommendation #9:** Ensure that IT access privileges granted enforce an appropriate separation of duties and are necessary, and remove any inappropriate or unnecessary access privileges detected. **Finding #10:** Related to IT controls and labeled as confidential in the report. Therefore, MJ will not describe the details of the finding. **Recommendation #10:** Related to IT and labeled as confidential in the report. Therefore, MJ will not describe the details of the recommendation.	Yes	MJ reviewed the District's response to the recommendations in the report noting that the District stated that it had addressed the issue. The completion date was October 2016, which was before the date of the audit report, which covered Fiscal Year 2016. MJ also reviewed a letter from the Florida Department of Education dated June 12, 2017, referencing the audit findings and stating: *"We have reviewed the documentation related to Information Technology findings numbers 9 and 10 and believe that appropriate corrective measures have been taken to resolve these findings."*

Source: The Indicated Reports and Various Evidence of Implementation.

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns with program administrators taking reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. as they relate to security and technology equipment purchasing.

FACILITIES LEASING & DEBT SERVICING

To address the requirements of Subtask 1.4 as they relate to facilities leasing & debt servicing MJ reviewed management's responses to each of the reports discussed in **Figure 1-29** to determine whether program administrators took reasonable and timely actions to address deficiencies in program performance and/or cost. **Figure 1-32** summarizes the results of MJ's review of management's response to internal and external report recommendations as they relate to facilities leasing & debt servicing.

FIGURE 1-32
Management's Response to Internal/External Reviews and Assessments
Facilities Leasing & Debt Servicing

Arbitrage Rebate Analysis-2013A Certificates of Participation/February 2019		
Arbitrage Rebate Analysis-2014A Certificates of Participation/February 2019		
These reports summarize the results of the arbitrage rebate analysis for the 2013A and 2014A issuances. Arbitrage earnings are investment earnings on bond proceeds that exceed the bond yield. Every five years during the life of a bond, issuers must calculate whether an arbitrage rebate is due to the federal government.		
Key Report Information	**Reasonable/Timely Actions Taken?**	**Work Performed by MJ**
Both reports concluded that there was no arbitrage rebate due to the federal government.	None required since no rebate was due the federal government	MJ reviewed the arbitrage reports prepared by the District's bond advisors noting that no arbitrage rebate was due to the federal government; therefore, no action was required by the District.

Source: The Indicated Reports and Various Evidence of Implementation.

Based on MJ's work in the facilities leasing & debt service area, there are no issues or concerns with program administrators taking reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. as they relate to facilities leasing & debt servicing.

Based on MJ's review, program administrators have taken reasonable and timely actions to address any deficiencies in program performance and/or cost identified in management reports/data, periodic program evaluations, audits, etc. Accordingly, Subtask 1.4 is met.

> **SUBTASK 1.5 – Evaluate program performance and cost based on reasonable measures, including best practices.**

This subtask is closely related to Subtask 1.2, which MJ found to be met. Therefore, since program performance is addressed in Subtask 1.2, this subtask focuses on best practices as they relate to program operations, performance, and cost. Best practices refer to ways of performing work and achieving outcomes that have proven effective for a given industry, discipline, or business process. Many best practices are intuitive or based on common sense. For example, it is best practice for an accounts payable function to confirm receipt of goods and services before paying an invoice. Other best practices are based on observation and documentation, over time, of effective and efficient ways of accomplishing work.

To address the requirements of this subtask, MJ examined evidence of the use of innovative practices in operations as well as efforts by District staff to stay abreast of emerging trends in their respective disciplines through memberships in professional organizations, certifications, and participation in seminars.

To address the requirements of Subtask 1.5, MJ interviewed the following individuals and examined evidence of innovative practices, certifications, and memberships in professional organizations that promote education and emerging trends in the respective disciplines:

- Assistant Superintendent Operations
- Chief Information Officer
- Executive Director of School Police
- Director of Utilities & Conservation

FACILITIES PLANNING, USE, AND CONSTRUCTION

The District began a comprehensive energy management program in 2005. Since that time, the District has reduced energy and water consumption and costs by implementing the energy and water usage reduction strategies shown in **Figure 1-33**.
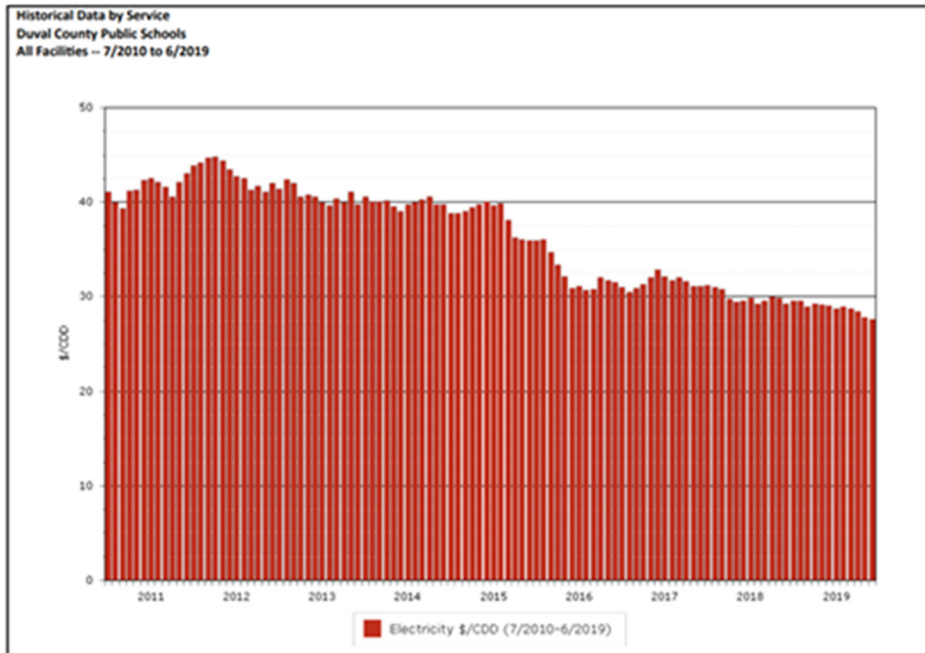
FIGURE 1-33
Energy and Water Reduction Strategies

Energy	Water
High efficiency heating, ventilation, and air conditioning (HAR) equipment.	Separate and appropriately sized fire and domestic water services to minimize utility fees.
Energy efficient HAR control sequences for superior dehumidification performance and lower energy cost.	Low flow water fixtures.
High efficiency lighting.	No landscape irrigation system to encourage xeriscape (a style of landscape design requiring little or no irrigation or other maintenance) and use of rain barrels.
Occupancy sensors turn off lights and setback HAR when spaces are unoccupied.	Well for athletic field irrigation with smart controls.
Standard district-wide temperature setpoints are enforced - cooling at 74 degrees Fahrenheit and heating at 68 degrees Fahrenheit.	Meters to track real time water use and minimize financial impact of water leaks.
Operating schedules are tightened to match student schedules. Schools may request after hours HAR operation for legitimate facility use or activate the override feature on the thermostats.	Strategically placed water shut-off valves to minimize financial impact of water leaks.
Meters to track real time electricity use.	Plumb exterior water spigots on water-only meter or use locking spigots.
Exterior power outlets to support electric vehicle charge-at-work program. The District is the first Florida school district to approve charge-at-work policy to encourage use of no or low emission vehicles.	

Source: Interview with Director of Utilities & Conservation and subsequently provided in the director's email to MJ.

Figure 1-34 shows the District's annual electricity costs from 2011 to 2019. The decline in electricity costs can be seen at a glance.

FIGURE 1-34
District's Annual Electricity Costs from 2011 to 2019

Source: Director of Utilities & Conservation.

Figure 1-35 is an excerpt from an electricity bill for one of the schools where an energy project was implemented during School Year 2018-2019. The figure shows the decline in electricity costs from $7,113 during the period May-June 2018 to $5,782 during the period May-June 2019.

FIGURE 1-35
4763 Surron Park CT Energy Bill
Service Period May-June 2018 - $7,113.12
Service Period May-June 2019 - $5,782.08

Source: Director of Utilities & Conservation. Excerpt from Electric Bill.

Figure 1-36 compares year to year water costs for one of the schools where a water meter optimization project was done during School Year 2018-2019. The figure shows the decline in water costs from $1,375 during the period May-June 2018 to $769 during the period May-June 2019.

FIGURE 1-36
5050 Greenland Road Water Bill
Service Period May-June 2018 - $1,375.42
Service Period May-June 2019 - $768.98

Source: Director of Utilities & Conservation. Excerpt from Water Bill.

According to the Florida School District Annual Energy Cost Report, the District has one of the lowest electricity costs per FTE and per square foot among Florida school districts and is below the state average. The District is also one of only a few districts that showed a steady decline in energy costs from 2010-2011 to 2017-2018. **Figure 1-37** compares the District's energy costs during this period to that of the seven (7) largest school districts in Florida.

FIGURE 1-37
Florida School District Annual Energy Cost Report Comparisons
Fiscal Year 2010-2011 to Fiscal Year 2017-2018

District	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Duval	**$184.16**	**$176.75**	**$158.32**	**$162.37**	**$151.42**	**$152.06**	**$148.48**	**$151.37**
Hillsborough	$197.34	$202.18	$204.91	$194.27	$190.17	$169.32	$173.06	$174.60
Palm Beach	$214.43	$203.31	$197.55	$208.25	$211.64	$204.04	$205.29	$217.37
Broward	$218.63	$215.97	$212.95	$215.84	$219.32	$205.48	$203.22	$219.98
Dade	$201.25	$201.80	$203.75	$209.04	$216.97	$197.32	$210.98	$228.38
Orange	$241.76	$238.06	$228.50	$232.23	$242.61	$226.07	$212.95	$235.44
Pinellas	$253.35	$247.83	$238.94	$243.82	$267.56	$240.06	$222.53	$236.34
State Avg.	**$223.13**	**$215.88**	**$206.29**	**$210.88**	**$215.71**	**$204.04**	**$201.16**	**$239.53**

Source: Director of Utilities & Conservation. Florida School District Annual Energy Cost Report 2010-2011 to 2017-2018.

Some of the District's schools have no energy management and control system (EMCS) so the District cannot monitor energy performance remotely at these schools. Other schools have obsolete EMCS systems that are more than 35 years old. Since parts have not been available for over 10 years for obsolete systems, the District salvages parts from schools when a system is upgraded and then redistributes these obsolete parts where needed to the keep the remaining old systems operational.

Figure 1-38 shows the functionality of the old EMCS systems versus the newer systems. The newer systems save energy and speed up the process of identifying and correcting HAR problems.

FIGURE 1-38
Comparison of Old and New EMCS Functionality

EMCS System Screen	Example of an Old EMCS	Example of a New EMCS
First page		
What does it indicate about conditions?	The graphic does not indicate whether the facility is experiencing HAR problems.	Most of the school is at setpoint (green) or within 1 degree (yellow). Gym is not close to setpoint (red).
Second click		
What does it indicate?	After selecting a building, graphic shows which spaces are warm. Still need to check all other buildings.	Indicates which air handlers are having problems.
Energy use	Not available or not reliable.	

EMCS System Screen	Example of an Old EMCS	Example of a New EMCS
What does it indicate?	Not available or not reliable.	Systems are shutting down and starting up as scheduled. Shows peak demand and uncovers possible demand limiting opportunity.

Source: Director of Utilities & Conservation. Screens from Old and New EMCS Systems.

The District has been instrumental in forming and managing a network of energy directors and managers across Florida called the Florida Schools Conservation Consortium. This group meets every few months and sometimes at professional association meetings like the Florida Association of School Business Officials (FASBO). Representatives from other Florida school districts participate in the group, which is focused on reducing energy and water costs statewide. Attendees share best practices, discuss products that work and those that do not, share names of natural gas and liquid propane suppliers offering the best rates, as well as other innovative methods to reduce utility costs.

The District's director of Utilities & Conservation is a LEED accredited professional. LEED stands for Leadership in Energy and Environmental Design. LEED is an internationally recognized green building certification system that provides third-party verification that a building was designed and built using strategies aimed at energy savings, water efficiency, CO_2 emissions reduction, improved indoor environmental quality, and stewardship of resources. A LEED plaque on a building is a mark of quality and achievement in these areas.

Typically, the District uses LEED concepts in design, construction, and operations but does not pursue LEED certification due to cost. The District believes that by following LEED design concepts, it still receives the benefits of lower energy use and cost at a lower overall construction price.

Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns with the District evaluating program performance and cost based on reasonable measures, including best practices as they relate to facilities planning, use, and construction.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

District schools participated in a comprehensive public address (PA) system assessment. The assessment was in response to a recommendation from the Marjory Stoneman Douglas High School Public Safety Commission that all schools adopt best practices to ensure school PA systems were effective in notifying students and staff of on campus emergencies.

On February 6, 2019, all District schools evaluated their PA system to determine its effectiveness in alerting the school population in a time of crisis. The goal of the exercise was to determine vulnerable gaps in a PA system's ability to alert occupants in specific areas of the building.

The District tasked each principal with ensuring that school staff knew the purpose of the assessment and the manner in which it would be conducted. At a specified time, the principal

made an announcement over the school PA system in a length of sufficient time to allow all staff the ability to listen and determine the following:

- Could the announcement be heard in their area?
- Whether the announcement was clear?
- Could the announcement be heard over normal ambient sound?
- Does the system have an automatic alert tone prior to the announcement?

Each principal entered the data for their school into a data aggregation software based on "Yes" or "No" responses to staff being able to hear the PA announcement from one of the following 25 pre-determined areas around campus, including an audible alert tone:

1. Administrative Offices
2. Audible Alert Tone
3. Auditorium
4. Band Room
5. Bus Drop Off/Pickup
6. Cafeteria
7. Class Rooms
8. Courtyards
9. Dance Studios
10. Football Fields
11. Guidance
12. Gym
13. Halls
14. Kitchen
15. Locker Rooms
16. Media Center
17. Other Areas as Appropriate
18. Outer Parking Lots
19. Outside Play Areas
20. Parent Drop Off/Pickup
21. Portables
22. Restrooms
23. ROTC Room
24. Stairways
25. Vocational Shops/Classes

Figure 1-39 presents a summary of assessment results showing only the "No" responses. The results show significant vulnerabilities in areas of football fields, restrooms, outside play areas, locker rooms, and other areas identified by the individual schools. Schools were given the opportunity to include a category of "other areas as appropriate", which includes elevators, T.V production studios, stage dressing rooms, and teacher's lounges.

FIGURE 1-39
PA System Assessment Results-All Schools
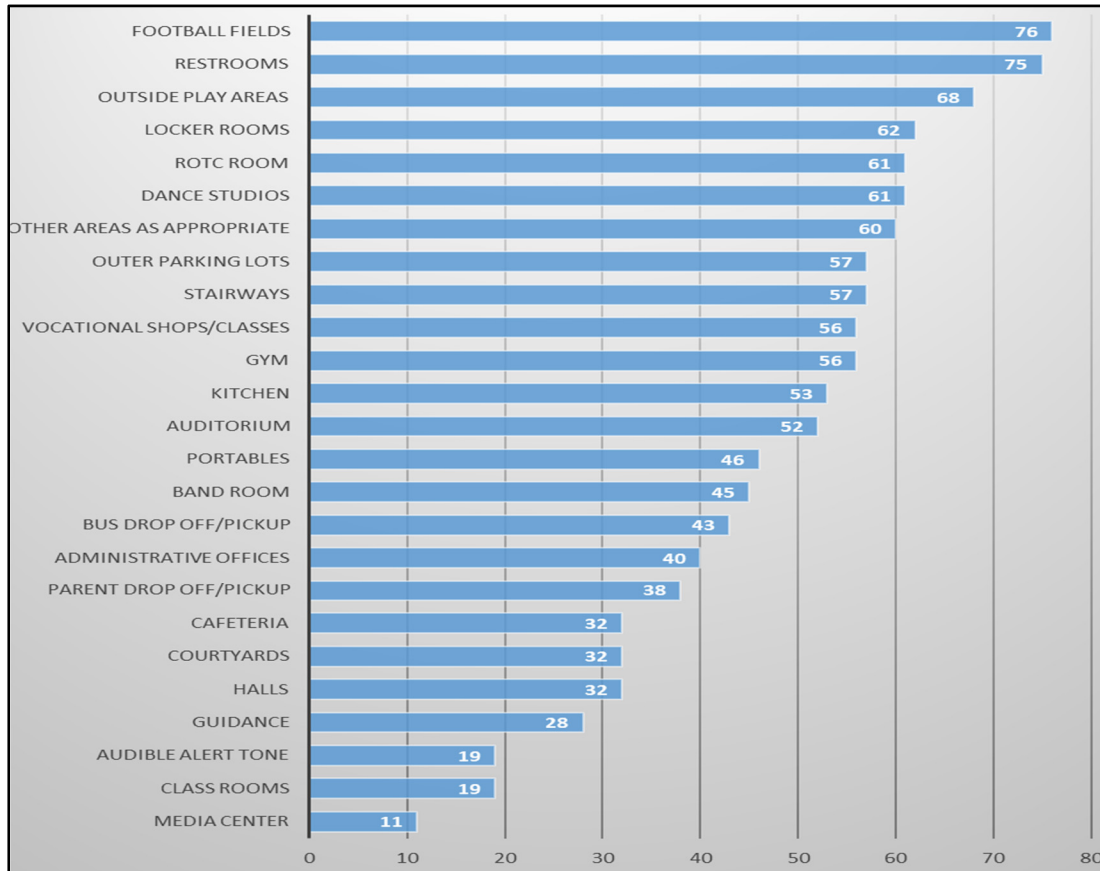
Source: Executive Director of School Police. Results of the PA Assessment Survey.

The District is using the PA assessment results to develop a long-term strategy to ensure that all schools have an effective PA system in case of a crisis. In May 2019, the District applied for a $666,667 grant through the Office of Community Oriented Policing Services for funding to address PA system deficiencies and is awaiting the results of the grant submission. The federal share of the grant will be $500,000, while the District's share would be $166,667. MJ examined the grant proposal noting that it stated the following as the purpose:

> *"The proposed system will improve the effectiveness of Red Alert and other crisis notification strategies by ensuring all individuals in a school can initiate a warning, and that notifications can be heard everywhere on school campuses. In addition, this system will improve the ability for individuals to communicate with others within the school, by turning the network of handsets into a smart PA announcement system."*

Early in 2018, the superintendent appointed the executive director of School Police to the superintendent's cabinet reporting to the chief of staff. Formerly the position reported to the assistant superintendent Operations. The cabinet position will elevate conversations and

initiatives around safety and security issues and best practices while giving the executive director of School Police direct input into the decision making process.

In addition to the PA assessment and raising the visibility of the executive director of School Police in the District, another indication of innovation in the security and technology equipment purchasing area is the District's service agreement with Gartner, a leading provider of IT research and advisory services. Gartner provides research, benchmarking data, problem-solving methodologies and hands-on experience to enable IT organizations to operate more effectively and successfully.

MJ reviewed the Gartner services agreement noting that the chief information officer (CIO) and the director of IT Operations have subscriptions as described in **Figure 1-40**.

FIGURE 1-40
Gartner Subscription-based IT Services

Service Category	Description	Deliverables
Individual Access Advisor (CIO)	Provides clients with access to research and advice about information technology and the functional responsibilities of specific IT roles.	• Core IT Research • Role-Specific IT Research • IT Key Metrics Data • Diagnostic Tools, Templates, and Case Studies • Selected Vendor Reports • Weekly Picks & News Analysis • Webinars • Peer Networking • Talking Technology Series • Individual Inquiry • Summit Event Ticket
IT Leaders Reference (Director of IT Operations)		• Core IT Research • Role-Specific IT Research • IT Key Metrics Data • Diagnostic Tools, Templates, and Case Studies • Selected Vendor Reports • Weekly Picks & News Analysis • Webinars • Peer Networking

Source: Gartner Service Agreements.

In addition to the Gartner subscription, which provides access to IT innovative practices and methods, MJ examined Information Technology Infrastructure Library (ITIL) certifications of four IT Department staff members. ITIL is a set of best practices designed to describe common approaches that IT management can take to align IT services with business needs and deliver value to their organizations. The current version of ITIL offers a series of professional certifications designed to validate an individual's level of competency in specific areas that ITIL

covers or to demonstrate an individual's level of competency in the overall set of ITIL best practices.

The District's director of Technology Programs is a member of the International Society for Technology in Education (ISTE), an organization focused on using the power of technology to transform teaching and learning and to accelerate IT innovation in education. The individual made a presentation at the ISTE conference on June 23-26, 2019, in Philadelphia, PA, entitled *"Taking IT to TI-Instructional Technology to Technology Innovation."*

In addition, MJ examined evidence of IT employees traveling to the following conferences to improve IT skills and to network with IT professionals from across the country:

- Microsoft's K12 Advisory Board Meeting - New York City - October 9-12, 2018
- Americas' SAP Users Group (ASUG) Annual Conference - Orlando Florida - May 6-10, 2019
- Lenovo K-12 Advisory Council - Morrisville, NC - October 17-20, 2017

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns with the District evaluating program performance and cost based on reasonable measures, including best practices as they relate to security and technology equipment purchasing.

FACILITIES LEASING & DEBT SERVICING

Facilities leasing and debt servicing is not relevant to Subtask 1.5 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like construction projects with outputs and measurable outcomes that are subject to innovation in any reasonable sense. Accordingly, MJ did not perform any analysis of this area for Subtask 1.5.

Based on MJ's analysis of Subtask 1.5, the District evaluates program performance and cost based on reasonable measures, including best practices. Accordingly, Subtask 1.5 is met.

> **SUBTASK 1.6 – Evaluate the cost, timing, and quality of current program efforts based on a reasonably sized sample of projects to determine whether they were of reasonable cost and completed well, on time, and within budget.**

According to District management, the District has not constructed new schools or facilities or acquired land in over ten (10) years. **Figure 1-41** presents a summary of completed projects for Fiscal Year 2019.

FIGURE 1-41
Summary of Projects Completed FY2019

Project Category	No. Projects	Budget
ADA	6	$216,304
Bleachers	2	$48,500
Capital	1	$3,200,000
Drainage	1	$7,189
Electrical	9	$507,065
Fire Alarms	1	Prior Year Fund
Food Service	6	$4,088,324
Generators	1	$82,291
Life Safety	6	$295,818
Lift Stations	3	$214,015
Paving	5	$608,552
PECO Prior Year-Fire	2	$745,930
Playgrounds	1	$42,500
Plumbing	4	$732,113
Professional Services	2	$11,595
School Funds	1	Paid by School
Security	3	$465,218
Total	**54**	**$11,265,414**

Source: Design and Construction Services' Project Status Report.

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 1.6 as they relate to facilities planning, use, and construction MJ reviewed the following documents for a sample of projects to determine whether they were of reasonable cost and completed well, on time, and within budget.

- Vendor bid tabulation;
- Bid from winning bidder;
- Board agenda item approving contractor;
- Contract;
- Purchase order;
- Notice to proceed;
- Last payment application and support;
- Last change order;

- Examples of two (2) inspection reports during construction;
- Examples of two (2) meetings/correspondence during construction;
- Certificate of substantial completion;
- Punch list;
- Final completion report; and
- Expenditure report.

To determine if costs were reasonable, MJ reviewed for independent approval by the contract architect/engineer or if the vendor with the lowest bid was selected. To evaluate if costs were within budget, MJ compared the total costs to the project budget. For timeliness, the target substantial completion date was compared to the actual certificate of substantial completion date and final inspection report dates. The certificate of substantial completion and inspection reports were also reviewed to determine if the project was completed well.

Three of the five (5) projects (Boys/Girls Locker Room Renovation, Complete Kitchen and Café Remodel, and Demolish 20 portables, Disconnect two (2) portables) were all accomplished with Construction Management (CM) Continuing Services contracts. CM Continuing Service contracts are approved by the school board for a one (1) year period with two possible one year (1) renewals to make the contract a total of three (3) years long. Authority to renew is delegated to the superintendent on the agenda item. One company completed two of the projects (Ajax) and one company did one project (E. Vaughan Rivers). Both of their contracts were approved by the School Board on the same agenda item, along with five (5) other CM contractors, on March 6, 2018. The March agenda item approved the contracts and allows them to be used for individual construction projections up to $2,000,000 in value without further school board approval. The *Florida Statute* that allows the use of Continuing Service contracts is listed in the agenda item (i.e., FS 287.055). The actual projects are initiated as needed via Activation Letter and Purchase Orders.

One of the five (5) projects (Simplex 4100U Fire Alarm System) was contracted using the Various Trades Service contract. The Various Trades Contract was approved by the school board on October 3, 2017 for a base period (October 3, 2017 through August 31, 2019). The company that performed the Fire alarm Project, AEC, was listed on the agenda item. The district will request quotes from contractors awarded under the Various Trades Contract such as AEC and then utilize the lowest available quote submitted which was AEC on this particular project. The actual Fire Alarm project was issued via a Purchase Order on the Various Trades Contract.

In addition, portables demolition projects typically do not have designs or Architect/Engineer (A/E) firms involved. Thus, inspection reports from the Code Enforcement Department provide the applicable proof of inspection and approval of work performed.

Figure 1-42 lists the sample of projects selected for testing obtained from Facilities' project status reports.

FIGURE 1-42

Sample of Design and Construction Services' Projects Selected for Testing

Project #	TPDC-99780-3002	M-84320	FS-3254	M-83970	C-90640
Project	New IT Data Center	Boys/Girls Locker Room Renovations	Complete kitchen and Café Remodel	New Simplex 4100U Fire Alarm System	Demolish 20 Portables, Disconnect 2 Portables
Status	Closed out	Closed out	Closed out	100% complete	85% complete
Project Category	Capital	Plumbing	Food Service	PECO 19 - FIRE	Portables
School Name	Team Center Bldg. C	DASOTA	Mayport MS	Rutledge Pearson ES	Various
A. Vendor Selection and Contract Approval Review					
Bid Date	3/14/2017	5/25/2018	5/15/2018	8/7/2018	5/31/2019
Bid Award Reason	Highest Points per Selection Committee (Gilbane)	Continuing Services Agreement (Ajax)	Continuing Services Agreement (Ajax)	Various Trades Contract/Lowest bidder (A.E.C. Electrical)	Continuing Services Agreement (E, Vaughan Rivers)
Board Agenda Approval Date	7/9/2018	3/6/2018	3/6/2018	10/3/2017	3/6/2018
Purchase Order Date	11/2/2018	8/23/2018	7/23/2018	9/24/2018	8/13/2019
Purchase Order Amount	$3,632,549	$658,575	$821,223	$253,527	$189,045
Project Commences	7/23/2018	6/14/2018	6/5/2018	9/24/2018	6/24/2019
B. Costs Review					
AIA Original Cost	$4,800,000	$658,575	$1,159,424	$253,527	$189,045
Reasonable Cost?	Yes; competitive bids for major portions of work	Yes; competitive bids for major portions of work	Yes; Contract Architect approved budget	Yes; Contract Architect approved budget	Yes; internal review by former Architectural Engineer 's employee
Change Order Amount	($1,130,241)	($46,090)	($371,277)	($58,247)	$0
Revised Costs	$3,669,759	$612,486	$788,148	$195,280	$189,045
Costs Within Budget?	Yes; decreased by Change Order	Yes; decreased by Change Order	Yes; decreased by Change Order	Yes; decreased by Change Order	Yes; agrees to Budget
C. On Schedule Review					
Target Substantial Completion Date	3/29/2019; Change Order 5/15/2019	10/11/2018; Change Order 1/18/2019	10/10/2018	1/22/2019	8/2/2019

Project #	TPDC-99780-3002	M-84320	FS-3254	M-83970	C-90640
Project	New IT Data Center	Boys/Girls Locker Room Renovations	Complete kitchen and Café Remodel	New Simplex 4100U Fire Alarm System	Demolish 20 Portables, Disconnect 2 Portables
Punch List/ Substantial Completion	5/15/2019	1/18/2019	10/9/2018	4/9/2019	7/17/2019
Timely Completion?	Yes	Yes	Yes	No	Yes
D. Completed Well Per Substantial Completion?					
D. Completed Well Per Substantial Completion?	Yes	Yes	Yes	Yes	Yes

Source: District Design and Construction Services Department's Project Status Reports, FY2019 and Project Files.

Based on MJ's review of available documentation, the five projects were completed within budget, project costs were reasonable, and projects were completed well. However, only four (4) out of five (5) projects were completed timely. An executed change order was not provided to support the project delay.

RECOMMENDATION

The District should maintain sufficient project file information to document acknowledgment and action taken for projects not completed on a timely basis.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 1.6 as they relate to security and technology equipment purchases, MJ selected the BadgePass District Deployment project for review. With this implementation, Identity Manager will be utilized to produce student, employee, volunteer, and vendor identification cards. This new ID management system leverages a centralized cost effective system that reduces the overall cost to the district, and integrates with SAP, MIM, Print Release and FOCUS. The Visitor Manager will check-in visitors and produce a label with the date and purpose of the visit. Visitor Manager uses the Department of Justice sexual predator database to screen visitors. Volunteer hours will be recorded using the BadgePass check-in/check-out feature which automates the calculation of volunteer hours. In addition, the BadgePass system can record employees and non-school employees for check-in/check-out purposes.

The system was acquired using the direct negotiation method. Per School Board Policy 7.70 Purchasing and State Board Rule 6A-1.012 Purchasing Policies,(12)(g) (14) A district school board, when acquiring, whether by purchase, lease, lease with option to purchase, rental or otherwise, information technology, as defined in section 282.004(11), F.S., may make any acquisition through the competitive solicitation process as described herein or by direct negotiation and contract with a vendor or supplier, as best fits the needs of the school district as

determined by the district school board. The District's Purchasing Guidelines state that Direct Negotiation standard operating procedure must be followed. Upon approval from the Contract & Acquisition Council, an agenda item should be prepared for School Board approval. Upon School Board approval, a contract can be developed.

For the direct negotiation process, the District completed a Visitor Management System Feedback Analysis to compare the system attributes and costs for two vendors. BadgePass scored higher on system functionality and the estimated costs was $100,000 less. The District indicated that BadgePass was previously deployed at several schools for over ten years and it was in the best interests of the district to implement the same system in other facilities. The school board was presented with a District Wide Identification Management presentation before the agenda item was taken to the board. The presentation indicated significant cost savings to the district for a centralized system when compared to the total cost schools were individually paying.

The district provided MJ with sufficient documentation demonstrating that the BadgePass system was purchased through direct negotiation following an analysis of vendor cost and ability to provide full functionality. Additionally, evidence that the project was completed within the project timeline was submitted by the district.

Figure 1-43 presents the results of the sample project reviewed.

FIGURE 1-43
Sample Security Project Selected for Testing

Project Number	SR924728
Project	BadgePass District Deployment Project
Status	Substantially Complete
A. Vendor Selection and Contract Approval Review	
Bid Award Reason	Vendor selected by direct negotiation (versus competitive solicitation) as allowed by section J.4 of Board Policy 7.70 Purchasing.
Board Agenda Approval Date	May 7, 2019
Contract Approved by Board	May 9, 2019
Project Commences (Per Contract)	June 3, 2019
B. Costs Review	
Contract Amount (Year 1)	$702,215 (Includes down payment of $175,000; deposit of $280,300; and 5 monthly payments of $49,383)
Reasonable Cost?	Yes; per System Feedback Analysis and requirement for board approval.
Actual Costs	Total initial purchase order and payments of $440,567 using security grant funds and $15,861 using capital funds. Per the Technology Services Director, the District will not be invoiced for the five installments until all goods are received.
Costs Within Budget?	Yes, costs to date are within budget. Project is in progress.
C. On Schedule Review	
Target Completion Date (Per Contract)	September 30, 2019

Project Number	SR924728
Project	BadgePass District Deployment Project
Completion Date (Per Project Status Report)	Scheduled for September 30, 2019 and additional work by December 31, 2019
Completed by Target Date?	Yes
Change Order/Explanation for Delay?	Not applicable; project is on time.

Source: Technology Services Department's Project Status Reports, FY2019 and Project File Information

Based on MJ's review, sufficient documentation was provided to determine that the project cost was reasonable and was being completed on time and within budget.

FACILITIES LEASING & DEBT SERVICING

To address the requirements of Subtask 1.6 as they relate to facilities leasing and debt servicing, MJ selected a sample of debt service payments to review for timely payment. The supervisor of Treasury Services is responsible for making all debt/sinking fund payments, financial statement accounting, and arbitrage calculations, pertaining to the Certificates of Participation (COP)/QZAB Debt Series. The Bank of New York Mellon issues requests for wire transfers to the District pursuant to requirements in the master lease-purchase agreement for basic rent payments related to the COPs. MJ selected a sample of invoices to verify if they were paid timely in **Figure 1-44**.

FIGURE 1-44
Sample of Debt-Service Payment Projects Selected for Testing

Certificate of Participation Series	Account	Interest	Sinking Fund Deposit/ Principal	Balance	Total Due	Amount Paid	Due Date	Date Paid
Bank Request Date – June 1, 2019								
2012 QZAB	29320	$549,550.00	$2,400,000.00	$(410.13)	$2,949,139.87			
2014 QZAB	29330	312,500.00	3,306,143.21	(559,890.73)	3,058,752.48			
2010A QSCB	29150	892,998.00	1,943,833.86	(665.87)	2,836,165.99			
				Total	$8,844,058.34	$8,844,058.34	6/25/19	6/24/19
Bank Request Date – July 1, 2019 *(after due date)*								
2013A	29170	$308,153.13	$475,000.00	$(790.19)	$782,362.94			
2014A	29180	467,213.00	1,365,698.00	(1,511.61)	$1,831,399.39			
2015A	29190	75,893.00	3,758,061.00	(3,513.00)	$3,830,441.00			
2015B	29210	2,886,013.00	2,260,000.00	(1,100.10)	$5,144,912.90			
2016A	29220	840,650.00	110,000.00	(1,079.74)	$949,570.26			
2017A	29230	387,796.05	198,000.00	(585.92)	$585,210.13			
				Total	$13,123,896.62	$13,123,896.62	6/15/19	6/13/19

Source: June and July Wire Transfer Requests.

Based on MJ's review, the payment requests were paid timely. As this program area does not represent project costs, there was no review for reasonable costs and if completed well, on time, and within budget.

Based on MJ's review, subtask 1.6 is partially met for the lack of an executed change order as indicated in the Facilities, Planning and Use Construction sample results.

> **SUBTASK 1.7 – Determine whether the school district has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.**

MJ did not divide Subtask 1.7 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's purchasing policies and procedures are universal and apply to all three areas.

To address the requirements of Subtask 1.7, MJ interviewed the purchasing director and reviewed the District's purchasing policies and procedures. Board Policy 7.70 establishes policies related to the procurement of goods and services within the District. In addition, the District's written purchasing guidelines, updated December 2018, reflect Board Policy 7.70. Both of these documents constitute the District's written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

Various provisions within these documents establish the framework for the District to acquire the right goods and services, at the right price, in the proper quantities, in accordance with state law and local policy. **Figure 1-45** provides excerpts from Board Policy 7.70 that provide the framework for the District to achieve maximum advantage in the procurement of goods and services. **Figure 1-46** lists procedures and practices from the District's purchasing guidelines that proceed from Board Policy 7.70.

FIGURE 1-45
Selected Provisions from Board Policy 7.70

Section/Provision	Description
I.A.2. - Purpose of Policy	• To provide increased economy in Duval County Public Schools procurement activities and to maximize, to the fullest extent practicable, the purchasing value of public funds of the Duval County Public Schools. • To foster effective broad-based competition within the free enterprise system. • To ensure the fair and equitable treatment of all persons who deal with the procurement system of Duval County Public Schools.
I.1. - Authority of the Director of Purchasing Administration	• The director of Purchasing Administration shall serve as the principal procurement officer of the Duval County Public Schools, except that the executive director Design and Construction Services shall serve as the principal procurement officer for real property and construction contracts

Section/Provision	Description

II.B - Methods of Source Selection and Board Approval	• Unless otherwise authorized by law, all Board contracts shall be awarded by one of the following methods:
	   o Formal Sealed Bidding
	   o Formal Sealed Proposals
	   o Selection of Design and Construction Professional Services
	   o Informal Procurements
	   o Sole Source Procurements
	   o Emergency Procurements
	   o Florida Administrative Purchasing Policies
	   o Other Procurements (pool purchases, purchasing consortium, purchasing card, advance payments).
	• The District shall receive and give consideration to the prices available to it under rules of the State of Florida Department of Management Services, Division of Purchasing. The District may use prices established by the Division of Purchasing through its state purchasing agreement price schedule.

II.J.1	• The requirement for requesting competitive solicitations for commodities or contractual services from three or more sources is hereby waived… when the proposer awarded a contract by another entity defined herein will permit purchases by the District at the same terms, conditions, and prices (or below such prices) awarded in such contract, and such purchases are to the economic advantage of the District.
II.J.4	• When acquiring, whether by purchase, lease with option to purchase, rental, or otherwise information technology, as defined in Section 282.0041(14) F.S., may make any acquisitions through the competitive solicitation process as described herein or by direct negotiation and contract with a vendor or supplier, as best fits the needs of the District.

Source: Board Policy 7.70.

FIGURE 1-46
Selected Provisions from Purchasing Guidelines

Section/Provision	Description
Purchasing Overview	• The purchasing function shall be centralized providing supervision by a specially trained person who establishes and maintains a set of uniform policies and procedures. • The director of Purchasing Administration shall be assigned an adequately trained staff to perform in the capacity directed by the *Florida Statutes* and state board rules. • The director of Purchasing Administration shall at all times perform within the limitations prescribed by law, legal opinions and school board policies. The Director shall have a working knowledge of the fundamentals of contract law in order to recognize the need for legal guidance and call for it when necessary.

Section/Provision	Description
	• The purchasing function shall be accomplished in accordance with applicable rules, regulations and board policies. • Efficiency and value shall be two of the purchasing department's primary goals when making purchases but only when these do not impede or degrade the instructional process.
Purchasing Department Responsibilities	• Purchase all goods and services required of the District with the exception of items purchased using internal fund sources. • Purchase the proper product or service for the purpose intended. • Have the product or service available when needed. • Purchase the proper amount of the product or service. • Pay the proper price. • Purchase without favor or prejudice. • Facilitate the purchasing process by mobilizing the expertise and staff necessary to acquire the products and services required by customers. • Act as an advisor to customers when requested. • Establish practical and efficient office procedures, reports, records and systems for the proper conduct of the department. • Implementation of effective and equitable programs ensuring the maximum participation possible in the competitive procurement process for the vendor community. • Strive to obtain the maximum value for each dollar spent.
Strategic Sourcing	• Strategic Sourcing is a process designed to allow the District to purchase the best products and best services for the best value. Using this purchasing approach, each buyer analyzes what he or she is buying, what the market conditions are, and who can supply those goods or services. The buyer then uses this information, plus innovative contracting techniques, to find the best values available in the marketplace. • The overall strategic sourcing goal is to obtain best value for the District in repetitive and/or volume purchases of identified commodities and services. • With the recent upgrade to SAP v4.7, new reporting capabilities were implemented. We now have the ability to track small volume purchases over time and determine those commodities that may be conducive to the formal Invitation To Bid (ITB) process. By identifying these cumulative requirements to potential bidders, we are able to obtain reduced cost structures and establish term contracts for items which are purchased repetitively.
Competitive Sealed Bids	• School Board Policy requires that competitive sealed bids be solicited for purchases of $50,000 or more. A series of planned purchases from a single vendor during the current fiscal year that, in aggregate, total more than the competitive bid threshold shall require competitive bids. Buyers may, at their discretion, consolidate requisitions of like kind to solicit a bid if they feel more competitive pricing might be obtained.

Source: Duval County Schools Purchasing Guidelines, December 2018.

Based on MJ's review, there are no issues or concerns regarding whether the District has established written purchasing policies and procedures that position the District to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. Accordingly, Subtask 1.7 is met.

RESEARCH TASK 2

> ## THE STRUCTURE OR DESIGN OF THE PROGRAM TO ACCOMPLISH ITS GOALS AND OBJECTIVES.
>
> **<u>FINDING SUMMARY</u> – Overall, the School District of Duval County, Florida (the District) partially meets this research objective.**
>
> Design and Construction Services and Financial and Business Services Division both demonstrated program organizational structures with clearly defined units, minimal overlapping functions, and minimal administrative layers and costs. However, these program organizational structure attributes were lacking for the Application Development Department within the Information Technology Division, where non-supervisory staff were placed into the supervisor labor category and they have no supervisory responsibility. Adequate leadership and management positions were in place for Design and Construction Services, the Information Technology Division, and Financial and Business Services Division. Overall vacancy rates were 9 percent or below for Design and Construction Services, Information Technology Division, and the Financial and Business Services Division, which will have primary fund oversight if the referendum passes. Of the individual position titles that were evaluated, heating/air conditioning (HAR) mechanics have been the most difficult for the District to fill. The current vacancy rate for this position is 21 percent, which results in substantial work order backlogs to address equipment repair. The District reported that wage rates for HAR mechanics are often not competitive with the local Jacksonville labor market, which results in frequent turnover. MJ recommends that the District identify funds to raise wage levels to offer more competitive salaries for HAR mechanic positions to avoid further disruption to Design and Construction Services. MJ recommends the District conduct a compensation and classification study to address issues such as salary levels and job classifications. Additionally, MJ recommends that the District conduct a study of the reasonableness of current staffing levels for specific types of positions to include comparisons with peer districts, use of other benchmarks, and staffing formulas.

RESEARCH SUBTASK ANALYSIS AND CONCLUSIONS

> **SUBTASK 2.1 – Review program organizational structure to ensure the program has clearly defined units, minimizes overlapping functions and excessive administrative layers, and has lines of authority that minimize administrative costs.**

FACILITIES PLANNING, USE, AND CONSTRUCTION

Organizational Structure

The assistant superintendent of Operations heads the division related to Facilities Planning, Use, and Construction functions. Five (5) departments headed by two (2) executive directors and three director positions report to the assistant superintendent of Operations.

According to a benchmarking study conducted by the Society for Human Resource Management (SHRM), the average span of control for executive management is seven (7) direct reports, and for middle management, it is twelve (12) direct reports. The span of control for the department and division directors falls within this range.

Figure 2-1 presents the District's high-level organizational structure related to Facilities Planning, Use, and Construction functions.

FIGURE 2-1
Design and Construction Services' Leadership Organizational Structure
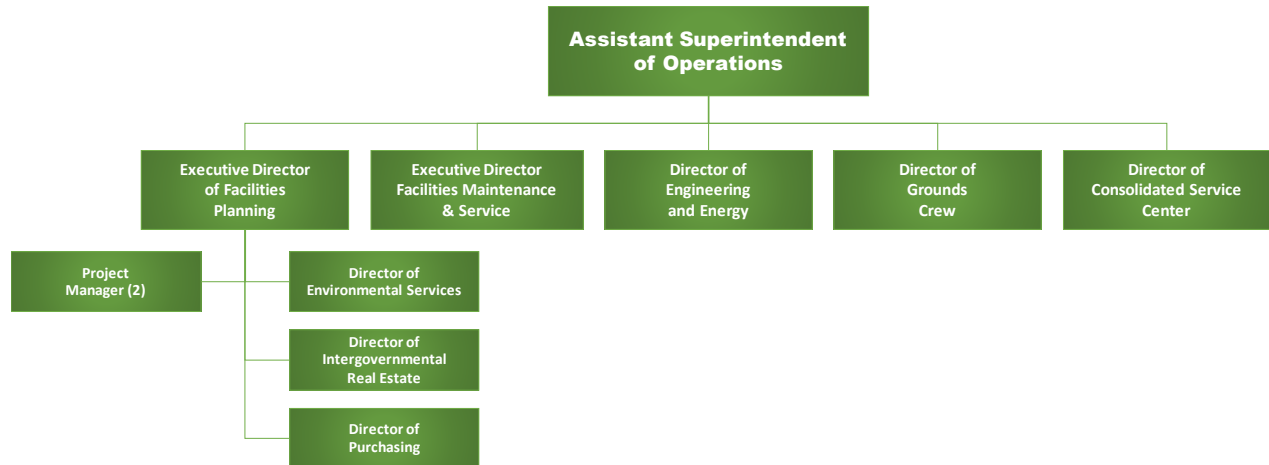
Source: Design and Construction Services.

Design and Construction Services evaluates its organizational structure annually, typically during the budget process. According to interviews with Design and Construction Services' management the organizational chart has been static at the leadership level for the last several years. The exception is project manager positions, where the District decreases and increases the number of full-time equivalent (FTE) positions based on the number of schools that are planned for construction and renovation.

Upon reviewing a staffing chart dating back to the 2004-2005 fiscal year when the District's school construction and renovation program was more robust, the District employed seven (7) FTE project managers. This number of project manager positions peaked at 7.5 FTE during the 2015-2016 fiscal year and has been reduced to two (2) FTEs for the 2019-2020 fiscal year as shown in **Figure 2-1**. This is one (1) example of how the District evaluates its building program and minimizes administrative costs by aligning the number of professional facilities staff required with its construction program operations, reducing staff and cost as needed.

Key Leadership/Management Positions

In addition to reviewing the organizational structure for facilities-related functions, MJ reviewed the primary job functions performed by management-level positions and tenure in their current position and with the District. **Figure 2-2** shows that management positions are assigned to perform specific functions, with minimal overlap. Position titles are clear and reflect lines of authority.

FIGURE 2-2
Facilities Planning, Use, and Construction Team Functions and Qualifications

Position / Division / Certification	Primary Functions of Division's Leaders	Years in Position	Years with School District
DESIGN AND CONSTRUCTION SERVICES			
Assistant Superintendent Operations	• Oversees all departments within Operations including Facilities and Maintenance Services. • Provides general guidance and direction to include directives from Cabinet level and above. • Ensures all departments meet operational, financial, and statutory requirements to include those within the general sales tax referendum. • Interacts with public and District staff outside of Operations on a daily basis to meet the needs of the District.	3	21
Executive Director Facilities Maintenance & Service	• Oversees Design and Construction Services within Operations. • Provides general guidance and direction to Design and Construction Services to include directives from assistant superintendent. • Responsible to ensure Design and Construction Services meets operational (i.e., construction/renovation), financial, and statutory requirements to include those within the general sales tax referendum. • Ensures design and construction contracts required for new construction and major repair projects are procured in a timely manner.	1	11
Director of Environmental Services and Projects	• Oversees Environmental Services required within the District are provided in a timely and efficient manner subject to availability of funds. • Oversees project managers and performs additional project management duties as required to meet project management requirements to include those that would occur under the Sales Tax Referendum.	2	2

Position / Division / Certification	Primary Functions of Division's Leaders	Years in Position	Years with School District
DESIGN AND CONSTRUCTION SERVICES			
Project Manager	• Manages individual projects on a day-to-day basis as required to meet project management requirements to include those that would occur under the Sales Tax Referendum.	1 year and Newly Hired	1 year and Newly Hired
Executive Director of Maintenance	• Oversees Facilities and Maintenance Services within Operations. • Provides general guidance and direction to Facilities and Maintenance Services to include directives from assistant superintendent. • Ensures Design and Construction Services meet operational (including repair projects and work), financial, and statutory requirements to include those within the general sales tax referendum. • Ensures service contract work is performed in a timely manner to include any required as part of the Sales Tax Referendum.	3	10
Director of Engineering and Energy	• Oversees the Energy and Utility conservation programs. • Monitors utility/energy costs to check energy program performance and to determine where additional project work is needed to reduce energy and water consumption and cost. • Develops and manages the energy project program and provides metric feedback to track program performance. • Oversees District-wide Energy Management and Control System upgrades to facilitate remote troubleshooting, monitoring and control from Central Office. • Participates in heating ventilation and air conditioning and energy management systems design reviews for new schools and major renovations to ensure district-wide standards are incorporated and energy performance expectations are met.	14	15
Director of Purchasing Administration	• Oversees the Purchasing Department within Operations. • Performs basic procurement award function for all contracts/purchases within the District except for new construction. • Ensures statutory requirements for purchasing are met within the District.	21	25
Director of Real Estate and Intergovernmental Liaison	• Oversees District real estate program to include all purchase and sale of real property needed in support of the Sales Tax referendum. • Manages all facility leasing requirements for the District. • Oversees Intergovernmental interactions for the District on planning, zoning, and concurrency requirements and would do the same for any Sales Tax Referendum requirements. • Functions as School District Advisor to the City of Jacksonville's Planning Commission.	3	3

Source: Design and Construction Services.

Administrative Support

Figure 2-3 shows that 294 District staff members perform facilities functions related to planning, design, construction, environmental services, maintenance, grounds, energy management, purchasing, and real estate. A total of nine (9) administrative positions support those functions representing a ratio of administrative staff of 1 to every 33 Design and Construction Services employees. The percentage of administrative staff to total employees is 4.6 percent.

The number of administrative support staff is determined by the number of geographical locations and personnel demands per location. Each position is determined by the minimum needs of each functional area.

- The Maintenance Department has three (3) maintenance stations and one (1) Grounds Department, each in a separate geographical location. Each of which have one (1) clerk per 50 employees on average.

- Maintenance station three (3) has two (2) clerks because the number of employees is approximately 90.

- Contracted Services has one (1) clerk to handle all incoming phone calls from all schools for services managed by the department.

- Maintenance Administrative has one (1) clerk to handle budget and purchase orders for the entire department. One (1) Maintenance Department secretary handles the needs of all personnel, uniforms, phones, letters, permits, and licensing and one (1) clerk handles all safety and roofing work orders.

FIGURE 2-3
Design and Construction Services - Administrative Staff Ratio

Department	Total Number of FTE's	Total Number of Administrative Positions	Administrative Ratio	Percent of Administrative Positions to Total FTEs
Design and Construction Services	294	9	1:33	4.6%

Source: Design and Construction Services.

The analysis above suggests that Design and Construction Services has a relatively low number of administrative staff. However, additional analysis would confirm the reasonableness of current staffing levels for specific types of positions. This analysis would include comparisons with peer districts, other benchmarks, and staffing formulas.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING
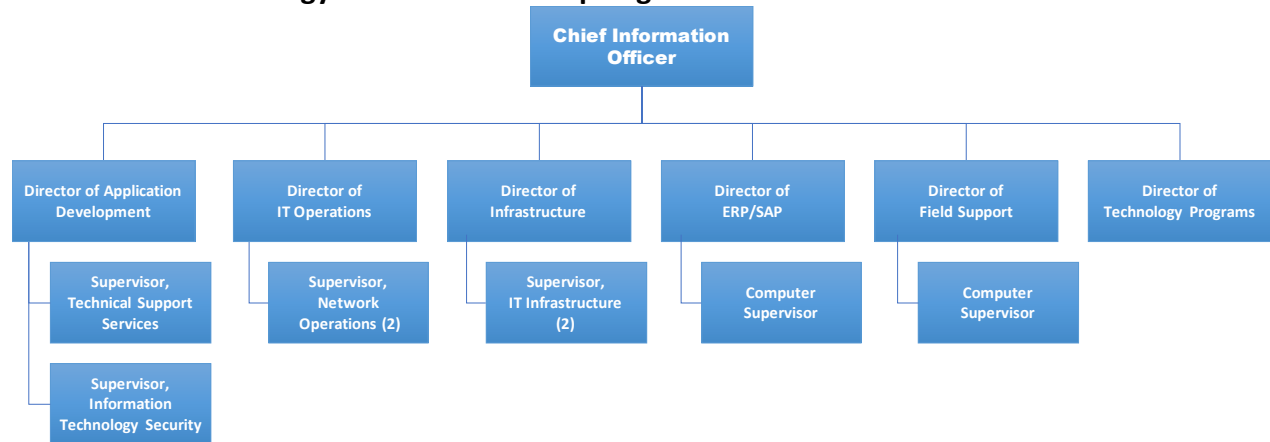
Organizational Structure

The chief information officer heads the division related to the Security and Technology Equipment Purchasing functions. Six (6) departments headed by director-level positions report to the chief information officer.

As noted previously, based on SHRM benchmark data, the average span of control for executive management is seven (7) direct reports and the span of control for Information Technology, which will be responsible for Security and Technology Equipment Purchasing falls within this range.

Figure 2-4 presents the District's high-level organizational structure related to Security and Technology Equipment Purchasing functions.

FIGURE 2-4
Information Technology Division Leadership Organizational Structure

Source: Information Technology Division.

The Information Technology Division evaluates its organizational structure annually, typically during the budget process. The Information Technology Division is responsible for 180 school sites in a vast geographic area. The division supports the largest network and computer deployment in Jacksonville, Florida. The division manages 110,000 computers in comparison the City of Jacksonville manages just over 7,000 computers.

The IT service desk, for example, has an expected first call response rate of 75% and the District averages close to 65% because of the large geographic area.

Key Leadership/Management Positions

In addition to reviewing the organizational structure for Information Technology-related functions, MJ reviewed the primary job functions performed by management-level positions and tenure in their current position and with the District. **Figure 2-5** shows that management positions are assigned to perform specific functions, with minimal overlap.

FIGURE 2-5

Security and Technology Equipment Purchasing Team's Functions and Qualifications

Position / Division / Certification	Primary Functions of Division's Leaders	Years in Position	Years with School District
Information Technology			
Chief Information Officer	• Directs Information Technology Services operations and establishes a comprehensive district-wide technology plan for the District. • Develops strategic plans for the division with accompanying data driven, measurable, action plans. • Coordinates and manages all major technology initiatives including the student information system, the data warehouse, school technology roll-out and Enterprise Resource Planning (ERP) utilizing SAP. • Develops and maintains hardware and software standards and provides for the procurement of all major technology purchases for the entire District.	6	22
Director, Technology Infrastructure	• Directs and coordinates with District departments to provide technical support for project management and infrastructure projects for all Technology programs. • Assists in the development of detailed Technology-related project schedules using standard tools to determine major project tasks, resource requirements, and project scope. • Manages the deployment of 18,000 to 20,000 student computers each year. • Works closely with Project Management Office teams to develop project schedules and track project deliverables.	3	8
Supervisor - Network Operations	• Functions as Network Architect for entire District. • Design, deploys, and manages the District's network. • Ensures network security, firewalls, and content filtering are in place. • Creates and writes request for proposals (RFPs) and manages the budget. • Works with the design team for the Data Center.	4	20
Supervisor – Information Technology Infrastructure	• Handles field inspections and specifications for the Information Technology Division. • Manages IT-related contractors in the field.	2	14
Supervisor – Information Technology Infrastructure Safety Systems	• Coordinates with Design and Construction Services to set standards for replacement equipment and installation requirements. • Manages contractors for on ongoing jobs to assure proper equipment operation and installation.	6	14

Position / Division / Certification	Primary Functions of Division's Leaders	Years in Position	Years with School District
Information Technology			
Supervisor – IT-Infrastructure, Audio Visual Systems	• Oversees installation and repair of Audio/Visual electronics, systems, and peripherals. • Supervises all District Audio/Visual and Security Camera systems activities including but not limited to the setup, distribution, and maintenance of the District Network Security Camera System, CATV/CCTV systems, and Instructional Technology equipment. • Plans, designs, collaborates, and executes Audio/Visual solutions for use in classrooms, conference rooms, and auditoriums. • Manages various contractors/vendors with the installation, testing, and certification for the District. • Assists technical personnel in performing the extensive repair of various Audio-Visual systems and devices.	4	17

Source: Information Technology Division.

MJ noted that on the staffing table for Application Development provided by the Information Technology Division that 32 supervisors are shown to be direct reports to the director position, but only two (2) supervisors actually supervise staff. The two (2) supervisor positions with supervisory responsibility are the technical support services supervisor and the IT security supervisor. The remaining 30 staff members are administrators and were assigned a supervisory title to increase their pay grade to make their salary more competitive in the local Jacksonville job market as supported by a market analysis conducted by the District, and to remain compliant with the City of Jacksonville charter. Outlined below are the six (6) position titles along with the primary work responsibility that the 30 non-supervisor staff fall under.

- *Supervisor, IM Systems Analyst -* Maintains basic level production and non-production SAP environments. Installs, configures, and maintains SAP systems, including basic level performance upgrades, security upgrades and purchased add-ons. Supports SAP Basis and/or Web Application Server system enhancements and performs quality assurance functions. Implements basic level solutions for Basis and/or Web Application Server functionality in the areas of performance monitoring and tuning and systems configuration, design and implementation. Provides basic level technical engineering and support to the SAP team.

- *Supervisor, IM Project Management -* Oversees and develops a broad agenda of project management activities for technology related projects. Provides management assistance for multiple small, medium, and large projects, across multiple departments and impacts multiple support organizations with varying levels of complexity from original concept through final implementation.

- *Supervisor, IM Systems -* Maintains basic level production and non-production SAP environments. Installs, configures, and maintains SAP systems including basic level performance upgrades, security upgrades and purchased add-ons. Supports SAP Basis and/or Web Application Server system enhancements and performs quality assurance functions. Implements basic level solutions for Basis and/or Web Application Server functionality in the areas of performance monitoring and tuning and systems configuration, design and implementation. Provides basic level technical engineering and support to the SAP team.

- *Supervisor, ERP Developer I -* Applies system solutions to basic business problems through the design and programming of automated systems. Configures, analyzes, designs, develops, and maintains ERP program codes and applications to support business processes and functions. Works on basic elements of large, complex installations. Performs programming assignments and assists with systems design. Applies knowledge and experience with technology and application development methodologies to perform basic systems analysis techniques, testing, debugging, file design and storage.

- *Supervisor, Developer I -* Applies system solutions to basic level business problems through the design and programming of automated systems. Configures, analyzes, designs, develops, and maintains program codes and applications to support basic level business processes and functions. Works on basic level elements of large, complex installations. Performs basic level aspects of programming assignments and assists with systems design. Performs basic level systems analysis techniques, testing, debugging, file design and storage.

- *Supervisor, Database Administrator I -* Maintains basic level production and non-production databases. Responsible for standards and basic level design of physical data storage, maintenance, access, and security administration. Configures database parameters and basic level prototype designs against logical data models. Defines data repository requirements, data dictionaries and warehousing requirements. Optimizes database access and allocates/re-allocates database resources for optimum configuration, database performance and cost.

Information Technology Division management told the MJ review team that the 30 non-supervisory staff were placed into the supervisor labor category five (5) years ago as a result of a salary survey conducted by the Human Resources Division. This initiative resulted in an overall cost savings of approximately $917,000 annually to the District through the conversion of contracted employees to supervisor level staff. The staff adjustment also ensured continued compliance with the requirements of the city's charter. While the conversion of contracted employees to supervisor level staff saved the District money, assigning supervisory titles to staff with no supervisory responsibility blurs lines of authority and potentially creates unrealistic career paths for employees.

Administrative Support

Figure 2-6 shows that 217 District staff members perform Security and Technology Equipment Purchasing functions related to network operations, infrastructure for safety systems, and infrastructure for audio visual systems. A total of three (3) administrative positions support those functions representing a ratio of administrative staff of 1 to every 72 technology employees. The percentage of administrative staff to total employees is 1.4 percent. Because of technology efficiencies, core staff perform many of the functions that were once performed by administrative staff, which results in lower administrative costs.

FIGURE 2-6
Information Technology - Administrative Staff Ratio

Division	Total Number of FTE's	Total Number of Administrative Positions	Administrative Ratio	Percent of Administrative Positions to Total FTEs
Information Technology	217	3	1:72	1.4%

Source: Information Technology Division.

The analysis above suggests the Information Technology Division has a relatively low number of administrative staff. However, additional analysis would confirm the reasonableness of current staffing levels for specific types of positions. This analysis would include comparisons with peer districts, other benchmarks, and staffing formulas.

FACILITIES LEASING AND DEBT SERVICING

Organizational Structure

The chief financial officer heads the division related to the Facilities Leasing and Debt Servicing function. One (1) executive director-level position and one (1) director-level position report to the chief financial officer. Three (3) director-level positions report to the executive director.

Under the Financial and Business Services Division, only the internal audit function reports directly to the chief financial officer and the director of Treasury, director, Financial Reporting and Budget, and director, Payroll report to the executive director. The Financial and Business Services Division is organized in this manner to place increased emphasis on internal audit by the chief executive of the division and allow the executive director position to place more emphasis on day-to-day operations. As noted previously, based on SHRM benchmark data, the average span of control for executive management is seven (7) direct reports and the span of control for the Financial and Business Services Division, which will be responsible for Facilities Leasing and Debt Servicing falls within this range.

Figure 2-7 presents the District's high-level organizational structure related to Facilities Leasing and Debt Servicing functions.

FIGURE 2-7

Financial Services/Facilities Leasing and Debt Servicing Leadership Organizational Structure
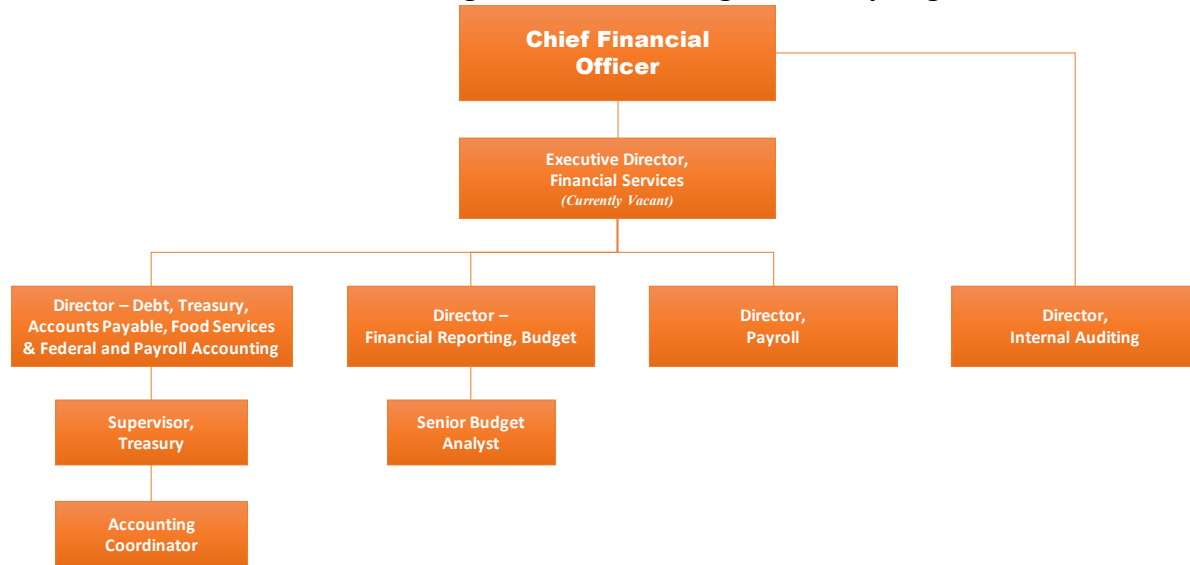
Source: Financial and Business Services Division.

The Financial and Business Services Division evaluates its organizational structure annually and on an on-going basis to identify opportunities to ensure that it supports the operational needs of the District while maintaining clearly defined units and lines of authority and minimizing overlapping functions. Budget and availability of qualified staff are major factors that contribute to how the department is organized from a leadership standpoint.

Prior to the current organizational structure, the Financial and Business Services Division had two (2) executive director positions – one (1) over budget and one (1) over payroll, debt, and accounts payables functions. The executive director position over payroll, debt, accounts payables functions was vacated in October 2016 and interviews were held with qualified candidates, but none accepted the offer of employment due to salary. After several months of managing with one (1) executive director position, the District consolidated the two (2) positions, which has reduced the number of executive-level positions.

In the Budget Department, the budget office manager position was vacated in May 2015. The position responsibilities were re-evaluated, and it was determined that the job title and responsibilities needed were upgraded to director of budget and financial reporting.

In 2014, the administrators over payroll, debt, and accounts payables included one (1) executive director position and one (1) director position. The supervisor of Accounting reported to the director position. The position responsibilities were re-evaluated, and it was determined the job title and responsibilities were upgraded to a director level position. This director position currently oversees payroll, debt and accounts payables.

The supervisor of Internal Audit position was vacated in June 2014. Upon further analysis of the position responsibilities, the position was upgraded to director of Internal Audit. The creation of this position was to meet the expanded role of the Internal Auditing Department.

The Financial and Business Services Division provided documentation that showed the organizational changes described above resulted in an overall administrative cost savings of approximately $72,000.

Key Leadership/Management Positions

In addition to reviewing the organizational structure for Financial and Business Services-related functions, MJ reviewed the primary job functions performed by management-level positions and tenure in their current position and with the District. **Figure 2-8** shows that management positions are assigned to perform specific functions, with minimal overlap. Position titles are clear and reflect lines of authority.

FIGURE 2-8

Facilities Leasing and Debt Servicing Team's Functions and Qualifications

Position / Division / Certification	Primary Functions of Division's Leaders	Years in Position	Years with School District
FINANCIAL AND BUSINESS SERVICES			
Chief Financial Officer	• Provides executive oversight for the School Board and Superintendent regarding all District-wide planning development and evaluation related to Budget, Finance, Accounting, Treasury, and Internal Audit functions.	1.5	11
Executive Director, Financial Services (Currently Vacant)	• Provides day-to-day executive oversight for Budget, Finance, Accounting, and Treasury functions. • Directs all financial operations and functions for the District consistent with District policy and District-expected ends/ results. • Directs and oversees Treasury, Financial Reporting, Budget, and Payroll.	0* *Position vacated in July 2019 Replacement scheduled to start in September 2019*	0*
Director - Debt, Treasury, Accounts Payable, Food Services & Federal and Payroll Accounting	• Oversees and manages District bank accounts and ensures daily liquidity to pay bills (average balances $10-$30 million). • Oversees and manages District investments of surplus cash (average balances $200-$500 million). • Oversees the processes and reconciles District state and federal monthly receipts ($600+ million annually). • Oversees administration of processes and reconciles District monthly property tax receipts ($400M+ annually). • Administers District tax exempt project reimbursements. • Administers and processes District annual debt service payments ($21M+). • Prepares annual and monthly District cash and investment reports.	4	21

Position / Division / Certification	Primary Functions of Division's Leaders	Years in Position	Years with School District
Director, Financial Reporting and Budget	• Develops and monitors the District's annual budget and multi-year projections and prepares or monitors the preparation of all related State reports; plans, organizes, and monitors the accounting functions of the District. • Develops or assists in the development of improved accounting and financial record management and reporting systems and procedures. • Monitors and audits the accounting and financial record management and reporting functions to assure that established operational procedures, guidelines, and internal controls are followed. • Develops, implements and monitors departmental procedures, forms, and regulations to assure efficient and effective practices. • Performs higher level technical and specialized accounting and financial record management and reporting functions.	2	13
Accounting Supervisor	• Performs debt/sinking fund payments • Performs interest allocation • Performs investment of excess funds • Performs investment reporting	3	11
Accounting Coordinator	• Performs daily banking • Performs wire transfers • Performs qualified public depository report • Performs annual leasing corp. filing	0.50	8
Senior Budget Analyst	• Maintains current debt schedules for all existing debt service funds, including subsidy sequestration rates. • Calculates annually the amount of funds needed from capital funds to pay principal, interest, fees and sinking fund payments for debt services. • Performs debt fund oversight - Load and monitor debt service funds, ensuring sufficient budget is in place when payments are made to financial institutions; calculate beginning and ending fund balances. • Produces monthly budget resolutions for Debt and Capital funds as required by *Florida Statute.* • Prepares the debt fund portion of the tentative and final budget for compliance with DOR, DOE, COJ and DCPS Legal Department. • Ensures debt fund amounts for AFR/CAFR entered into SAP are accurate and in agreement with Accounting Department's figures.	0.25	11

Source: Financial and Business Services Division.

Administrative Support

Based on interviews with Financial and Business Services Division management, leadership monitors productivity of administrative staff that perform routine accounting and budget-related functions and there is only one management or supervisor-level position over each organizational unit.

Figure 2-9 shows that 81 District staff members perform treasury, financial reporting, budget, accounting, and payroll functions related to Facilities Leasing and Debt Servicing functions. A total of five (5) administrative positions support those functions representing a ratio of administrative staff of 1 to every 16 finance-related employees. The percentage of administrative staff to total employees is 6.2 percent. Because of administrative efficiencies, core staff currently perform many of the functions that were once performed by administrative staff; consequently, fewer administrative staff are required, which suggests lower administrative costs.

FIGURE 2-9

Financial and Business Services - Administrative Staff Ratio

Division	Total Number of FTE's	Total Number of Administrative Positions	Administrative Ratio	Percent of Administrative Positions to Total FTEs
Financial Services	81	5	1:16	6.2%

Source: Financial Services Division.

The analysis above suggests the Financial Services Division has a relatively low number of administrative staff. However, additional analysis would confirm the reasonableness of current staffing levels for specific types of positions. This analysis would include comparisons with peer districts, other benchmarks, and staffing formulas.

In summary, the Design and Construction Services and Financial and Business Services Division, based on the information provided, both demonstrated program organizational structures with clearly defined units, minimal overlapping functions, and minimal administrative layers and costs. However, clearly defined units, lines of authority, minimized overlapping functions excessive administrative layers, and administrative costs were lacking for the Application Development Department within the Information Technology Division. Accordingly, MJ concludes that this subtask is partially met.

RECOMMENDATION

Conduct a compensation and classification study in the Information Technology Division to correct supervisor position titles that have no supervisory responsibility and assess the appropriateness of associated salaries along with any other Information Technology Division positions that may be categorized incorrectly. Additionally, MJ recommends that the District conduct a study of the reasonableness of current staffing levels for specific types of positions to include comparisons with peer districts, use of other benchmarks, and staffing formulas.

SUBTASK 2.2 – Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.

FACILITIES PLANNING, USE, AND CONSTRUCTION

Program Staffing Levels

Design and Construction Services uses staff allocation models where appropriate to determine staffing levels. For example, the Maintenance Department calculates the average number of work orders completed on a monthly basis for each craft trade using past annual data, as a benchmark. The executive director of Maintenance divides the number of monthly work orders by the average number of work orders each craft team member is expected to complete. This calculation determines the number of required craft team members. Maintenance staffing levels are reviewed in totality on an annual basis and Facilities management makes the necessary staffing budget adjustments to correct deficiencies or excess.

As an example, for HAR mechanics the average number of work orders completed by each mechanic monthly is 30.16. The average number of work orders completed annually (including backlog) is 1,077. By dividing the total number of work orders completed annually into the average number of monthly work orders completed the Maintenance Department determines Facilities needs 36 HAR mechanics to complete all work orders each month. Supervisors and coordinators are determined by the number of work teams.

Generally, Design and Constructions Services contracts maintenance and/or construction jobs that require highly technical skill and/or where the value of the project will exceed $350,000 in labor and material costs. In-house project managers oversee all of these jobs.

Vacancy Rates

Figure 2-10 shows that Design and Construction Services has an overall vacancy rate of 7 percent. This vacancy rate is lower than the median vacancy rate of 8.9% (for non-school exempt staff) published in October 2018 (based on 2016-2017 data) by the Council of the Great City Schools.

While vacancy rates within the departments for various positions ranged from 17 percent to 50 percent, about a third of the positions had been vacant less than 14 days (based on the staffing schedule obtained by the review team during fieldwork). Another third of the positions had been vacant for less than 45 days. Of the Design and Construction Services' position titles that were evaluated, heating/air conditioning (HAR) mechanics have been the most difficult for the District to fill. The current vacancy rate for this position is 21 percent, which results in substantial work order backlogs to address equipment repair. Of the six (6) HAR mechanic vacancies, one (1) has been vacant since January 2018; one (1) has been vacant since October 2018; and one (1) has been vacant since March 2019. MJ learned that over 40 schools experienced air conditioning malfunctions on the first day of school for the 2019-2020 school year.

The District reported that wage rates for HAR mechanics are often not competitive with the local Jacksonville labor market, which results in frequent turnover. The District often uses contract services to mitigate this issue. The District also reported that if the referendum passes, the Long-Range Master Plan involves school consolidation for many campuses and new school replacement for others. The District projects that fewer, newer buildings will likely result in the need for fewer maintenance staff, such as HAR mechanics in the long run.

To combat the high vacancy rate for HAR mechanics, the district conducted a salary study in March 2019 comparing wages with similar sized school districts in the state and surrounding districts, and has proposed an appropriate wage adjustment for both current and newly hired HAR mechanics with the appropriate employee bargaining unit.

FIGURE 2-10
Design and Construction Services – Vacant Positions

Division	Total FTE	Total Vacancies	Vacancy Rate
Design and Construction Services *	294	22	7%
Director	5	2	40%
Supervisor	9	2	22%
Coordinator	5	2	40%
Contract Compliance Inspector	2**	1	50%
HAR Mechanic	28	6	21%
Groundskeeper	24	4	17%

Source: Duval County Public Schools Positions Report 8/7/19.
*Only positions with over 15% vacancy rate are shown.
**Includes part-time.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

Program Staffing Levels

The Information Technology Services Division employs seventy-six (76) technology service technicians, which work across five (5) geographic regions to service the District's 110,000 computers, Technology services technicians are responsible for 180 school sites across the district and cover every secondary school and rove to ensure that all the elementary schools are covered. The division monitors productivity and determines staffing levels for each employee by incident technician reports that are generated weekly. The incident reports track: (1) the number of tickets created for each team member, (2) technicians cancelled tickets, (3) tickets resolved, (4) active tickets, (5) closed and escalated/deescalated and transferred tickets (6) average active ticket age, (7) oldest ticket, and average number of tickets completed per technician.

Recently, the installation and repair of audio visual, bell and other security related equipment was transferred from the Maintenance Department to the IT Infrastructure Department because the staff skills-sets for maintaining this type of equipment is better aligned with technology.

VACANCY RATES

Figure 2-11 shows that the Information Technology Division has an overall vacancy rate of 5 percent. This vacancy rate is significantly lower than the median vacancy rate of 8.9% (for non-school exempt staff) published in October 2018 (based on 2016-2017 data) by the Council of the Great City Schools.

The Information Technology Division currently has three (3) coordinator positions that are vacant, one (1) is awaiting a start date and the District is currently interviewing for the remaining two (2) positions.

Information Technology is in the process of creating a new screening/training exam. The District plans to fill the TST IV-Enterprise System Administrator position internally during Fall 2019.

FIGURE 2-11
Information Technology Departments – Vacant Positions

Division	Total FTE	Total Vacancies	Vacancy Rate
Information Technology*	**217**	**11**	**5%**
Coordinator	15	3	20%
TST IV – Enterprise System Administrator	2	1	50%

Source: Duval County Public Schools Positions Report 8/7/19.
*Only positions with over 15 percent vacancy rate are shown.

FACILITIES LEASING AND DEBT SERVICING

Program Staffing Levels

Financial and Business Services Division staff prepare the debt service report to calculate the amount of funds that will be needed to service the District debt. Budget staff prepare the report, Treasury Department staff make the payment to the escrow agent, and directors in Budget and Treasury approve payment journal entries. These functions are performed to complete the monthly financial statements and the CAFR with no issues.

The Financial and Business Services Division organizational chart and the management/ leadership staffing table, which includes roles and responsibilities for key staff demonstrate that sufficient staff is available to oversee this function.

VACANCY RATES

From a division-wide staffing perspective, **Figure 2-12** shows that the Financial and Business Services Division has an overall vacancy rate of 9 percent. This vacancy rate is in line with the median vacancy rate of 8.9% (for non-school exempt staff) published in October 2018 (based on 2016-2017 data) by the Council of the Great City Schools.

The Financial and Business Services Division reported that a candidate has been identified for the executive director position and is scheduled to begin work in mid-September 2019. The division is evaluating one of the coordinator positions to determine if it will be reclassified into

another position title and is awaiting the Human Resources Division to forward a list of candidates for the other vacant position. And, the Financial and Business Services Division has recently received approval to fill the accounting clerk position.

FIGURE 2-12
Financial and Business Services – Vacant Positions

Division	Total FTE	Total Vacancies	Vacancy Rate
Financial Services*	**81**	**7**	**9%**
Executive Director	1	1	100%
Coordinator	10	2	20%
Account Clerk	6	1	17%

Source: Duval County Public Schools Positions Report 8/7/19.
*Only positions with over 15 percent vacancy rate are shown.

While Design and Construction Services, Information Technology, and Finance and Business Services collectively reported adequate staffing levels overall to meet work load requirements and have relatively low vacancy rates, MJ concludes that this subtask is partially met because of the critical HAR mechanic vacancies.

RECOMMENDATION

Identify funds to raise wage levels to offer more competitive salaries for HAR mechanic positions to avoid further disruption to Design and Construction Services.

RESEARCH TASK 3

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ALTERNATIVE METHODS OF PROVIDING SERVICES OR PRODUCTS.

<u>FINDING SUMMARY</u> – Overall, the School District of Duval County, Florida meets Task 3.

The District's program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and their conclusions are reasonable. Program administrators have assessed contracted and/or privatized services to verify effectiveness and cost savings achieved, and their conclusions are reasonable. The District has made changes to service delivery methods when their evaluations/assessments found that such changes would reduce program cost without significantly affecting the quality of services. Finally, there are possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (e.g., other counties, etc.).

</div>

RESEARCH SUBTASK ANALYSIS AND CONCLUSION

SUBTASK 3.1 – Determine whether program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and determine the reasonableness of their conclusions.

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 3.1 as it relates to facilities, planning, use, and construction, MJ interviewed the assistant superintendent, Operations; executive director, Facilities; and director of Environmental Services and Projects. The information obtained during the interviews and review of documentation provided revealed that there are several processes and routine project status meetings used to assess alternative methods of providing products and services to the District. For example, **Figure 3-1** shows the process flow used to determine delivery options for construction projects.

FIGURE 3-1
Construction Project Delivery Option Selection Process

Source: Design and Construction Services, August 2019.

MJ interviews revealed that Florida's Consultants' Competitive Negotiations Act (CCNA) guidelines are followed in the Request for Quotations (RFQ) process for contracted engineering services. CCNA governs a public entity's acquisition of professional architectural, engineering, landscape architecture, and survey and mapping services. **Figure 3-2** shows the evaluation results for a solicitation for contracted electrical engineering design services.

FIGURE 3-2
Contracted Electrical Engineering RFQ Evaluation Results

OFFICE OF FACILITIES DESIGN AND CONSTRUCTION
DUVAL COUNTY PUBLIC SCHOOLS
PROFESSIONAL SERVICES SELECTION MATRIX

SELECTION EVALUATION FORM

PROJECT NAME/ NUMBER: Continuing Contract for Electrical Engineering Design Services
PROJECT SOLICITATION NUMBER: OFDC-RFQ-003-17 ELECTRICAL ENGINEER SELECTION
DATE: 4/11/17   SHORTLIST : 4/27/17   INTERVIEW : 5/10/17

Evaluators: Andy Eckert, Beth Tramel, Kevin Trussell, Tarek Ghandour, Terri Webb

APPLICANTS	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	Shortlist Total	P	Q	Total	Ranking
(weights)	Y/N									10	10	25	5	5	5	60	20	20	100	
Eng Engineering, Inc	Y	8	4	47	3	15.67	66.7	1	67	10	7	18	5	5	5	50	16	17	83	4
Haddad Engineering, Inc.	Y	11	13	328	11	29.82	1540	2	770	10	10	24	5	3	1	53	20	20	93	1
John Searcy & Associates, Inc.	Y	5	39	126	3	42	1253	1	1253	10	9	24	5	0	1	49	19	19	87	2
M.V. Cummings Engineers Inc	Y	5.5	15	129	5	25.8	163	2	81.5	10	7	19	5	3	5	49	16	16	81	
McVeigh & Mangum Engineering, Inc	Y	14.9	53	768	24	32.83	0	10	0	10	6	17	5	3	5	46			46	
Powell & Hinkle Engineering, PA	Y	17	13	216	18	12	0	6	0	9	7	21	5	0	5	47			47	
Shaffer Engineering Group, LLC	Y	12	8	45	2	24	89	1	89	10	6	18	5	5	5	49	18	17	84	3
TLC Engineering For Architecture	Y	0.02	89	1,538	22	69.91	97	11	8.8	10	7	20	4	0	5	46			46	
TRC Energy Engineering, Professional	Y	NO PQS SUBMITTED																		

Column legend: A = Professional Registration Certificates; B = Location Miles from Project; C = Number of Projects; D = Total Fees Remaining ($000); E = Professional & Technical Employees; F = Dollars per Person ($000); G = Volume of Agency Work ($000); H = Registered Employees; I = Dollars per Person; J = Location; K = Past Performance; L = Experience and Ability; M = Current Workload; N = OEO Participation; O = Volume of Agency Work; P = Understanding Program & Project; Q = Approach & Methodology

Source: Design and Construction Services, August 2019.

Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to program administrators having formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and their conclusions are reasonable as they relate to facilities planning, use, and construction.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 3.1 as it relates to security and technology equipment purchasing, MJ interviewed the executive director School Police Department and his management team; the chief information officer and his management team; and the purchasing manager. The information obtained during the interviews and review of documentation provided revealed that formal project management methodologies are used to evaluate in-house services and activities to assess the feasibility of using alternative means to provide services. The evaluation is conducted in accordance with the District's purchasing policies and

guidelines. There are six (6) steps in the project management methodology used to identify, source, and manage technology initiatives. **Figure 3-3** outlines the project management methodology steps and their components.

FIGURE 3-3
Project Management Steps and Components

Project Management Methodology Steps and Components					
Pre-initiation (Intake Process)	**Initiation**	**Planning**	**Execution**	**Monitoring & Controlling**	**Closing**
• SCCM Service Work Request • Process Request • High-level Scope • Feasibility Study • Identify Potential Resources • ROM Estimates • Timeline Estimates • Project Governance to move Project to Initiation	• PMO Project Manager Assignment • Project Stakeholders Identified • Project Governance Established • Resources Allocation • Kickoff Meeting • Scope Statement • Initial Requirements • Readiness Review Go/No Go	• PM Plans Actions to Execute Project • Project Schedule • Formal Project Budget • Project Management Plans & Documentations • Readiness Review Go/No Go	• PM Executes Project Management Plans • Project Deliverables Built, Tested, Accepted • Change Management • Readiness Review Go/No Go • Execution of Implementation Plan • Go-Live • Project Delivered *Signoff*	• PM Tracks, Reviews & Regulates Project • Analyze Deliverables (Compare &Verify against Project Plan, Budget & Requirements) • Weekly Project Touch Point Meeting • Distribute Meeting Agenda/ Minutes Status Reports on a weekly Basis • Report Performance Metrics / Project Log	• PM Finalizes all Project Activities • Project Closeout Checklist • Lessons Learned • Team & Vendor Released • Project Governance Final Review • Archive all Project Documents

Source: Information Technology Division, August 2019.

Figure 3-4 shows a flow diagram of the project management methodology steps and their components.

FIGURE 3-4

Project Management Methodology
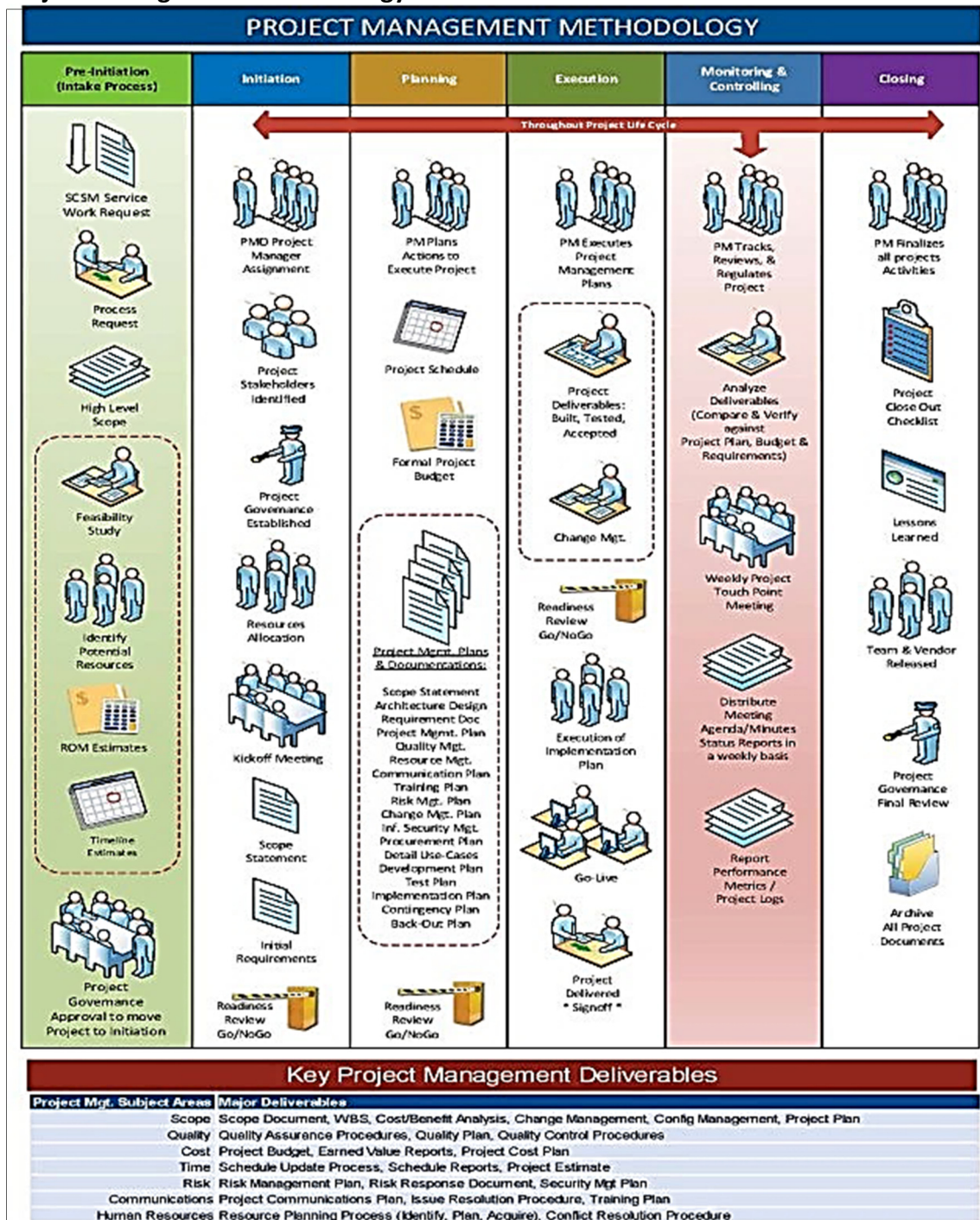
Source: Information Technology Division, August 2019.

For security, the Florida State School Assessment Tool (FSSAT) was used to evaluate in-house services and activities. The required components of FSSAT are:

- School emergency and crisis preparedness planning,
- Security, crime and violence prevention policies and strategies,
- Physical security measures,
- Professional development training needs,
- An examination of support service roles in school safety, security and emergency planning,
- School security and school police staffing, operational practices and related services,
- School and community collaboration on school safety, and
- A return on investment analysis of the recommended physical security controls.

The results of the assessment revealed that the District needed improvement in three (3) main areas:

- Access Control
- Surveillance Measures
- Walk-thru metal detectors and other equipment

As a result of the assessment, the District was awarded a Safety and Security of School Buildings grant of $4,481,134 of which $501,266 was earmarked for charter schools. The executive director School Police Department indicated that the $3,979,868 for the District would be used for the needed improvement in the three areas listed above.

Figure 3-5 shows the Safety and Security of School Buildings grant award notification.

FIGURE 3-5
Safety and Security of School Buildings Grant

<table>
<tr><td colspan="2" align="center">Florida Department of Education
Project Award Notification</td></tr>
<tr><td>1 PROJECT RECIPIENT
Duval County School District</td><td>2 PROJECT NUMBER
160-93190-9D001</td></tr>
<tr><td>3 PROJECT/PROGRAM TITLE
Safety and Security of School Buildings

TAPS 19A097</td><td>4 AUTHORITY
Section 44 Chapter 2018-3, Laws of Florida</td></tr>
<tr><td>5 AMENDMENT INFORMATION
Amendment Number:
Type of Amendment:
Effective Date:</td><td>6 PROJECT PERIODS

Budget Period: 07/01/2018 - 01/31/2021
Program Period:07/01/2018 - 01/31/2021</td></tr>
<tr><td>7 AUTHORIZED FUNDING
Current Approved Budget: $4,481,134.00
Amendment Amount:
Estimated Roll Forward:
Certified Roll Amount:
Total Project Amount: $4,481,134.00</td><td>8 REIMBURSEMENT OPTION
As Specified in the Terms and Conditions</td></tr>
</table>

9 TIMELINES

- Last date for incurring expenditures and issuing purchase orders: 01/31/2021
- Date that all obligations are to be liquidated and final disbursement reports submitted: 03/20/2021
- Last date for receipt of proposed budget and program amendments: 12/31/2020
- Refund date of unexpended funds; mail to DOE Comptroller, 325 W. Gaines Street, 944 Turlington Building, Tallahassee, Florida 32399-0400:

<table>
<tr><td>10 DOE CONTACTS
Program: Mark Eggers
Phone: (850) 245-9105
Email: Mark.Eggers@fldoe.org
Grants Management: Unit A (850) 245-0496</td><td>Comptroller Office
Phone: (850) 245-0401</td><td>Duns#: 080683048
FEIN#: F596000589001</td></tr>
</table>

11 TERMS AND SPECIAL CONDITIONS

- This project and any amendments are subject to the procedures outlined in the Project Application and Amendment Procedures for Federal and State Programs (Green Book) and the General Assurances for Participation in Federal and State Programs and the terms and requirements of the Request for Proposal or Request for Application, RFP/RFA, hereby incorporated by reference.

- Any unexpended general revenue funds must be returned by check issued to the Florida Department of Education, with the final expenditure report. The check must clearly identify the project number for which funds are being returned.

- In the event that the Governor and Cabinet are required to impose a mandatory reserve on the current year appropriation, this Agreement shall be amended to place in reserve the amount determined by the Department of Education to be necessary because of the mandatory reserve in the appropriation.

- All provisions not in conflict with any amendment(s) are still in full force and effect and are to be performed at the level specified in the project award notification.

- Other: Upon receipt of the Project Award Notification, the funding method will be monthly advance based on agency request and budget release.

12 APPROVED:

Mark Eggen   _1/15/19_

Authorized Official on behalf of Richard Corcoran   Date of Signing
Commissioner of Education

FLORIDA DEPARTMENT OF **EDUCATION** fldoe.org

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DOE-200
Revised 07/15

Page 1 of 2

JAN 18 2019

REFERRED TO _____
DATE REFERRED _____

Source: School Police Department, August 2019.

Based on MJ's work, we determined that the District's security and technology equipment purchases are executed through the purchasing function according to the board policy guidelines for goods and services. **Figure 3-6** provides an overview of the purchasing function within the District.

FIGURE 3-6
The District's Purchasing Function Overview

Purchasing Overview

The district recognizes that its primary obligation is to educate students but it also has a fiduciary responsibility to the county taxpayers to adhere to principles of good, sound business practices. It takes a substantial number of support personnel to perform the tasks associated with running a large business like our school district. Because purchasing is an important business function that can directly impact student achievement, procedures must be established that assure compliance with all applicable regulations but do not hinder the instructional process. To meet the demands of customers and to ensure maximum value for the dollar, procedures must be efficient, economic, flexible and easy to administer. If they are not, the public trust may be eroded and overall student achievement could be compromised.

Following is a list of accepted understanding about the purchasing function in our district:

- The purchasing function shall be centralized providing supervision by a specially trained person who establishes and maintains a set of uniform policies and procedures.
- The Director of Purchasing shall be assigned an adequate trained staff to perform in the capacity directed by the Florida statutes and state board rules.
- The Director of Purchasing shall at all times perform within the limitations prescribed by law, legal opinions and school board policies. The Director shall have a working knowledge of the fundamentals of contract law in order to recognize the need for legal guidance and call for it when necessary.
- The purchasing function shall be accomplished in accordance with applicable rules, regulations and board policies.
- Efficiency and value shall be two of the purchasing department's primary goals when making purchases but only when these do not impede or degrade the instructional process.

The fundamental responsibilities of the purchasing department shall be to:

- Purchase all goods and services required of the district with exception of items purchased using internal fund sources.
- Purchase the proper product or service for the purpose intended.
- Have the product or service available when needed.
- Purchase the proper amount of the product or service.
- Pay the proper price.
- Purchase without favor or prejudice.
- Facilitate the purchasing process by mobilizing the expertise and staff necessary to acquire the products and services required by customers.
- Act as an advisor to customers when requested.
- Establish practical and efficient office procedures, reports, records and systems for the proper conduct of the department.

Source: Purchasing Department, August 2019.

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to program administrators having formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and their conclusions are reasonable as they relate to security and technology equipment purchasing.

FACILITIES LEASING AND DEBT SERVICING

Facilities leasing and debt servicing is not relevant to Subtask 3.1 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes. Consequently, program administrators do not get involved in this area.

Based on MJ's review, program administrators have formally evaluated existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization, and reached reasonable conclusions. Accordingly, Subtask 3.1 is met.

> **SUBTASK 3.2 – Determine whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and determine the reasonableness of their conclusions.**

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 3.2 as it relates to facilities, planning, use, and construction, MJ interviewed the assistant superintendent, Operations; executive director, Facilities; and director of Environmental Services and Projects. The information obtained during these interviews and the review of documentation provided revealed that program administrators have a process to assess contracted and/or privatized services to verify effectiveness and cost savings achieved. Construction project and maintenance work order performance are reviewed and assessed in Design and Construction Services' regularly scheduled weekly and monthly meetings. **Figure 3-7**, Overall Project Status Report and **Figure 3-8**, Annual Project Status Report, are reports used during the meetings to review and assess project performance to include contracted and/or privatized services.

FIGURE 3-7
Overall Project Status Report
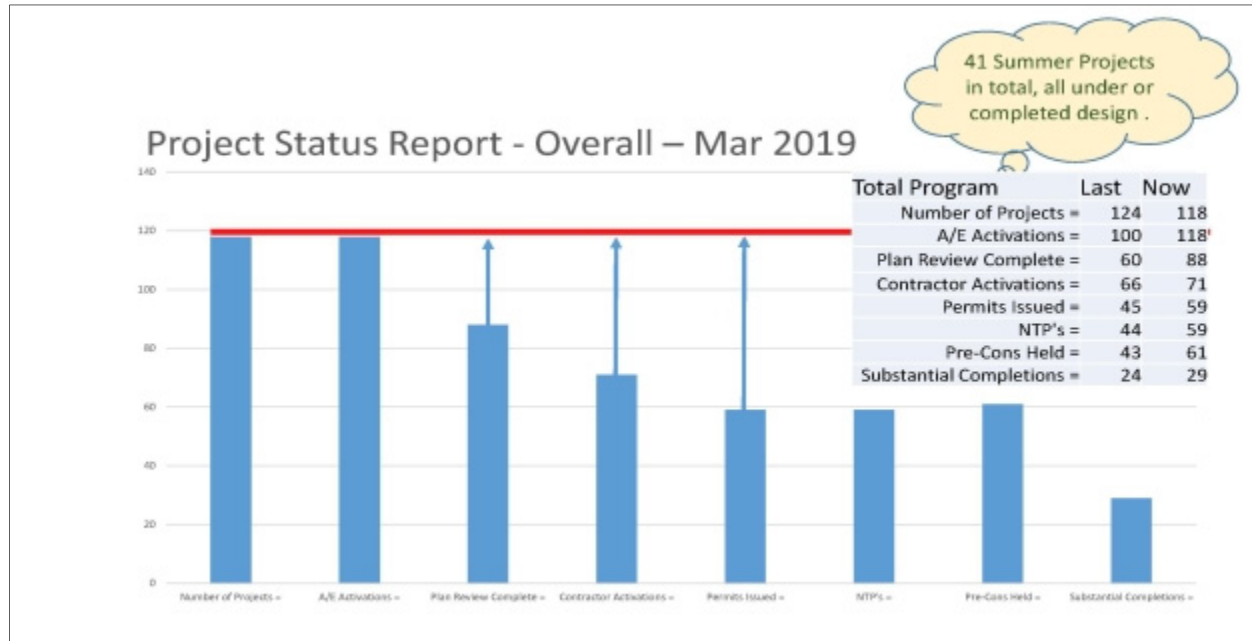
Source: Design and Construction Services, August 2019.

FIGURE 3-8
Annual Project Status Report

Project #	Project Category	Sch #	School Name	PROJECT	Project Budget	Summer Const. Project (Mark X)	PM	Est. START Date	Est. COMPL Date	A/E	Design Status (0%-100%)	Plan Review Compl	Contractor	Const Status (0%-100%)	Actual Substantial Completion Date
FS-3146	Food Service	3146	Matthew Gilbert MS	Serving line area/equipment upgrades	$700,000.00	1	AA	6/1/2019	9/30/2019	Bhide & Hall	100%	Y	Various	0	
FS-3155	Food Service	3155	Northwestern MS	Serving line area/equipment upgrades	$600,000.00	1	AA	6/1/2019	9/30/2019	Bhide & Hall	100%	Y	Various	0	
M-84320	Plumbing	3065	Atlantic Beach ES	Bldg 1 Restrooms- Bldg 2 - Girls/ Boys Restroom Renovations	$425,481.00	1	BA/JM	6/3/2019	8/2/2019	Akel Logan Shafer	100%	Y	Rivers Construction	35%	
M-84320	Plumbing	3259	Mandarin MS	Install sewer manhole between ESE Wing/Art and Kitchen behind school	$36,152.00	1	BA/RB	5/14/2019	6/28/2019	N/A	N/A	NA	Favor Plumbing	95%	
M-84320	Plumbing	3096	Ribault HS	Girls and boys old locker room restrooms, café restrooms, ROTC Bldg restrooms, library restrooms and gym	$530,097.07	1	BA/JM	5/17/2019	8/2/2019	Rodriguez Architecture	100%	Y	Rivers Construction	40%	
M-84320	Plumbing	3163	Rufus Payne	Perform remaining plumbing work in the side halls. Prior Year Fund	Prior Year Fund	1	BA/RB	6/3/2019	8/1/2019	MV Cummings	100%	Y	Favor Plumbing	80%	
M-84420	Bleachers	3096	Ribault HS	Design and Install lateral bracing (U2 Rating)	$20,000.00		BA/JM	TBD	TBD	GM Hill			Allstate		
M-84420	Bleachers	3241	Westside HS	Replace Bleacher Units 3 thru 8 (U2 Rating)	$60,000.00		BA/JM	TBD	TBD	N/A			Gulf Coast Sports		
M-84420	Bleachers	3248	Ed White HS	Design and Install cage around ladder leading to top of pressbox (U2 Rating)	$10,000.00		BA/JM	TBD	TBD	GM Hill			Allstate		
M-84420	Bleachers	3248	Ed White HS	Replace Bleachers Units 3, 5, and 6 (U2 Rating)	$30,000.00		BA/JM	TBD	TBD	N/A			Gulf Coast Sports		
M-84420	Bleachers	3155	Stanton College Prep	Evaluate and perform structural repairs to columns (U2 Rating)	$10,000.00		BA/JM	TBD	TBD	GM Hill			Allstate		
C-90640	Portables	3080	San Pablo ES	Demo 2 Exist at San Pablo/Install 2 Portable CRs w/bathrooms from Fort Caroline ES	$272,583.00	1	JM/BA	6/3/2019	8/2/2019	Bhide & Hall	100%	Y	Allstate	75%	
C-90640	Portables	3233, 3206, 3085, 3235, 3240, 3006	Lone Star ES, Brookview ES, Lake Lucina ES, Fort Caroline ES, Arlington Hts ES, and Mattie V. Rutherford ALT	C-90640 DW Portables- Demolish 20 Portables, Disconnect 2 Portables; Lone Star ES, Brookview ES, Lake Lucina ES, Fort Caroline ES, Arlington Hts ES, and Mattie V. Rutherford ALT	$189,045.12	1	JM/BA	Summer 2019	Summer 2019	N/A	N/A	N/A	Rivers Construction	75%	
M-84820	Windows	3146	Matthew Gilbert MS	Full School Window Replacement- Phase 5 of 7 (2018/19 CONSTRUCTION)	$437,667.00	1	JM/BA	6/3/2019	8/2/2019	Bhide & Hall	100%	Y	Auld & White	70%	
M-83680	Life Safety	3084	Bayview ES	Main corridor with louvered glass not compliant for fire rated corridor.	$261,859.64	1	JM/RB	6/5/2019	7/31/2019	N/A	N/A	N/A	E. Vaughan Rivers	75%	

Source: Design and Construction Services, August 2019.

Design and Construction Services uses the Contractor Application for Payment Checklist to assess contractor services and verify its effectiveness before payments are made. **Figure 3-9** shows the items assessed on the checklist that verifies contractor delivery performance.

FIGURE 3-9
Contractor Application for Payment Checklist

Duval County Public Schools---- Office of Facilities Design and Construction

DUVAL COUNTY PUBLIC SCHOOLS
CONTRACTOR APPLICATION FOR PAYMENT CHECKLIST

DCPS PROJECT # AND NAME:

ARCHITECT/ENGINEER:

CONTRACTOR:

The following items and information are to be submitted with the Contractor's pay request:
(Contractor to complete, initial, and sign. A/E to verify, initial, and sign.)

Contractor Initial	A/E Initial		
_____	_____	1.	Owner identified
_____	_____	2.	Contractor identified
_____	_____	3.	Contract purpose identified
_____	_____	4.	Project name identified
_____	_____	5.	School name and number identified
_____	_____	6.	A/E identified
_____	_____	7.	Application number identified
_____	_____	8.	Period identified
_____	_____	9.	Project number identified
_____	_____	10.	Contract date identified
_____	_____	11.	Distribution identified
_____	_____	12.	All dollar amounts indicated are correct (checked by A/E)
_____	_____	13.	Change order table complete & correct (when applicable)
_____	_____	14.	Contractor signature and date present
_____	_____	15.	Notary signature, date, and stamp present
_____	_____	16.	A/E amount certified present
_____	_____	17.	A/E firm identified
_____	_____	18.	A/E signature and date present
_____	_____	19.	Schedule of values present (page 2)
_____	_____	20.	Contractor purchase order or activation present
_____	_____	21.	OEO form present
_____	_____	22.	Project schedule present

Contractor signature_____ Date_____

Architect/Engineer signature_____ Date_____

DCPS Contractor Application for Payment Checklist

Source: Design and Construction Services, August 2019.

Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and reached reasonable conclusions, as they relate to facilities planning, use, and construction.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 3.2 as it relates to security and technology equipment purchasing, MJ interviewed the executive director School Police Department and his management team; the chief information officer and his management team; and the purchasing manager. The information obtained during these interviews and the review of provided documentation revealed that program administrators hold periodic review meetings with contract service providers to assess performance and cost.

The District Information Technology Division's project management methodology as shown in **Figure 3-4** has a monitoring and controlling step that assesses any contracted services and verifies delivery of performance effectiveness. The monitoring and controlling step consists of the following:

- Project manager tracks, reviews and regulates project,
- Analyze deliverables (compare and verify against project plan, budget, and requirements),
- Convene weekly project touch point meetings,
- Distribute meeting agenda and minutes status report on a weekly basis, and
- Report performance metrics and project logs.

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and reached reasonable conclusions, as they relate to security and technology equipment purchasing.

FACILITIES LEASING AND DEBT SERVICING

Facilities leasing and debt servicing is not relevant to Subtask 3.2 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes Consequently, program administrators do not get involved in this area.

Based on MJ's review, program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and reached reasonable conclusions. Accordingly, Subtask 3.2 is met.

> **SUBTASK 3.3 – Determine whether program administrators have made changes to service delivery methods when their evaluations/assessments found that such changes would reduce program cost without significantly affecting the quality of services.**

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 3.3 as it relates to facilities, planning, use, and construction, MJ interviewed the assistant superintendent, Operations; executive director, Facilities; and director of Environmental Services and Projects. The information obtained during the interviews and the review of documentation provided revealed that program administrators periodically review their work backlog and make decisions whether to change service delivery methods.

For instance, the Design and Construction Services' budget is approximately $250M and is mainly for personnel and supplies. This leaves only about $20M for construction projects. With an FCI backlog of $243M, a decision was made to have Facilities and Maintenance Services primarily focus on handling work orders and any construction projects would be outsourced to reduce cost and better utilize the available budget.

Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to whether program administrators have made changes to service delivery methods when their evaluations/assessments found that such changes would reduce program cost without significantly affecting the quality of services.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 3.3 as it relates to security and technology equipment purchasing, MJ interviewed the executive director School Police Department and his management team; the chief information officer and his management team; and the purchasing manager. The outcome of these interviews and the review of documentation provided revealed that program administrators routinely assessed service delivery methods and made changes as necessary to reduce cost without significantly affecting the quality of service.

The Information Technology Division evaluated the continued use of contractors to assist in providing technology support services. The evaluation revealed that converting the contractors to in-house employees would result in a cost savings of $917K, which the department is currently in the process of implementing. **Figure 3-10** depicts the results of the conversion analysis.

FIGURE 3-10
Contractor Conversion Analysis

Contractor Conversion Analysis			
Number of Contractors	Potential Contractor Expense	Possible In-house Salary plus Benefits (31.5%)	Potential Savings
22	$3,303,497	$2,386,725	$916,772

Source: Information Technology Division, August 2019.

The Information Technology Division uses student interns during the summer to augment the technical staff for maintenance and deployment of hardware/software in preparation for the new school year. Although the students are paid a stipend, it is much less than what it would cost to hire outside resources to do the same work.

The District had not previously considered leasing as a viable option for acquiring technology equipment. But once the District constructed the new data center, it was decided to evaluate leasing the computing equipment and outsourcing the support. The cost/benefit evaluation revealed that it would be most cost effective to lease. The lease agreement provides the following benefits:

- Allow seamless transition of all production systems as the District transitions to the new data center,
- Allow all critical systems to move from multiple locations to a centralized server and storage system,
- Enable the District to replace outdated systems, add capacity, and increase response time for ongoing Information Technology request, and
- Result in a $2.8M savings to the District.

Through an open bidding process in response to the Request for Proposal (RFP), the District selected a technology solutions provider serving the education, state, and local government markets.

The District's School Police Department uses off-duty Jacksonville Sheriff Office (JSO) officers to provide security for district and schools special events. This eliminates the need to have permanent staff available to cover such events thereby reducing cost without affecting the quality of service.

Also, the School Police Department participates in the Florida Sheriff's Association Cooperative Purchasing Program. The program offers statewide contracts on a variety of vehicles, equipment, and services at a significantly reduced cost.

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to whether program administrators have made changes to service delivery methods when their evaluations and/or assessments found that such changes would reduce program cost without significantly affecting quality of services as they relate to security and technology equipment purchasing.

FACILITIES LEASING AND DEBT SERVICING

Facilities leasing and debt servicing is not relevant to Subtask 3.3 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes. Accordingly, program administrators do not get involved in this area.

Based on MJ's review, program administrators have made changes to service delivery methods when their evaluations/assessments found that such changes would reduce program cost without significantly affecting the quality of services. Accordingly, the District has met Subtask 3.3.

> **SUBTASK 3.4 – Identify possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (e.g., other counties, etc.).**

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 3.4 as it relates to facilities, planning, use and construction, MJ interviewed the assistant superintendent, Operations; executive director, Facilities; and director of Environmental Services and Projects. The information obtained during the interviews and the review of documentation provided revealed that there are opportunities to identify alternative service delivery methods to reduce program costs.

The District is a member of the Council of the Great City Schools (CGCS), which performs an annual benchmark study of the operations of large urban school districts across the country. The District's membership in CGCS and its participation in the benchmark study, provide opportunities for alternative service delivery methods to be identified.

Design and Construction Services reaches out to other local school districts to solicit their approach to service delivery which could lead to alternative service delivery methods. For example, email correspondence with a neighboring school district outlined their process for handling hard-bid construction contracts. The email states:

> *"Attached, please find our front end template and all accompanying documents for hard-bid construction projects. That template, labeled "Contract Front End Document", is the first attachment. Page 21 of that document calls for the next four attachments (Public Entity Crimes, JLA Act Acknowledgement, Certification Regarding Debarment, and Drug Free Workplace Certification forms) be inserted there; page 106 gives instruction for the*

following two documents (Performance and Payment Bond samples) to be attached. All of the Division 01 documents are generic with the exception of 01 50 13,which is specific to our most recent hard-bid project. I also included for your use the two variations of 09 68 00 for carpet: one is contractor supplied, the other owner supplied."

The collaboration with the neighboring school district resulted in Design and Construction Services implementing an alternative method for delivering hard-bid contract services.

Based on MJ's work in the facilities planning, use, and construction area, there are no issues or concerns related to whether program administrators have made changes to service delivery methods when their evaluations and/or assessments found that such changes would reduce program cost without significantly affecting quality of services as they relate to facilities planning, use, and construction.

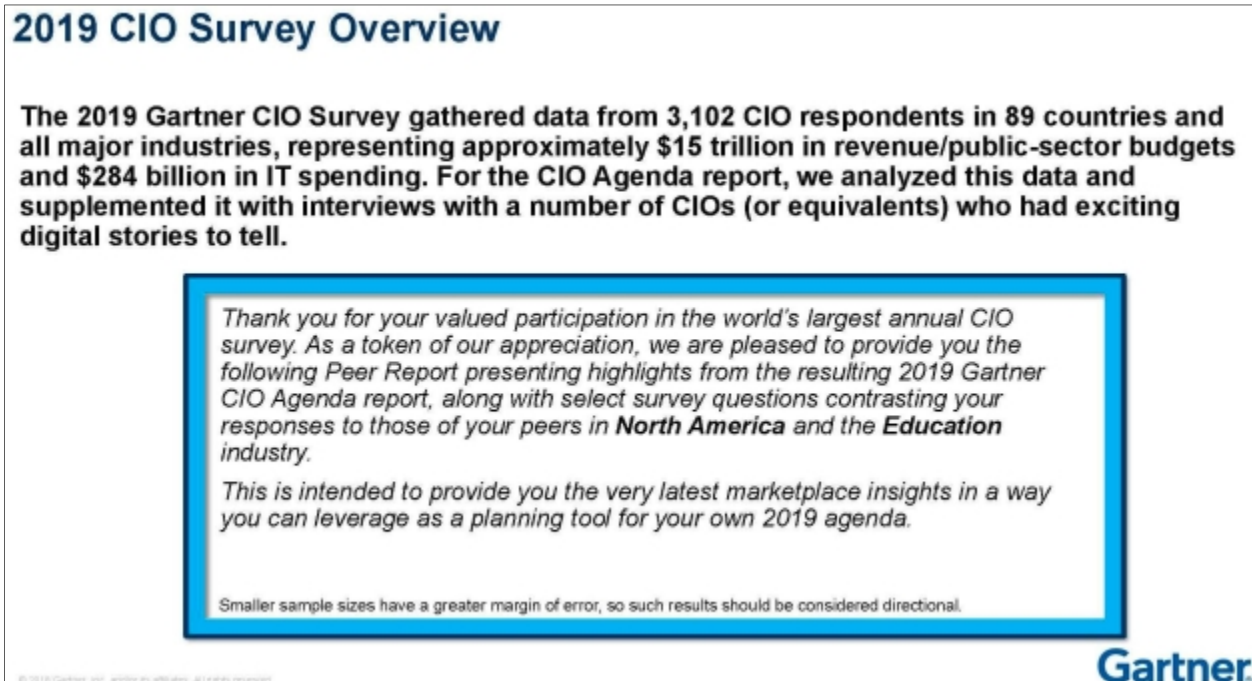## SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

To address the requirements of Subtask 3.4 as it relates to security and technology equipment purchasing, MJ interviewed the executive director School Police Department and his management team; the chief information officer and his management team; and the purchasing manager. The outcome of these interviews and the review of documentation provided revealed that the District's membership and participation in the CGCS provides opportunities to collaborate with other large school districts to identify alternative methods for service delivery.

The District's Security and Information Technology Divisions participate in the CGCS and have its benchmark data available to identify possible opportunities for alternative service delivery methods.

The District's Information Technology Division has membership or participates in several industry forums or user groups that provide access to peer organizations to identify opportunities for alternative delivery methods of services. For example, the District's Gartner Group membership provides key benchmark measures against other information technology organizations. The 2019 Gartner CIO survey compares the District's Information Technology Division against its peers in North America and the education industry. **Figure 3-11** shows the 2019 Gartner Group CIO Survey Overview. The potential use of this survey data could provide the Information Technology Division with possible opportunities for implementing alternative service delivery methods.

FIGURE 3-11
Gartner Group Overview

2019 CIO Survey Overview

The 2019 Gartner CIO Survey gathered data from 3,102 CIO respondents in 89 countries and all major industries, representing approximately $15 trillion in revenue/public-sector budgets and $284 billion in IT spending. For the CIO Agenda report, we analyzed this data and supplemented it with interviews with a number of CIOs (or equivalents) who had exciting digital stories to tell.

Thank you for your valued participation in the world's largest annual CIO survey. As a token of our appreciation, we are pleased to provide you the following Peer Report presenting highlights from the resulting 2019 Gartner CIO Agenda report, along with select survey questions contrasting your responses to those of your peers in **North America** *and the* **Education** *industry.*

This is intended to provide you the very latest marketplace insights in a way you can leverage as a planning tool for your own 2019 agenda.

Smaller sample sizes have a greater margin of error, so such results should be considered directional.

Gartner

Source: Information Technology Division, August 2019.

The District's Security Division consults with JSO on a routine basis to ensure the most cost effective methods are being used to provide security and safety services. The District maintains an excellent relationship with JSO because the executive director School Police Department and the deputy director are former JSO officers.

Based on MJ's work in the security and technology equipment purchasing area, there are no issues or concerns related to identifying possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (e.g., other counties, etc.).

FACILITIES LEASING AND DEBT SERVICING

Facilities leasing and debt servicing is not relevant to Subtask 3.4 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes. Consequently, program administrators do not get involved in this area.

Based on MJ work, several possible opportunities were identified for alternative delivery service methods that have the potential to reduce program costs.

In security, the use of an outside security service provider on the State of Florida Term Contract (STC) No. 92121500-14-01 could provide required additional security staff at a reduced cost. **Figure 3-12** shows a potential service provider's quote for the 2019-2020 school year.

FIGURE 3-12

Potential Security Service Provider Quote 2019-20 School Year

STC Position/Equipment	Estimated Number Required	Bill Rate
Level IV Security Officer (Occasional) – Armed	60	$22.42/hour
Level V Security Officer (Occasional) Supervisors	6	$26.33/hour
Level VI Security Officer (Occasional) Project Director	1	$33.18/hour
Vehicles – SUV	7	$1,450/month
HeliAUS Mobile Workforce Management Tool – OPTIONAL AS NEEDED		$149/month
Flip Phone (1 per school)	60	$35/MONTH

Source: School Police Department, August 2019.

The District's Energy and Conservation Program was started in 2005. It has resulted in reduced energy and water consumption and cost by implementing various facility improvements. The District has realized a cost avoidance of over $165M since the program began. The program uses a school's Energy Management and Control System (EMCS) to monitor energy performance. The performance data is entered into the District's energy management software to assist with data analysis and benchmarking. The results are used to assess a project's effectiveness and determine which future projects have the best return on investment. But some schools do not have an EMCS or it is outdated and difficult to maintain. In schools that have a new or upgraded EMCS the program's cost reduction is significant. For example, one school's electric bill for May-June 2018 was $7,113 and for May-June 2019 it was $5,782. That reflects a year over year reduction in cost of $1,331. Therefore, the installation or upgrade of an EMCS at all the District's schools provides an opportunity for identifying alternative service delivery methods that have the potential to significantly reduce cost.

According to the Florida School District Annual Energy Cost Report, the District already has one of the lowest electricity cost per FTE and square foot for school districts in the state. Also, it is well below the state average. **Figure 1-37** shows the latest five-year electricity cost per FTE for the State of Florida's seven largest school districts.

Based on MJ's review, the District identifies possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (e.g., other counties, etc.). Accordingly, Subtask 3.4 is met.

RESEARCH TASK 4

> **GOALS, OBJECTIVES, AND PERFORMANCE MEASURES USED BY THE PROGRAM TO MONITOR AND REPORT PROGRAM ACCOMPLISHMENTS.**
>
> **<u>FINDING SUMMARY</u> – Overall, the School District of Duval County, Florida Partially Meets Task 4.**
>
> Program objectives documented in the District's Operations Plan and Technology Plan align with the strategic plan and are clearly stated. However, the goals and objectives are not measurable, and as a result, it is unclear whether they can be achieved within budget. Although the District maintains various project status reports and uses the performance measures reported by the Council of the Great City Schools, the District did not provide a standard management report by project which demonstrates that cost and timing variances are monitored and reported. Comprehensive administrative procedures are not developed to document processes and relevant checklists and required reports to enhance the internal control environment. In addition, the purchasing director reports to the executive director of Facilities Planning. In most organizations, the purchasing function reports to the Financial Division.

RESEARCH SUBTASK ANALYSIS AND CONCLUSIONS

> **SUBTASK 4.1 – Review program goals and objectives to determine whether they are clearly stated, measurable, can be achieved within budget, and are consistent with the school district's strategic plan.**

To address the requirements of this subtask, MJ requested documentation of the District's program goals and objectives and reviewed them for consistency with the District's strategic plan.

The team first reviewed the District's 2017-2020 Strategic Plan, which is included on its website and Comprehensive Annual Financial Report. The District adopted a strategic plan aligning all of its strategic goals around the vision and mission of the District. The District's vision statement is: "*Every student is inspired and prepared for success in college or a career, and life.*" The District's mission is: "*To provide educational excellence in every school, in every classroom, for every student, every day*".

Aligning with the vision, mission and core values of the strategic plan, the Superintendent developed four strategic goals, with various strategies from which all initiatives and individual goals are being developed around. **Figure 4-1** presents the District's strategic goals and strategies.

PERFORMANCE AUDIT
THE SCHOOL DISTRICT OF DUVAL COUNTY, FLORIDA

FIGURE 4-1

District Goals & Strategies Per the 2017-2020 Strategic Plan

GOAL	STRATEGY
GOAL 1: *Intentional Focus on Student Achievement and Well-Being*	• **Strategy 1**: Promote student engagement through safe, nurturing, and enriching learning environments. • **Strategy 2**: Provide rigorous and research based curriculum through differentiated learning opportunities. • **Strategy 3**: Expand and improve well-rounded opportunities for the development of the whole child.
GOAL 2: *Develop & Retain High Performing Members*	• **Strategy 1**: Recruit and retain a diverse team of high quality personnel. • **Strategy 2**: Provide all team members with the opportunity and support to develop professionally. • **Strategy 3**: Build capacity within the organization to support succession management.
GOAL 3: *Sustain Engagement of Parents, Caregivers, & Community*	• **Strategy 1**: Provide resources and opportunities to increase district-wide volunteerism, stakeholder awareness, and family engagement. • **Strategy 2**: Create a welcoming and responsive environment for all stakeholders through high quality customer service. • **Strategy 3**: Expand and ensure alignment and sustainability between district priorities and government and community organizations.
GOAL 4: *Ensure Effective, Equitable, & Efficient Use of Resources Aligned to Improve Student Outcomes*	• **Strategy 1**: Ensure our facilities and grounds are maintained in a manner that creates a safe, healthy, and positive learning and working environment for both our students and employees. • **Strategy 2**: Provide all schools and departments with the technology, the materials, and the equipment needed to meet the needs of students. • **Strategy 3**: Ensure the use of district funds is transparent, strategic, and aligned to priorities.

Source: DCPS Website and Comprehensive Annual Financial Report (CAFR).

FACILITIES PLANNING, USE, AND CONSTRUCTION

To address the requirements of Subtask 4.2 as they related to facilities planning, use and construction, MJ reviewed the program goals and objectives identified in the Operations Annual Plan. The Operations Annual Plan is organized by department, and includes the department's major functions and action plans for the year. **Figure 4-2** depicts the most relevant goals and objectives relative to the program areas.

FIGURE 4-2

Program Goals and Objectives Per the Operations Annual Plan

Goal	Program Strategies	How Aligned with District's Strategic Plan	Clearly Stated?	Measurable?	Can be Achieved within Budget?
Ensure Effective, Equitable, & Efficient Use of Resources Aligned to Improve Student Outcomes	**Strategies:** • Focus on the needs of schools and students. • Ensure complex and technical requirements of schools' facilities are met or exceeded. • Deliver targeted, comprehensive, and most importantly, responsive solutions to current and future operational challenges that are encountered at schools and district facilities.	Goal 4	Yes	No	No

Source: Operations Annual Plan 2018-2019.

Based on MJ's assessment in the Facilities Planning, Use and Construction area, the program objectives align with the strategic plan and are clearly stated. However, the goals and objectives are not measurable, and, as a result, it is unclear whether they can be achieved within budget.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

MJ reviewed the District's Technology Plan and Operations Plan, which document the divisions' goals and objectives. The division is responsible for determining hardware solutions and supporting software applications for schools and district offices. In addition, the division is responsible for supporting SAP and the Student Information System (SIS). Continued alignment of user needs, technology standards, assessments, software support and implementation processes, and the evolution of technology delivery systems must be achieved to maximize technology effectiveness in both instructional and business environments.

The District's Technology Plan 2019-2020 represents a strategic planning tool and dynamic document that evolves as the needs of the user base continue to be re-defined, as educational requirements change, and as technological solutions emerge. The plan includes the Technology Services Division's mission and vision, goals, and strategies in alignment with the District's strategic plan. The District Technology Services Division supports the needs of over 160 schools in training, integration, and use of technology. **Figure 4-3** depicts the most relevant division goals and objectives relative to the program areas.

FIGURE 4-3

Program Goals and Objectives Per the Technology Plan

Goal IV	Program Strategies	How Aligned with District's Strategic Plan	Clearly Stated?	Measurable?	Can be Achieved within Budget?
Ensure Effective, Equitable, & Efficient Use of Resources Aligned to Improve Student Outcomes	**Strategies:** • Provide all schools and departments with the technology needed to meet the needs of students. • Ensure the use of District funds is transparent, strategic, and aligned to priorities.	Goal 4	Yes	No	No

Source: Technology Plan 2019-2020.

The Technology Plan also includes project level short-term and long-term goals such as:

A. **Operations**
   • Employee and visitor check-in system
   • Badge management system for student and employee ID cards

B. **Hardware**
   • Cameras in remaining middle schools
   • Two (2) cameras in elementary schools
   • VOIP phones in all schools
   • Panic buttons

Based on MJ's assessment in the Security and Technology Equipment Purchasing area, the program objectives align with the strategic plan and are clearly stated. However, the goals and objectives are not measurable, and, as a result, it is unclear whether they can be achieved within budget.

FACILITIES LEASING & DEBT SERVICING

Facilities leasing and debt servicing is not relevant to Subtask 4.1 because facilities leasing and debt servicing involves making payments on existing debt. Servicing the District's debt is not an operation like project construction, which is characterized by outputs and measurable outcomes. The District uses the Debt Service Report to project how much will be needed to service debt, and payment plans are made around these projections so that funds are available. The District also uses amortization schedules for each debt issuance to verify payment notices

from the escrow agent. Debt servicing activities are consistent and well defined. Accordingly, program goals and objectives are not relevant to these activities.

Based on MJ's review, program objectives align with the strategic plan and are clearly stated. However, the goals and objectives are not measurable, and, as a result, it is unclear whether they can be achieved within budget. Accordingly, subtask 4.1 is partially met.

RECOMMENDATION

Develop and document program objectives which are measurable and can be achieved within budget.

> **SUBTASK 4.2 – Assess the measures, if any, the District uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives.**

To perform the assessment, MJ interviewed District management regarding their documentation of program measures and determining if they successfully meet its program goals and objectives.

As indicated in Subtask 1.2, a distinction must be made between performance measurement and performance evaluation. In summary, performance measurement data *describe program achievement* while program evaluation *assesses program performance* against the achievement data and explains the results. The focus of this subtask 4.2 is the *identification* of performance measures.

Key performance measures include monitoring actual versus budgeted expenditures and target versus final completion dates.

FACILITIES PLANNING, USE, AND CONSTRUCTION

MJ reviewed the following reports with performance indicators as indicated in **Figure 4-4**.

FIGURE 4-4
Performance Measures

Report	Report Figure No.	Performance Indicators	Performance Measure	MJ Comments
INTERNAL MONITORING				
Expenditure Report: budget, committed items, encumbrances, expenditures and unexpended budget. It is a system-generated report than can be viewed by all departments that have funds allocated.	1-6, 1-7	Budget, actual expenditures, unexpended amount	Over/Under Budget	Standard performance measure

Report	Report Figure No.	Performance Indicators	Performance Measure	MJ Comments
Annual Projects Report: spreadsheet with project budget, estimated start date; estimated completion date; design status; plan review status; construction status (% complete); substantial completion date; final inspection date; status	1-8	• Estimated start date versus notice to proceed • Estimated completion date versus final completion date	Timeliness of Start or Completion Date	The performance measure must be calculated; it is not included in the Annual Projects Report
Design and Construction Metrics Report: graphics indicating number of projects completed; A/E activations; plan review completed; contractor activations; permits issued; NTP's, Pre-cons held; substantial completions	1-24	Count of various performance indicators	None	No performance measures; indicators
EXTERNAL BENCHMARKS				
Council of the Great City Schools 2018 Performance Measurement and Benchmarking Project for FY2016-2017	1-25	District versus Statewide Benchmarks – Maintenance & Operations • Major maintenance: Cost per Student • Major maintenance: Delivered Construction Cost as % of Total Costs • Major maintenance: Design to Construction Cost Ratio • Renovations: Cost per Student • Renovations: Delivered Construction Cost as % of Total Costs • Renovations: Design to Construction Cost Ratio • New Construction: Cost per Student • New Construction: Delivered Construction	Reasonableness of Costs	Only cost-related benchmarks. These benchmarks are included on Design and Construction Services' monthly project status report

Report	Report Figure No.	Performance Indicators	Performance Measure	MJ Comments
		Cost as % of Total Costs • New Construction: Design to Construction Cost Ratio		

Source: Referenced Reports.

Based on MJ's assessment in the Facilities Planning, Use and Construction area, while reports provide various performance indicators, the division lacks one report that clearly presents actual versus budgeted expenditures and target versus final completion dates.

SECURITY AND TECHNOLOGY EQUIPMENT PURCHASING

MJ reviewed the following reports with performance indicators as indicated in **Figure 4-5**.

FIGURE 4-5
Performance Measures

Report	Report Figure No.	Performance Indicators	Performance Measure	MJ Comments
INTERNAL MONITORING				
Information Technology Project Status Report: spreadsheet to monitor project status with color-coded health indicators including start date, adjusted start date, expected end date, end date status; project health	1-12	• End Date Status (on time, delayed) • Start Date versus Adjusted Start Date • Project Health Colors (green-on track; yellow-on track but problems; red-not on track)	• Timeliness of Start Date • Project On Track Status	• The number of days between dates is not on the report • Only colors are used to indicate status instead of using narrative also
Weekly Technology Portfolio Updates: project status reports dashboards	1-14	Graphic view of Project Status report includes: • Count by Project Health Colors (number of green, yellow, red projects) • Count of Projects in progress or on hold • Count of Projects open, complete, or canceled	N/A; provides counts of project status	N/A; performance indicators; provides counts of project status

Report	Report Figure No.	Performance Indicators	Performance Measure	MJ Comments
Capital Plan Tracking Workbook: spreadsheet to track IT funds approved in the capital budget from a financial status. Indicates when a budget amendment may be necessary. Includes approved budget, expenditures, and remaining balance.	1-15	Budget, expenditures, remaining budget	Over/Under Budget	Standard performance measure
EXTERNAL BENCHMARKS				
Council of the Great City Schools 2018 Performance Measurement and Benchmarking Project for FY2016-2017	1-25	District versus Statewide Benchmarks – Information Technology • Devices – Average Age of Computers • Devices – Computers per Employee • Devices per Student	Number of devices	Benchmarks not directly related to program areas

Source: Referenced Reports.

Based on MJ's assessment in the Security and Technology Equipment Purchasing area, while reports provide various performance indicators, the division lacks one report that clearly presents actual versus budgeted expenditures and target versus final completion dates.

FACILITIES LEASING & DEBT SERVICING

FIGURE 4-6
Performance Measures

Report	Report Figure No.	Performance Indicators	Performance Measure	MJ Comments
EXTERNAL BENCHMARKS				
Council of the Great City Schools 2018 Performance Measurement and Benchmarking Project for FY2016-2017	1-25	District versus Statewide Benchmarks – Financial Management • Debt Principal Ratio to District Revenue • Debt Servicing Costs Ratio to District Revenue	Debt Percentage to District Revenue	Standard performance measure

Source: Referenced Reports.

Based on MJ's assessment in the Facilities Leasing & Debt Servicing area, there were no issues regarding the measures, the District uses to evaluate program performance.

The District maintains diverse project status spreadsheets instead of developing standard forms for all projects such as the following best practices examples of a Project Summary Sheet and Monthly Progress Report. These examples can be modified to fit the District's requirements and to enhance reporting performance measures such as cost and timeline variances. The key components include Project Summary Sheets and Monthly Progress Reports, as discussed on the following pages.

Project Summary Sheets

The project summary sheet serves as a management tool to monitor project costs and also provides historical evidence should the need arise to look back at the project's financial activities. This is an effective internal control.

A project summary sheet is prepared and updated for each payment made, change order, and at project completion. This summary sheet tracks the financial aspects of the respective project. **Figure 4-7** provides a project summary sheet example.

FIGURE 4-7

Project Summary Sheet – Best Practice Example

CONSTRUCTION PROJECT #	**17009**	TOTAL PROJECT BUDGET $	7,000,000.00
LAWSON PROJECT NUMBER:	**8619**	TOTAL DESIGN & CONSTRUCTION BUDGET $	5,684,900.00
PROJECT NAME:	**Robinson HS Addition**	TOTAL DESIGN & CONSTRUCTION COST	$5,187,226.04
SDHC ADMINISTRATOR	**Chuck Plante**	Over/Under Budget $	497,673.96
		Over/Under Budget %	9%

CONTRACTOR / CONSTRUCTION MANAGER:

		ARCHITECT:	
NAME:	**Ajax Building Corporation**	NAME:	**John J. McKenna**
DATE APPOINTED:	**05/02/17**	DATE APPOINTED:	**05/02/17**
Please see Bond for complete names of Bonding Companies			
BONDING CO.:	**Liberty Mutual Ins. Co. Bond #016072652**	SCHEMATIC DESIGN	100% APPROVED
ADDRESS:	**175 Berkeley Street**	DESIGN DEVELOP.	100% APPROVED
LOCATION:	**Boston, MA 02116**	CONSTRUCT. DOC.	05/15/18 100% APPROVED
		GUAR. MAXIMUM PRICE	05/15/18 100% APPROVED
CONTRACT COMPLETION DATE:	**03/26/19**		
REVISED COMPLETION DATE:			
SUBSTANTIAL COMPLETION DATE:		PROJECT SQUARE FOOTAGE	SF
BOARD ACCEPTANCE DATE:			
TIME EXTENSIONS APPROVED	(# of days) APPROVED (date)		
	(# of days) APPROVED (date)		

ORIGINAL GUARANTEED MAXIMUM PRICE:	**$4,859,768.00**			**PRECONSTRUCTION:**	
				FEE:	**$44,336.00**
C/O #1	07/23/18	($825,000.00)	Direct Purchase	C/O #1	(amount)
C/O #2	(date)	(amount)		C/O #2	(amount)
C/O #3	(date)	(amount)		C/O #3	(amount)
C/O #4	(date)	(amount)		**REVISED:**	**$44,336.00**
C/O #5	(date)	(amount)			
C/O #6	(date)	(amount)			
C/O #7	(date)	(amount)			
C/O #8	(date)	(amount)			
C/O #9	(date)	(amount)			
CHANGE ORDERS (NET TOTAL)		($825,000.00)	-17.0% if 10% or +$300,000 (whichever is less) *requires Board Approval*		
REVISED GUAR. MAXIMUM PRICE		$4,034,768.00			
				REVISED GMP (Includes ODP)	$4,034,768.00
COMPLETED & STORED TO DATE		**$393,709.85**		DIRECT PURCHASE #1	$825,000.00
RETAINAGE		$30,637.98	10.00%	DIRECT PURCHASE #2	(amount)
LIQUIDATED DAMAGES		$0.00		DIRECT PURCHASE #3	(amount)
AMOUNT PAID TO DATE		**$363,071.87**	See "Contractor" tab	DIRECT PURCHASE #4	(amount)
BALANCE DUE ON CONTRACT		**$3,671,696.13**		DIRECT PURCHASE #5	(amount)
				DIRECT PURCHASE #6	(amount)
				DIRECT PURCHASE #7	(amount)
				DIRECT PURCHASE #8	(amount)
				DIRECT PURCHASE TAX SAVINGS	($53,971.96)
PERCENT CONTRACT PAID		**9.00%**		**REVISED TOTAL CONSTRUCTION COST**	**$4,805,796.04**

ORIGINAL DESIGN SERVICE FEE:		**$354,900.00**		**REIMBURSABLES:**	
				INITIAL:	**$10,000.00**
Reimbursables		$10,000.00		ADS #__	(amount)
ADS #1	10/11/17	$3,950.00	Geotechnical Services	ADS #__	(amount)
ADS #2	05/08/18	$11,700.00	New Entry Canopy	ADS #__	(amount)
ADS #3	06/18/18	$880.00	(Description)		
ADS #4	(date)	(amount)	(Description)		
ADS #5	(date)	(amount)	(Description)	**REVISED:**	**$10,000.00**
ADS #6	(date)	(amount)	(Description)		
ADS #7	(date)	(amount)	(Description)		
TOTAL ADDITIONAL DESIGN SERVICE (NET TOTAL)		$26,530.00	7.5% 10% or $300,000 (whichever is less) *requires Board Approval*		
REVISED DESIGN SERVICE FEE		**$381,430.00**	Total Paid		
				REVISED TOTAL DESIGN COST	**$381,430.00**

Source: MJ's Best Practice Research.

Monthly Progress Report – Best Practice Example

The monthly progress report provides summary details of the project and also includes a picture of the project's progress. In addition to project details, key information includes the following:

- Contract status in terms of approved budget and amount billed, percentage of dollars expended, contract calendar days, calendar days expended, and percentage of time expended. These measures enable project managers to quickly identify potential problems. For example, if the contractor has billed a significantly higher percentage of the contract amount compared to the percentage of calendar days expended it could indicate that the contractor may be in a position that the budget will be depleted before the project is completed.

- Key milestone dates that include project start date, certificate of occupancy date, substantial completion date, final completion date and total project duration.

Figure 4-8 provides a monthly progress report example. The District can establish the criteria for using a monthly progress report such as for major projects over $100,000.

FIGURE 4-8

Monthly Progress Report – Best Practice Example

T1-Q1-Monthly Progress Report to Monitor Project Performance and Cost

MONTHLY PROGRESS REPORT

PROJECT DIRECTORY:

Construction Manager/GC:	Creative Contractors, Inc.
PROJECT MANAGER:	Ben Harger
PROJECT SUPERINTENDENT:	John Fraley / Shane McCray
PROJECT OFFICE ACCOUNTANT	Jennifer Hall
Engineer:	Lyle Engineering Group, Inc.
PRINCIPAL:	Roy Moral
ASSOCIATE:	
Structural Engineer:	N/A
Civil Engineer:	N/A
Mechanical Engineer:	Lyle Engineering Group, Inc.
Electrical Engineer:	Lyle Engineering Group, Inc.

REPORT DATE, PREPARED BY: 06/27/2018 Ben Harger

PROJECT INFORMATION:

Name:	Cypress Creek Elem. School HVAC Replacement
Address:	4040 19th Ave NE
City/State/Zip:	Ruskin, FL 33573
District Job Number:	17023

PROJECT OVERVIEW: A=Actual, P=Projected

	Date	A/P
Project Start Date (NTP):	05/02/18	A
Structure top out Date:	NA	
Permanent Power Date:	NA	
Certificate of Occupancy Date:	08/03/18	P
Substantial Completion Date:	08/03/18	P
Date of Actual Building Occupancy:	08/02/18	P
Date of Final Completion:	08/10/18	P
Total Project Duration:	70	Days

T1-Q1

PROJECT DESCRIPTION:

Building Use:	Elementary School
Construction Type:	2 story masonry, concrete, and steel structure
Total Square Footage:	78,000
# Student Stations	NA
Number of Floors:	2
Foundation Type:	Spread Footing
Structural Frame:	Masonry
Exterior Skin:	Stucco over Masonry
Roof System:	Modified Bitumen Roof

SITE STATS:

TOTAL AREA (ACRES):	3
SURFACE PARKING SPACES (EACH)	Existing
# OF HANDICAP SPACES	Exisitng

ADMINISTRATIVE OVERVIEW:

Total # of Subcontracts Anticipated:	4
# of Subcontracts Issued:	4
# of OSD Agreements Executed:	TBD
$ Value of OSD Agreements	TBD

CONTINGENIES (current $)

Contingency	$97,217

OTHER: NONE

PROGRESS PENDING ISSUES (& RESPONSIBILITIES):

Current Critical Issues:

Issue	Responsiblility
No significant issus to report at this time.	

COMMENTS:

SCHEDULE POSITION (actual (+ days = ahead of schedule)

Critical Path Report	0

CONSTRUCTION UPDATE:

TYPE	% COMP.	REMARKS
Moving	100%	Furniture move is complete as of 5/31
Temp Prot	100%	Installing floor/millwork/window protection
Demo	100%	AHUs and 30% of first floor complete on 5/31
HVAC	50%	Working on HVAC Demo
Elec	50%	Working on Electrical safing and UG
ACT	40%	

CONTRACT STATUS:

CURRENT CONTRACT AMOUNT:	$ 3,008,615.55
AMOUNT BILLED TO DATE:	$ 1,385,159.04
PERCENT DOLLARS EXPENDED:	46%
CONTRACT CALENDAR DAYS:	70
CALENDAR DAYS EXPENDED:	36
PERCENT TIME EXPENDED:	51%
TOTAL LOST WEATHER DAYS:	0

Source: MJ's Best Practices Research.

The District did not provide a standard management report by project, which demonstrates that cost and timing variances are monitored and reported. Thus, this subtask is partially met.

RECOMMENDATION

Develop one report that clearly presents actual versus budgeted expenditures and target versus final completion dates.

> **SUBTASK 4.3 – Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.**

MJ did not divide Subtask 4.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's processes for the internal control environment is universal and applies to all three (3) areas.

To address the requirements of this subtask, MJ reviewed various policies and procedures and program reports, to determine if they provide reasonable assurance that program goals and objectives will be met. The documents were reviewed in light of the guiding principles in the COSO Internal Control – Integrated Framework. The COSO Internal Control – Integrated Framework is laid out into five (5) components that incorporates 17 principles incorporating internal controls. The five (5) components are:

- **Control environment** – Sometimes referred to as "the tone at the top". Control environment refers to the example set by executive management in its attitude toward the organization's internal controls and processes. In short, control environment refers to the extent to which management "walks the walk" in its approach to protecting the organization's reputation, assets and resources

- **Risk assessment** – What can possibly go wrong? Risk assessment seeks to identify business risks, both external and internal, that could prevent the organization from achieving its objectives.

- **Control activities** – Control activities refer to the policies and procedures put in place to meet the organization's objectives, while minimizing the potential for things to go wrong.

- **Information and communication** – Information and communication refers to the flow of relevant information both to and from management regarding the effectiveness of the internal controls and meeting the organization's objectives. For example, providing management with a report that shows performance results compared to goals and a written explanation of the deviation causes.

- **Monitoring activities** – These are the processes, tasks, reports and actions that management has in place to evaluate the performance of its internal controls and also identify and correct any flaws in the system.

The following reports and policies and procedures listed in **Figure 4-9** were reviewed in relation to the internal control components.

FIGURE 4-9

Example Internal Control Components to Meet Program Goals and Objectives

	Control Environment	Risk Assessment	Control Activities	Information and Communication	Monitoring Activities
PLANNING, MONITORING AND REPORTING DOCUMENTS					
Operations Plan 2017-2018: primary goals; departmental functions and action plans; proposed projects based on high demand or in high growth areas; proposed school construction; portables assignments	X	X		X	
Facilities Master Plan: 15-year master plan including construction; renovations; demolitions; security/safety upgrades	X			X	
Expenditure Reports: budget, committed items, encumbrances, expenditures and unexpended budget. It is a system-generated report than can be viewed by all departments that have funds allocated.			X	X	X
Annual Projects Reports: spreadsheet with project budget, estimated start date; estimated completion date; design status; plan review status; construction status (% complete); substantial completion date; final inspection date; status			X	X	X
Major Maintenance Execution Report: spreadsheet to monitor approved funding, potential costs, and projected surplus or deficit by project. Amounts reconciled to financial accounting system.			X	X	X
Technology Plan 2019-2020: mission, vision, goals, strategies, funding plan, technology acquisition plan, user support plan, professional development plan, monitoring and evaluation	X		X	X	
Information Technology Project Status Report: spreadsheet to monitor project status with color-coded health indicators including start date, adjusted start date, expected end date, end date status; project health			X	X	X

	Control Environment	Risk Assessment	Control Activities	Information and Communication	Monitoring Activities
Weekly Technology Portfolio Updates: project status reports dashboards			X	X	X
Capital Plan Tracking Workbook: spreadsheet to track IT funds approved in the capital budget from a financial status. Indicates when a budget amendment may be necessary. Includes approved budget, expenditures, and remaining balance.			X	X	X
Debt Service Report: calculate funds needed to service the debt for the current and coming year			X	X	
Comprehensive Annual Financial Report: financial reporting and internal control evaluation	X	X		X	X
State Auditor's Operational Audit: compliance and internal control evaluation	X	X		X	X
2018-19 Five-Year Capital Plan: budget for construction, technology and maintenance projects	X	X	X	X	
Board's review and approval of contracts exceeding $75,000 and lists of other expenditures	X	X	X	X	X
POLICIES AND PROCEDURES					
Board Policies	X	X	X	X	X
2018 Purchasing Guidelines which includes purchasing and guidelines for competitive sealed bid proposal instructions.	X	X	X	X	X

Source: Referenced Reports.

In addition, based on interviews and review of the District's organization charts, MJ observed that the director of Purchasing Administration reports to the executive director Facilities Planning and the executive director reports to the assistant superintendent Operations. The executive director indicated that the organizational structure was implemented because of the executive director's contract management certification. According to Board Policy 7.70, the director of Purchasing Administration shall serve as the District procurement officer except that the executive director Design and Construction Services shall serve as the principal procurement officer for real property and construction contracts. Although the policy indicates that the executive director should be the principal procurement officer, it does not state that the director

of Purchasing Administration should report to the executive director. Typically, the purchasing function is independent of the facilities function in order to maintain independence and minimize any appearance of a conflict of interest in the procurement process. MJ benchmarked a few school districts to determine the reporting responsibility for the purchasing function and observed that purchasing did not report to Design and Construction Services' management as shown in **Figure 4-10**. At Pinellas and Hillsborough school districts, purchasing reports to the Business Services Division; and at Orange County purchasing reports to Operations which is separate from the facilities function.

FIGURE 4-10
Reporting Relationships for Purchasing Function

School District	Duval County Public Schools	Pinellas County Schools	Orange County Public Schools	Hillsborough County Public Schools
Enrollment	129,479	102,905	200,674	214,386
Facilities Function Reports To	Chief Operations - Assistant Superintendent	Associate Superintendent, Operational Services	Facilities Services - Chief Facilities Officer	Deputy Superintendent, Operations
Procurement Function Reports To	Chief Operations - Executive Director, Facilities Planning	Associate Superintendent, Finance and Business Services	Operations - Chief Operations Officer	Business Services Division - Chief Financial Officer
Procurement Sr. Management	Director Purchasing Administrator	Purchasing Director	Senior Director, Procurement Services	General Manager, Procurement Services
Procurement Management	Supervisor I	Purchasing Manager	Procurement and Contracting Director	Procurement Manager
Procurement Management	Supervisor OEO		Facilities & Construction Contractor Director	Contracts Manager

Source: Referenced School District's Website.

Best practices indicate that the purchasing function strengthens segregation of duties by reporting to the chief financial officer and coordinate with the executive director Design and Construction Services for procurements related to real property and construction contracts.

Furthermore, Design and Constructions Services lacks comprehensive administrative procedures to support board policies including project management, project status reporting, and the bid and contracting process. Design and Construction Services' website includes the following information.

- Design Guidelines (no date): The Facilities Services Design Guidelines is intended to be a communication tool between the Design Professional (DP) and the Duval County Public

School's Design and Construction Services. It has been developed to assist the DP in the planning and design of functional, cost effective and durable educational facilities that are attractive and enhance the educational experience for the students.

- Non-Technical Specifications – March 2015: The specifications consist of contractual templates including the invitation to bid (March 2015), construction contract (March 2018), contract terms and conditions (March 2015), supplemental conditions, summary of work, special requirements, regulatory requirements, testing, contract closeout (January 2011), general requirements (March 2015), and project administration (March 2015).

- Professional Services Guide – March 2014: Guide to the Architect/Engineer (A/E) providing services to the District and is intended to assist the A/E in fulfilling both the contractual and the professional responsibilities.

- Contractor Application for Payment Checklist (no date)

- Architect/Engineer Project Close-Out Checklist (no date)

- Contractor Project Close-Out Checklist (no date)

Based on MJ's review, it was observed that comprehensive administrative procedures are not developed to document processes and relevant checklists and required reports to enhance the internal control environment. In addition, the purchasing director reports to the executive director of Facilities Planning which weakens the segregation of duties in oversight of purchasing and contracting transactions completed by Design and Construction Services' staff. In most organizations, the purchasing function reports to the Financial Division. Thus, this subtask is partially met.

RECOMMENDATION

Develop detailed administrative procedures to strengthen internal controls. Also, consider revising the organizational structure to require the purchasing director to report to Finance management.

RESEARCH TASK 5

THE ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS PREPARED BY THE SCHOOL DISTRICT WHICH RELATE TO THE PROGRAM.

FINDING SUMMARY – **The School District of Duval County, Florida meets this research objective.**

The District uses its primary website to disseminate important financial and non-financial information. Examples of information located on the website include the Comprehensive Annual Financial Report which highlights information such the organizational chart, general fund statement of revenues and expenditures, as well as information regarding the District's facilities leasing and debt service arrangements. The District also created the website, www.ourduvalschools.org, in May 2019 to keep the community apprised of happenings related to the proposed Long-Range Facilities Plan and related referendum. In addition to the websites, news and social media releases, electronic media (television), and notification calls are used to inform community members of events that require immediate attention. The District effectively executed an online survey to evaluate the accuracy and adequacy of public data. Multiple examples of program and cost information that is available and accessible to the public were provided to the review team as well as examples of documented processes that ensure the program maintains accurate and complete performance and cost information. Lastly, while the District provided examples of taking timely actions to correct erroneous and/or incomplete information that has been provided to the public, no formal procedures are in place to ensure erroneous and/or incomplete information is corrected timely. MJ recommended that a procedure be developed and implemented to address this issue.

RESEARCH SUBTASK ANALYSIS AND CONCLUSIONS

SUBTASK 5.1 – Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.

MJ did not divide Subtask 5.1 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess systems to provide useful, timely, and accurate financial and non-financial information is universal and applies to all three areas.

To address the requirements of this subtask, MJ conducted interviews with the chief of Public Relations and Marketing, web supervisor, and social media coordinator. MJ also conducted interviews with the District's chief financial officer, chief officer of information technology, assistant superintendent Operations, executive director Facilities Maintenance and Service, and director of Real Estate and Intergovernmental Liaison.

MJ evaluated relevant documents that were available to the public on the District's website during fieldwork (conducted August 5-9, 2019) to determine usefulness, timeliness, and accuracy. Most organizations consider the website to be the primary communications system (tool) that is used to ensure the public has access to pertinent, accurate, and timely data. The District's primary webpage is located at www.duvalschools.org.

Figure 5-1 summarizes some of the financial and non-financial data on the website. Based on the interviews completed and documents reviewed, the District has sufficient financial and non-financial-related information on the website that is useful, timely, and accurate.

FIGURE 5-1
Current Financial and Non-Financial Information on the Website

Sample Duval County Public School Documents Available to the Public	
Financial Information	**Description/Purpose**
Financial Transparency Webpage	DCPS has a strong interest in showing how local, state and federal money is spent in the pursuit of quality education for students throughout the District and at all schools. To give the community a clear view of how the District operates and how tax dollars are spent, financial information is posted for every fiscal year since 2007.
Comprehensive Annual Financial Report (CAFR), Fiscal Year Ended June 30, 2018	The Comprehensive Annual Financial Report (CAFR) is a set of U.S. government financial statements comprising the District's financial report that complies with the accounting requirements promulgated by the Governmental Accounting Standards Board (GASB). The CAFR highlights information such as the identification of board members, the District's organizational chart, the report from the independent auditor, management's discussion and analysis, financial and fund statements such as the District's balance sheet, and general fund statement of revenues and expenditures. The CAFR includes information regarding the District's facilities leasing and debt service arrangements. The District first issued Certificates of Participation (COPs) in the 2000-2001 fiscal year. Series 2000 was dated October 19, 2000 and the District had a zero balance July 1, 2000 but added $53,000,000 in COPs during the fiscal year. Because the information regarding facilities leasing and debt servicing is very technical, the District generally includes that information in the CAFR.
Duval County Public Schools 2019-2020 Budget Guidelines	This document is divided into five sections: (1) School Allocations, (2) Appropriation Guidelines, (3) Average Salaries, (4) Commitment Items (Function/Object Description), and (5) Certification of Shared Decision-Making Committee form. DCPS uses a shared decision-making process for its budget development.
Duval County Public Schools 2019-2020 Final Budget Summary	This document provides a complete snapshot of the roll-up of the District's budget.
Monthly Budgets	This document provides current budget along with line item increases and decreases, which results in a revised budget so that the District has an up-to-date and accurate picture of its finances. Budget amendments are submitted to the Board for approval monthly.

Sample Duval County Public School Documents Available to the Public	
Superintendent's Annual Financial Report (AFR) to the Florida Department of Education	The Annual Financial Report (AFR) is the unaudited data submitted to the Department by Florida school districts. It includes revenue detailed by federal, state, and local sources, and expenditures detailed by function (the purpose of an expenditure) and object (what was purchased, or the service obtained). The data is displayed by fund type, including general fund, special revenue funds, debt service funds, capital projects funds, permanent fund, enterprise funds, and internal service funds.
Monthly Financial Statements	Monthly financial reports are provided to the Board and reflect routine and special fund accounting transactions.
Duval County Public Schools 2018-2019 Five-Year Long-Range Capital Improvement Plan	The public can access this document via the website which contains a rolling schedule of planned projects, estimated costs, and status of completion related to projects that are underway for a five-year period.
Debt Management Website Link	The primary function of the Debt Management Team is to manage the debt obligations of the district. This website is designed to provide easy access to the district's debt related information to help provide investors and the general public with relevant information as they evaluate participating in our debt programs. Debt Management processes, reconciles and reports the district's debt activity. This includes ensuring debt service payments are made timely, proper record keeping, assisting in debt offerings and monitoring tax compliance on all debt obligations, which is linked to *Transparency Florida.* Transparency Florida is designed to provide a current, continually updated picture of the state's operating budget as well as daily expenditures made by state agencies. The Florida Department of Education provides access to school district Annual Financial Reports and Summary Budgets on the Transparency Florida website.
State of Florida's Auditor General Report	Audit of Duval County Public School District focused on selected processes and administrative activities including follow-up findings from prior reports.
Annual Financial Report of Unweighted Full-time Equivalent (UFTE)	Report of unweighted full-time equivalents (FTEs) from general fund, special revenue funds, debt service funds, and capital projects funds.
Lottery Report	Duval County School Board Schedule of Expenditures by Object Code Lottery and School Recognition Funding
Non-Financial Information	**Description/Purpose**
A Bold Plan for DCPS – Master Facility Plan, 2018	The goal of the Master Facility Plan is to address the District's aging buildings (among the oldest in the state of Florida), create safe and secure spaces for students and staff, remove most of the District's portable classrooms, decrease excess seat capacity, and increase utilization capacity. Additionally, the plan, once fully implemented, removes over $1 billion in deferred facility maintenance over the next 15 years.
Facilities Annual Project Status Report 2018-2019	Summary documentation that provides project number, school name, description, budget, estimated start and completion date, contractor name, and construction completion status.

Sample Duval County Public School Documents Available to the Public	
Facilities 2018-2019 Project Status List	Project list that summarizes each project and documents board approved line item, indicates school name or district-wide project, project number, and funded amount.
Duval County Public Schools Strategic Plan 2017-2020	The District adopted four major goals supported by strategic initiatives which are designed to improve student performance and operations.
Duval County Public Schools Public Meeting Agenda and Minutes	The District posts public meeting agendas and minutes on its website so that community members are kept apprised of issues such as school district attendance.
2019-2020 News Releases	Provides official statements from the School District to update and/or inform the public about important issues.
Live Televised and Archived School Board Meetings and Workshops on Duval Public Schools Webpage	The District provides public meeting video replay for most meetings, which allows citizens who were unable to attend in person the opportunity to view the contents of the meeting at their convenience. Duval County Public Schools provides video access and viewing to monthly board meetings through a digital signal and local cable access. Monthly school board meetings are available through the District's live webcast, WJCT Channel 7.4 (digital antennae required), and Comcast channel 212.
Web Homepage Graphic Linking the Proposed Referendum	To keep the public informed, the District created a referendum website – www.ourduvalschools.org – which was launched shortly after the board approved its resolution for a referendum in May 2019.
Infographics	When appropriate the District uses these documents to inform internal and external stakeholders ranging about issues ranging from critical emergency information, important reminders about community meetings, etc.

Source: Duval County Public Schools Website.

MJ evaluated the timeliness of the financial documents presented in **Figure 5-1** based on the preparation calendars provided for various documents such as the CAFR and budget and determined that these items were completed on schedule and made available to the public shortly thereafter. MJ evaluated the timeliness of the non-financial documents shown in **Figure 5-1** such as board meeting notices and minutes and it was noted that these items were timely as well. Board meeting audio feeds are "live" and therefore, timely. Live feed videos are archived for continued access. Sample news releases were reviewed and those that were evaluated were published in sufficient time to apprise the public of the event noted. Dates on sample social media postings provided to MJ also demonstrated timely dissemination to the public.

In addition to the website, the District uses news and social media releases, e-newsletters, electronic media (television), and notification calls, emails, and text messages to inform parents and community members of events that require immediate attention.

It should be noted that while Duval County Public Schools meets Subtask 5.1, the District could further enhance the usefulness of its budget document by developing and disseminating a best practice document, such as the Citizens Budget Report prepared by Hillsborough County Public Schools (HCPS), which is specifically designed for the public. The HCPS Citizens Budget Report serves as a primer for the annual budget and is easier to understand. The document provides fast facts, budget definitions, and shows how funds flow into the school district and more, all in the same document.

> **SUBTASK 5.2 – Review available documents, including relevant internal and external reports, that evaluate the accuracy or adequacy of public documents, reports, and requests prepared by the school district related to the program.**

MJ did not divide Subtask 5.2 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to review available documents, including relevant internal and external reports to evaluate accuracy and adequacy of data is universal and applies to all three (3) areas.

To address the requirements of this subtask, MJ conducted interviews with management team members from the Public Relations and Marketing Division. MJ reviewed the Board's Communications policy (Chapter 9.0) dated April 2015, which is summarized in **Figure 5-2**, as follows:

FIGURE 5-2
Board Communications Policy

The School Board recognizes the benefits of providing citizens with information about the District school system's goals, programs, progress, activities, and opportunities, and is committed to communicating with honesty, openness, and fairness. The School Board also understands that the quality, consistency, and accuracy of information can lead to public acceptance and engagement.

  I. Communications shall be timely and effective utilizing multiple vehicles and messages to increase the public's awareness and understanding of school, district, and education industry programs, efforts, and initiatives.

  II. Efforts shall be made to support and communicate in the stakeholder's primary language, when applicable.

  III. The Superintendent shall be responsible for overseeing the execution of the district's communications plans.

  IV. Communications programs and efforts shall be evaluated annually to determine the degree to which the objectives are being achieved.

  V. School district employees shall be provided with timely and consistent communications in order to serve as ambassadors to promote district goals, programs, progress, activities, and opportunities.

  VI. Citizens and communities shall be informed of district programs, progress, and activities in a timely manner through the use of various vehicles and mediums (postings, media, newsletters, Web site, etc.).

Source: Superintendent's Office.

MJ also reviewed various electronic media sources and documents, which included:

- Website Analytics Reports
- Social Media Monitoring Reports
- TV Eyes Media Monitoring Report
- Media Recap Daily Reports
- SCoPE Parent Community Employee Communication Research Report

Three (3) District staff members have responsibility for ensuring public documents are available, adequate, and accurate for public use. These staff members are the chief of Public Relations and Marketing, web supervisor, and social media coordinator and a brief description of their roles follow:

- The chief of Public Relations and Marketing of the Public Relations and Marketing Division has primary responsibility for the development of information that is disseminated to the public via the website, newspaper, television, and social media platforms in accordance with communications plans and goals for District initiatives and programs.

- The web supervisor maintains the District's website by monitoring system performance and access requirements, conducts periodic audits of the site, and provides content management training for department staff. The web supervisor also supports live broadcast of school board meetings via the District website.

- The social media coordinator produces web/social media graphics, photography, and video content for District website, social media platforms, and mobile applications and ensures messaging is aligned with the District's strategic and communications plans and program goals and initiatives. The social media coordinator also monitors the website and social media platforms for trends that suggest whether information messaging is adequate and effective.

The District's website is hosted by Blackboard. This website is a content management site that supports a decentralized approach to content publication and efficient ease of use for non-technical staff. District departments do not need specialized web personnel to manage important public web pages. The District uses the Blackboard Web Community Manager content management system, which is also hosted by Blackboard. For public users, the Blackboard website scales to tablet and mobile telephone devices and integrates seamlessly with the mobile telephone "app," which is also a Blackboard product used by the District.

This primary website also provides content management tools that enable links to specialized elements of the District's overall website portfolio outside the Blackboard system, such as the website developed to provide comprehensive information about the Master Facilities Plan and the proposed referendum. By utilizing a decentralized web content management system, the District's departmental leaders, those most knowledgeable about their functional areas, can quickly deploy adequate and accurate information to the public.

The District employs a decentralized content management system for posting information on its website. Within this system, each department's leadership is responsible for the adequacy and accuracy of information provided by the department. The chief financial officer is responsible for the adequacy and accuracy of financial information that is disseminated through the website. Aspects of this work may be delegated to other team members. The dissemination of adequate and accurate non-financial information would be the responsibility of other departmental leaders.

The Public Relations and Marketing Division works in collaboration with these departments to evolve and improve communication based on research and best practices. As an example, research indicated a need to improve the dissemination of financial information. The Public Relations and Marketing Division collaborated with the chief financial officer and the Financial and Business Services Division's team to create the financial transparency web page, which improved the organization and navigation to important public financial documents.

The Public Relations and Marketing Division prepares internal analytics reports to measure the District's website traffic. Examples of these statistics show that the website received nearly 9.5 million page views for the period between July 1, 2018 and June 30, 2019. The website received 7.1 million unique page views during this same time period and the average time a viewer spent on a page was approximately two (2) minutes and 19 seconds. Additionally, the District uses the media monitoring suite, "tveyes," to measure television viewership.

As noted in Subtask 5.1, the referendum website – www.ourduvalschools.org – was created as a resource for the public to have a one-stop, comprehensive center for all master plan and referendum related information. The website is hosted on the wix.com platform. Analytics software has been recently added to this site to measure future web traffic. Since mid-July of 2019, the site has hosted 1,151 total visitors and 964 unique visitors. Anecdotal response to the new site has been positive. The District prepares an internal daily media recap report to capture the number of inquiries, purpose, and media source so that the Public Relations and Marketing Division staff can be as timely as possible with responses and follow-up.

MJ reviewed the documentation provided by the District to evaluate the adequacy of public documents, reports and requests that are prepared. The District provides community members with a wealth of information via social media channels such as Facebook, Twitter, and Instagram to ensure they are invited to public meetings and are kept apprised of school renovation projects. The District can demonstrate the use of social media analytics to determine the reach/adequacy of these efforts. Processes and procedures are in place to evaluate the accuracy of financial data.

In December 2018, the District received the results from a formal assessment of the adequacy, accuracy, and accessibility of public data prepared for the public. The District had an external evaluation conducted through the School Communication Performance Evaluation (SCoPE) program, which partners with the National School Public Relations Association. SCoPE is an online survey and analysis program that provides easy-to-understand data to evaluate school
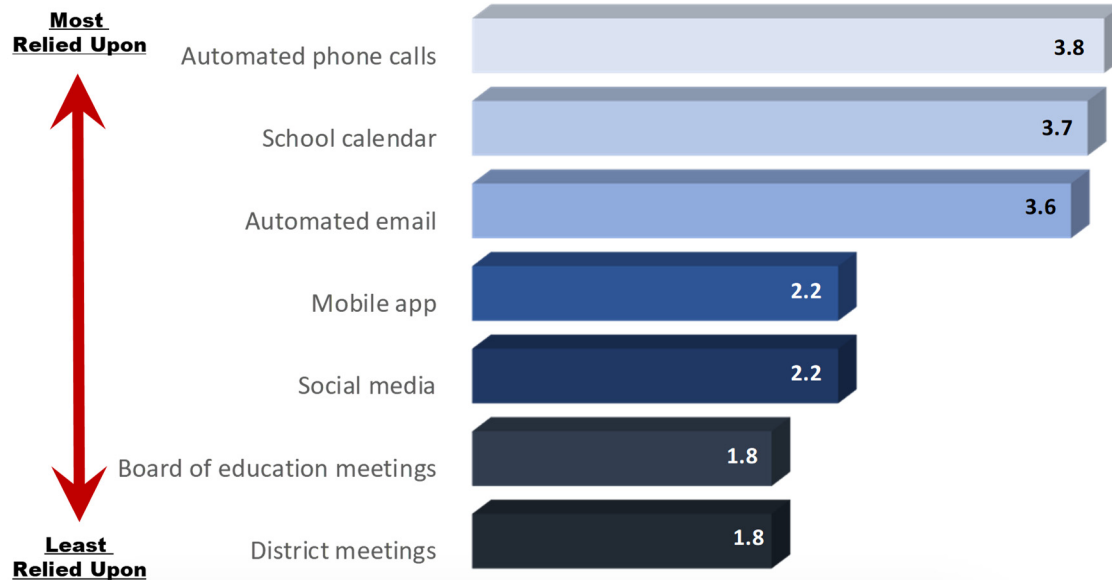
district communications strategies so that the results can be used to make improvements where needed. The survey was conducted November 13 through December 12, 2018 and targeted staff, parents, and community members. Survey results were tabulated for DCPS and also compared the District's results with other school districts nationwide. **Figures 5-3** and **5-4** summarizes some of the survey results for parent and community member respondents that are pertinent to Subtask 5.2.

Figure 5-3 shows that 2,553 parents participated in the survey and most preferred automated phone calls and emails and least preferred District meetings and Board meetings for obtaining information. The highest preferences for communication methods noted by parents were automated emails (33%), automated phone calls (25%), and automated text messages (17%). Parent participants rated District communications based on understandability (usefulness) and accuracy as 4.3 out of 5 and 4.2 out of 5, respectively.

As shown in the table below the graphic, DCPS parent respondents rated overall satisfaction with communication a 3.8 out of 5 and overall perception of the District based on communication a 3.7 out of 5. Average, low, and high ratings for national school district survey respondents are also shown in the table. As compared to national survey respondents, a rating of 3.9 out of 5 would be considered average; a rating of 3.4 out of 5 or below would be considered low; and a rating of 4.2 or higher out of 5 would be considered high.

FIGURE 5-3
SCoPE Survey Results – Parents
Number of Participants = 2,553
Low = 1 and High = 5

Most Relied Upon

Automated phone calls	3.8
School calendar	3.7
Automated email	3.6
Mobile app	2.2
Social media	2.2
Board of education meetings	1.8
District meetings	1.8

Least Relied Upon

Highest First Preferences for District Communications	1st
Automated email	33%
Automated phone calls	25%
Automated text messages	17%

Communication from District	• Recognizable 4.3 • Understandable 4.3 • Accurate 4.2

Communication meets individual needs and preferences for receiving information 3.6

Scorecard for DCPS and Other Respondents Nationally	DCPS	Avg.	Low	High
Overall Satisfaction with Communication	3.8	3.9	3.3	4.2
Overall Perception of District Based on Communication	3.7	3.9	3.4	4.2

Source: School Communication Performance Evaluation Survey Results, December 2018.

Figure 5-4 shows that 109 community members participated in the survey and most preferred to obtain information from the local news media and least preferred obtaining information from automated text messages and mobile apps. The highest preferences for communication methods noted by community members were local news and media (27%), website (17%), and e-newsletter (16%). Community member participants assigned ratings for understandability and usefulness – 3.6 out of 5, accuracy – 3.5 out of 5, and transparency and timeliness both received a rating of 2.9 out of 5.

As shown in the table below the graphic, DCPS community member respondents rated overall satisfaction with communication a 2.8 out of 5 and overall perception of the District based on communication a 2.9 out of 5. Average, low, and high ratings for national school district survey respondents are also shown in the table. As compared to national survey respondents, a rating of 3.4 out of 5 would be considered average; a rating of 2.2 out of 5 or below would be considered low; and a rating of 4.0 or higher out of 5 would be considered high.

FIGURE 5-4
SCoPE Survey Results – Community Members
Number of Participants = 109
Low = 1 and High = 5

Most Relied Upon ↕ Least Relied Upon

Category	Value
Local news and media	3.5
School calendar	2.9
District website	2.8
Printed newsletters, etc.	1.5
Automated phone calls	1.5
Automated text messages	1.4
Mobile app	1.2
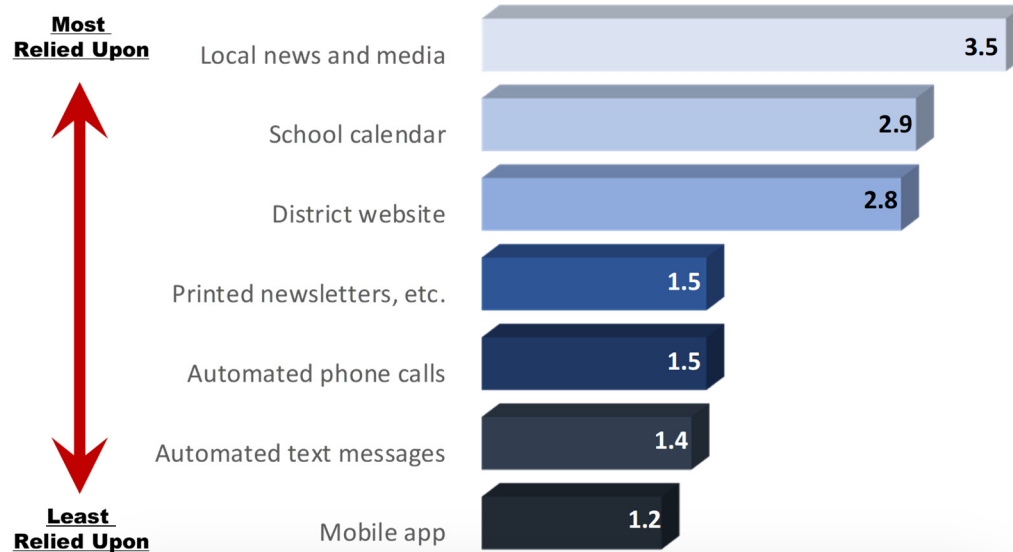
Top Three Preferences for District Communications	1st
Local news and media	27%
District website	17%
eNewsletter	16%

Communication from District	• Understandability 3.6 • Accurate 3.5 • Transparency 2.9 • Timeliness 2.9

Communication meets individual needs and preferences for receiving information 2.8

Scorecard for DCPS and Other Respondents Nationally	DCPS	Avg.	Low	High
Overall Satisfaction with Communication	2.8	3.3	2.1	4.0
Overall Perception of District Based on Communication	2.9	3.4	2.3	4.1

Source: School Communication Performance Evaluation Survey Results, December 2018.

The Public Relations and Marketing Division used the SCoPE survey results to target and strengthen communications to District stakeholders based on feedback and to inform the development of the District's long-term strategic communication plan. In addition to the survey results, qualitative information derived from a series of focus groups conducted with parents and staff and independent interviews with community leaders was also incorporated into the strategic communication plan. While the plan is meant to be long-term and the research will be repeated in 2021 to measure the plan's impact, several initiatives have been deployed and others are in various stages of development. Those initiatives on which action has progressed the most are outlined below.

- Because of the need to strengthen leader communication at the school building and district level to improve timeliness and transparency of communication, in spring 2019 the District launched the Principal's Communication Leadership Program. More than 30 principals completed the initial cohort of the program. A second cohort is beginning in September 2019. The program covers school strategic communication planning, appropriate use of social media, media relations, and public speaking and presentations. The primary purpose of the program is to improve the school's capacity to communicate effectively with parents and other constituencies.

- The District revamped and upgraded its mobile cellphone application (app). Responding to focus group input that parents desired a central channel for school and District information, the launch of the new app includes enhanced integration with the District's student information system. This will enable parents to more effectively engage with teachers and school leadership. Additionally, almost all principals have been trained on how to use the app as a central hub for school-based communications. The primary purpose of the app is to enhance communication with parents.

- Because of the need for two-way communication with key constituencies, the District beta-tested an online and mobile service called "Talk with Team Duval." This sub-application was launched for testing on the District's communication website. It provides a two-way communication channel for parents and other constituents to provide feedback to the District or to pose questions or needs. The pilot enabled staff to understand how it can best serve constituents connecting with the District through this functionality. This sub-app can be customized for each school. The District is in the process of implementing that customization. This will enable school principals to designate the flow of feedback and questions at the school level to the appropriate staff for interaction. "Talk with Team Duval" provides parents and the community a channel for two-way interaction with the district through contemporary communication technology.

- The relatively low score in financial awareness from community members combined with the superintendent's strategic priority of enhancing the District's financial stability led to various immediate tactical initiatives. First, the financial transparency website was created to aggregate important public financial documents in a centralized web page in an area easy to find on the District's website. Second, the District posted a proactive media release on its news portal better explaining the budget process in simplified form.

- The District launched a key communicators program that allows communicator participants to receive opt-in email communication directly from the superintendent or district leaders as appropriate. The program has been piloted and the key communicator participants list is growing. Formal efforts to build the participants list will be deployed during this academic year. This initiative is primarily designed to enhance communication with the community.

Accordingly, the District demonstrated the use of a combination of internal tools and external reports to effectively evaluate the accuracy or adequacy of information provided to the public. Therefore, MJ concludes that this subtask is met.

> **SUBTASK 5.3 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate.**

MJ did not divide Subtask 5.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess the availability and accessibility of program and cost information is universal and applies to all three (3) areas.

To evaluate this subtask, MJ reviewed the following District weblinks and documents:

- 2019-2020 Proposed Budget – Snapshot

- Design and Construction Services' Webpage

- Detailed project Status Report

- 2018-2019 Five-Year Long-Range Capital Plan

- Duval Half Penny Surtax Webpage

Design and Construction Services provided specific examples of performance and cost information, which are summarized and updated monthly and posted on the District's website. Based on the interviews conducted during fieldwork, members of the public have adequate access to similar information for other projects in progress on the District website. **Figure 5-5** presents a snapshot including Funding Facts, which are included in the District's 2019-2020 proposed budget and prominently accessible from the website homepage.

FIGURE 5-5
2019-2020 Proposed Budget – Snapshot

Source: https://www.duvalschools.org/.
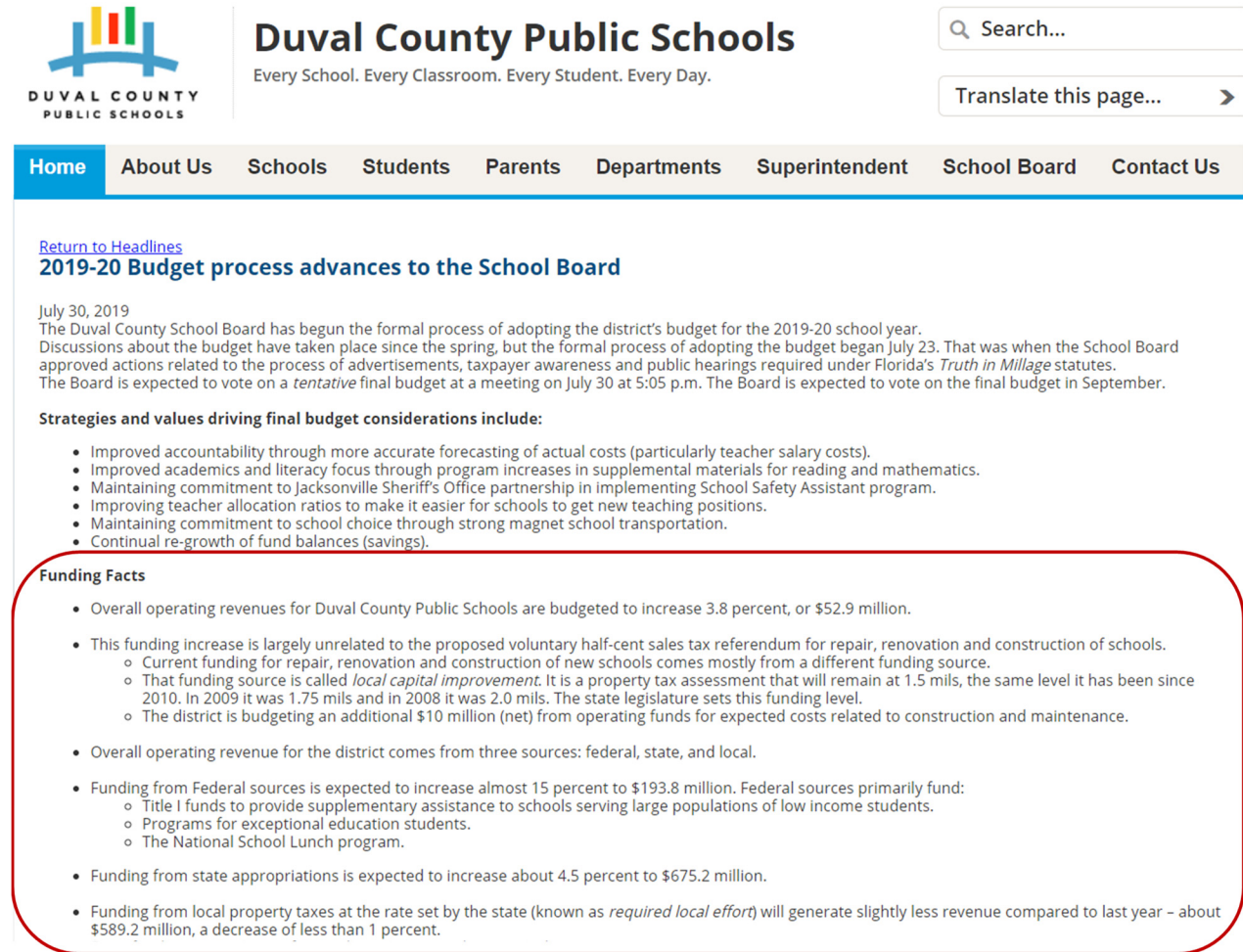
Figure 5-6 presents Design and Construction Services' webpage and provides a direct link to Detailed Project Status Reports and the 2018-2019 Five-Year Long-Range Capital Plan.

FIGURE 5-6
Design and Construction Services' Webpage

Figure 5-7 presents an excerpt from Design and Construction Services' detailed project status report, which provides project budget (cost) and estimated start and completion dates along with project status (program performance) information. This report is easily accessible from Design and Construction Services' webpage.

FIGURE 5-7

Detailed Project Status Report

Project #	Project Category	Sch #	School Name	PROJECT	Project Budget	Summer Const. Project (Mark X)	PM	Est. START Date	Est. COMPL Date	A/E	Design Status (0% - 100%)	Plan Review Compl	Contractor	Const Status (0%-100%)	Actual Substantial Completion Date
C-90640	Portables	3233, 3206, 3085, 3235, 3240, 3006	Lone Star ES, Brookview ES, Lake Lucina ES, Fort Caroline ES, Arlington Hts ES, and Mattie V. Rutherford ALT	C-90640 DW Portables- Demolish 20 Portables, Disconnect 2 Portables; Lone Star ES, Brookview ES, Lake Lucina ES, Fort Caroline ES, Arlington Hts ES, and Mattie V. Rutherford ALT	$189,045.12	1	JM/BA	Summer 2019	Summer 2019	N/A	N/A	N/A	Rivers Construction	75%	
M-84820	Windows	3146	Matthew Gilbert MS	Full School Window Replacement- Phase 5 of 7 (2018/19 CONSTRUCTION)	$437,667.00	1	JM/BA	6/3/2019	8/2/2019	Bhide & Hall	100%	Y	Auld & White	70%	
M-83680	Life Safety	3084	Bayview ES	Main corridor with louvered glass not compliant for fire rated corridor.	$261,859.64	1	JM/RB	6/5/2019	7/31/2019	N/A	N/A	N/A	E. Vaughan Rivers	75%	
M-83970	Security	3285	AP Randolph HS	Install MCAS System Front Entry	$33,428.00		RB	Winter 2018	Winter 2018	John Searcy & Assoc.	100%	Y	Kim's Electric	80%	
M-83970	Security	3158	G W Carver ES	New Vista 250FB system including new conduit, wiring and devices.	$289,980.00		RB	Fall 2018	Summer 2019	John Searcy & Assoc.	100%	Y	Kim's Electric	95%	5-Jun-19
M-83970	Security	3216	Jefferson Davis MS	**Design Only** - New Vista 250FB system including new conduit, wiring and devices.	$63,200.00		RB			John Searcy & Assoc.	95%	N/A	N/A	N/A	N/A
M-83970	Security	3079	Ramona Blvd ES	New Vista 250FB system including new conduit, wiring and devices.	$335,781.00		RB	Fall 2018	Spring 2019	Haddad Engineering	100%	Y	Kim's Electric	80%	

Source: https://www.duvalschools.org/

Figure 5-8 presents an excerpt from the District's 2018-2019 Five-Year Long-Range Capital Plan report, which provides prior and five-year budget projections for proposed projects. This report is easily accessible from Design and Construction Services' webpage.

FIGURE 5-8
2018-2019 Five-Year Long-Range Capital Plan

A	B	C	D	E	F	G	H	I	J
			Prior Year 2017-2018	Year 1 2018-2019	Year 2 2019-2020	Year 3 2020-2021	Year 4 2021-2022	Year 5 2022-2023	Totals For 5 Years
	2018-19 Five Year Capital Plan								9/5/18
		Balance Forward	$ -	$ -	$ -	$ -	$ -	$ -	$ -
		PECO Facilities Capital Outlay	$ 2,653,058	$ 2,680,272	$ -	$ -	$ -	$ -	$ 2,680,272
		Net Revenue	$ 33,230,933	$ 41,363,071	$ 43,126,249	$ 48,613,801	$ 54,520,272	$ 57,296,928	$ 244,920,320
		Subtotal	$ 35,883,991	$ 44,043,343	$ 43,126,249	$ 48,613,801	$ 54,520,272	$ 57,296,928	$ 247,600,592
		New COPS	$ -	$ -	$ -	$ -	$ -	$ 80,000,000	$ 80,000,000
Line #	Projects	Total Revenue	$ 35,883,991	$ 44,043,343	$ 43,126,249	$ 48,613,801	$ 54,520,272	$ 137,296,928	$ 327,600,592
1	Technology		$ 16,615,467	$ 20,681,535	$ 21,563,125	$ 24,306,900	$ 27,260,136	$ 28,648,464	$ 122,460,160
2	SAP/SIS Upgrades		$ -	$ -	$ -	$ -	$ -		$ -
3	Total Technology		$ 16,615,467	$ 20,681,535	$ 21,563,125	$ 24,306,900	$ 27,260,136	$ 28,648,464	$ 122,460,160
5	New K-8 School (Northside).		$ -	$ -	$ -	$ -	$ -	$ 40,000,000	$ 40,000,000
4	New K-8 School (Southside).		$ -	$ -	$ -	$ -	$ -	$ 40,000,000	$ 40,000,000
6	Major Maintenance (includes PECO)		$ 18,318,525	$ 22,511,807	$ 20,713,125	$ 23,456,900	$ 26,410,136	$ 27,798,464	$ 120,890,432
7	Portables/Covered Walks		$ 400,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 300,000	$ 1,500,000
8	ADA Requirements		$ 250,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 250,000
9	Safety to Life		$ 200,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 400,000	$ 2,000,000
10	Playgrounds (PreK and Others)		$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 500,000
12	Boundary/Program Changes Capital Improvements Projects		$ -	$ -	$ -	$ -	$ -	$ -	$ -
13	Total Facilities/OPS		$ 19,268,525	$ 23,361,807	$ 21,563,125	$ 24,306,900	$ 27,260,136	$ 108,648,464	$ 205,140,432
14	Total Project Costs		35,883,991	44,043,343	43,126,249	48,613,801	54,520,272	137,296,928	327,600,592
15	Balance Forward		0	0	0	0	0	0	0

Source: https://www.duvalschools.org/

Figure 5-9 presents proposed surtax information that provides an overview of lost revenue and the impact that delayed/deferred maintenance has had on District facilities. This information is accessible through a link on the District's homepage that goes to the secondary website, https://www.ourduvalschools.org, especially created to provide the public cost-related information regarding proposed referendum.

FIGURE 5-9
Duval Half Penny Surtax Information

Source: https://www.ourduvalschools.org/

Source: https://www.ourduvalschools.org/

In summary, the public has access to transparent program performance and cost information that is readily available and easy to locate. Accordingly, MJ concludes that this subtask is met.

> **SUBTASK 5.4 – Review processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.**

MJ did not divide Subtask 5.4 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess the accuracy and completeness of program and cost information that is provided to the public is universal and applies to all three (3) areas.

To address this subtask, MJ interviewed the District's chief financial officer and staff members that work in the Financial and Business Services Division and reviewed the documents outlined below:

- Comprehensive Annual Financial Report (CAFR) June 30, 2018
- Superintendent's Annual Financial Report (AFR) to the Florida Department of Education

- Duval County Public Schools Monthly Financial Reports
- Duval County Public Schools Five-Year Capital Improvement Plan
- Detailed Project Status Reports
- Calendar with Weekly Project Review Meetings
- Project Management Metrics – Master January 2019 & March 2019

The District is required to prepare monthly financial reports, the Annual Financial Report (AFR), and audited financial statements (Comprehensive Annual Financial Report) and relies on its basic accounting and financial reporting processes to ensure cost data is accurate and timely.

In order to prepare the required reports, the coordinator, financial reporting position was established within the Financial and Business Services Division. This position is a direct report to the director, Financial and Business Services Division. The director, Financial and Business Services Division position reports to the executive director, Financial and Business Services Division who reports to the chief financial officer.

The preparation of monthly financial statements, the Annual Financial Report (AFR) and the Comprehensive Annual Financial Report (CAFR) begins with routine and non-routine transactions that are recorded in accordance with Generally Accepted Accounting Principles (GAAP), Governmental Accounting Standards Board (GASB) pronouncements, special purpose frameworks, relevant regulatory State rules and statues, and the District's accounting policies.

The Financial and Business Services Division requires multiple signoffs and representations from appropriate areas of the District to ensure relevant information has been recorded or disclosed on a timely basis and inter-organizational balances and transactions have been identified. There is also a process in place to ensure appropriate segregation of duties among staff from initiation, approving and posting of entries into SAP with supporting documentation.

Once the relevant accounting information is recorded, monthly financial statements are prepared by the financial reporting coordinator and reviewed by the director of Financial and Business Services Division, the executive director of Financial and Business Services Division and the chief financial officer to include on the District's board agenda for board approval. Both the AFR and the CAFR are also reviewed by the director of Financial and Business Services Division, the executive director of Financial and Business Services Division, and the chief financial officer.

The AFR is due to the Florida Department of Education by September 11 following the fiscal year end of June 30 and the audited financial statements (CAFR) is required to be completed by March 31 following the fiscal year end of June 30. The District participates in the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR Program) of the Government Finance Officers Association. The CAFR must be submitted by December 31 following the fiscal year end of June 30. The 2016-2017 CAFR was the 17th year that the District has earned the Certificate for the CAFR Program.

The District also participates in the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Reporting Program. The CAFR must be submitted by December 31 following the fiscal year end of June 30.

The current coordinator, Financial Reporting, the director of Financial and Business Services Division and chief financial officer are all Certified Public Accountants and attend continuing education classes in order to maintain their certification and to ensure current knowledge of relevant accounting/reporting information.

Moreover, Design and Construction Services has a documented process in place led by the director of Real Estate and Intergovernmental Liaison and the program managers who visit project sites daily/weekly to ensure accurate and timely program and cost information is available related to large maintenance and school renovation projects.

On a weekly basis, the assistant superintendent Operations and the Design and Construction Services' management team meet to review and check project budgets and schedules and other important project-related information to ensure program performance and cost information is up-to-date (timely) and accurate. In preparation for and during these review meetings, supporting budget, cost, and project completion status schedules (program performance) are checked against other schedules and reports to ensure data is accurate. Summary information from this type of report is eventually reflected in the detailed project status reports and Five-Year Long-Range Capital Improvement Plan that is shown on the District's website. **Figure 5-10**, provides an example of an internal report prepared by Design and Construction Services that illustrates that the District has a process in place to review program performance and cost information to ensure that the information provided to the public is accurate and complete.

FIGURE 5-10
Project Status Report Example
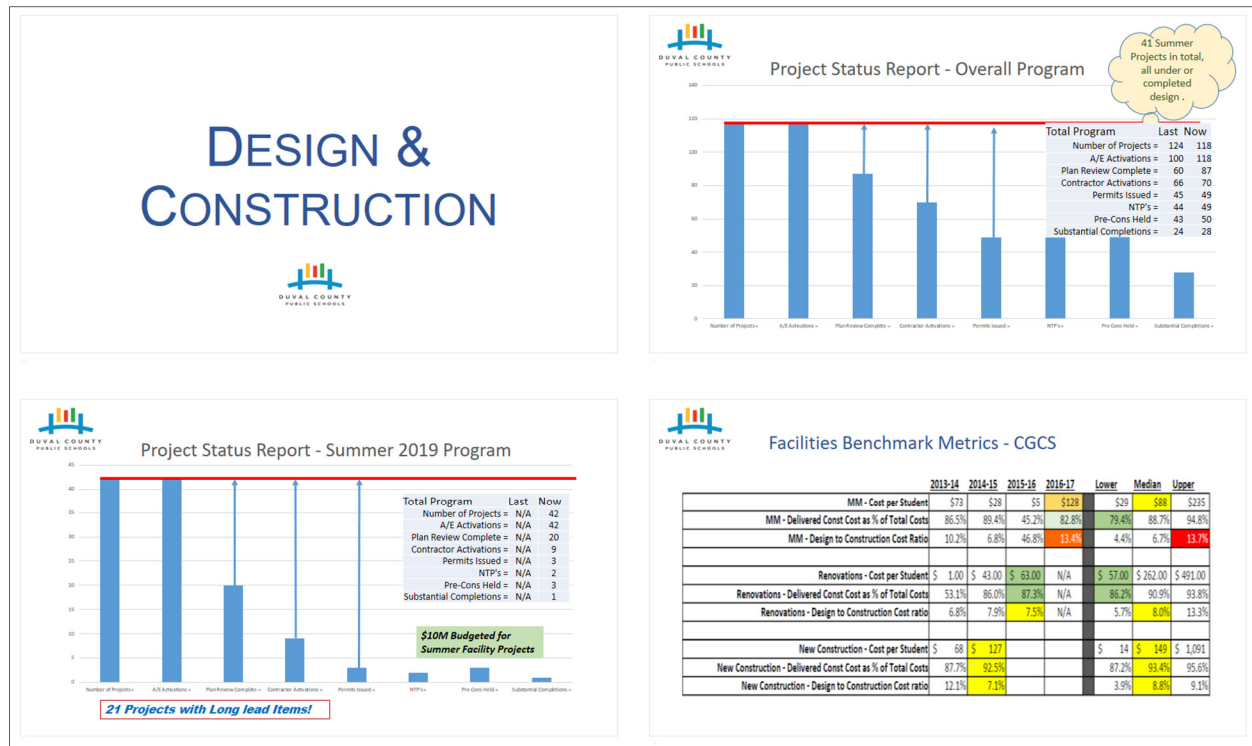
Source: Design and Construction Services.

In summary, the District demonstrated that processes implemented by the Financial and Business Services Division and Design and Construction Services are in place to ensure program performance and cost information is provided to the public. MJ identified no deficiencies in the accuracy and completeness of the program performance and cost information in the sample documents that were reviewed. Accordingly, this subtask is met.

> **SUBTASK 5.5 – Determine whether the program has procedures in place that ensure that reasonable and timely actions are taken to correct any erroneous and/or incomplete program information included in public documents, reports, and other materials prepared by the school district and that these procedures provide for adequate public notice of such corrections.**

MJ did not divide Subtask 5.5 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to ensure that reasonable and timely actions are taken to correct erroneous/ incomplete information provided to the public is universal and applies to all three (3) areas.

To address this subtask, MJ interviewed the Public Relations and Marketing Division management and administrative assistants to the school board staff. MJ also requested and

evaluated sample documents from both departments to determine if corrections were made in a timely and consistent fashion.

Administrative assistants to the school board staff are responsible for disseminating board meeting and board workshop meeting notices as well as District procurements that must be advertised in the public domain.

Examples of news releases, social media postings, and board meeting/procurement notices were discussed with MJ during fieldwork that demonstrated corrections to errors and incomplete information are addressed timely by the Public Relations and Marketing Division staff. **Figure 5-11** provides an example of a social media posting that required correction.

Neither the Board Office nor the Public Relations and Marketing Division staff provided a written procedure to support timely correction of erroneous and/or incomplete information.

FIGURE 5-11
Sample Social Media Documents Corrected Timely
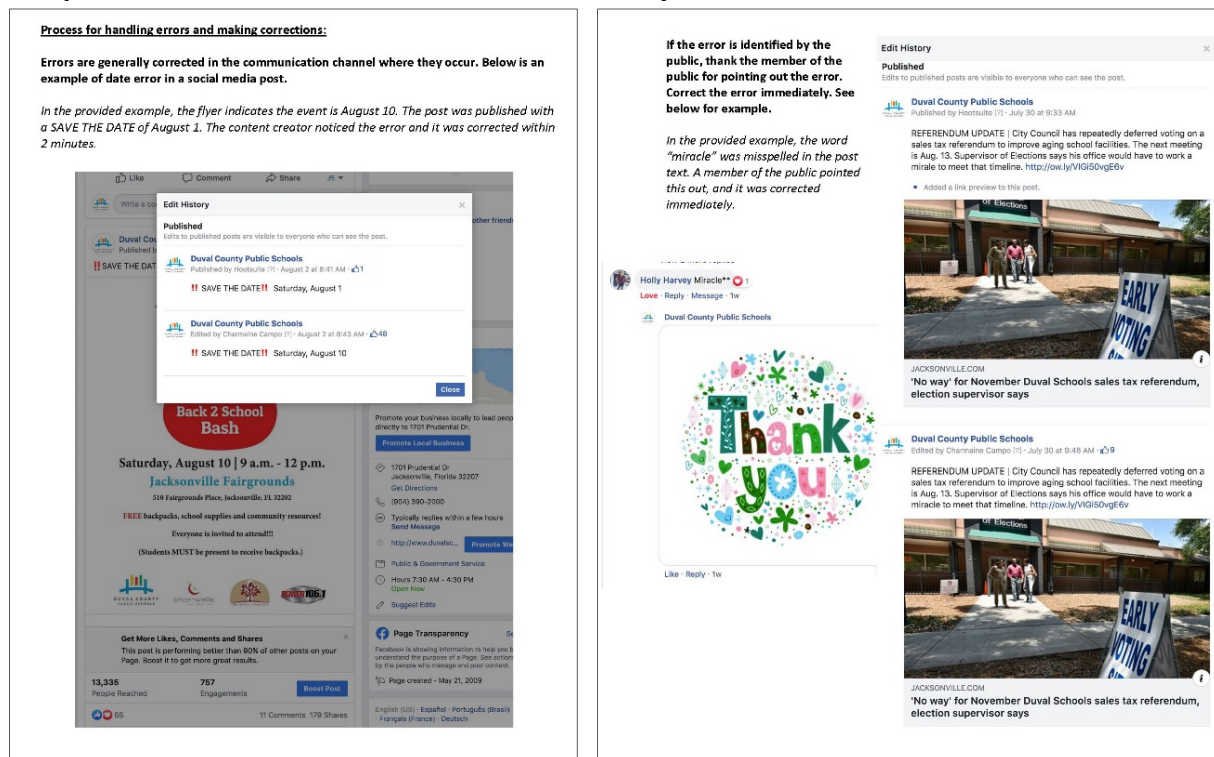
Source: The Public Relations and Marketing Division.

Figure 5-12 shows the written procedures that Hillsborough County Public Schools provided during a similar performance audit. The procedures cover various public information document categories and the process and timeframe for making corrections.

FIGURE 5-12
Hillsborough County Public Schools Standard Operating Procedures
for Correcting Public Information

Document Category	Description
Newspaper Advertisements	If an error is made in the newspaper with advertisements or other public notices, HCPS staff contact the newspaper immediately upon notice of the error. Assigned staff go in person to ensure the correction is made immediately and so that the newspaper outlet understands the severity of the school district to be in noncompliance with state audit guidelines and requirements for ensuring accuracy of information.
School Board Meetings and Workshop Agenda Items (including revised and withdrawn agenda items)	**Revised Items** – To revise a distributed and released item it must be re-sent with an "R" next to the number of agenda item in the bottom right page of cover sheet. This informs the reader that this replaces the item previously distributed. The changes on all copies should be highlighted online (by using bold) and on paper with a yellow highlight. If the changes are on the attachments only, state "Revised Attachments) in the subject line and highlight. Additionally, highlight the number in the lower right-hand corner. **Withdrawn Items** – Only the Superintendent, Deputy Superintendents, or Division Chief/Secretary can withdrawal an item. Once an item has been approved for withdrawal, the item will be stricken from the School Board Agenda pages.
Press Releases	To ensure accurate information is vetted prior to sending out to media. If an error is found, HCPS will resend a press release with UPDATED in red at the top and the corrected information in red and request that the press release be re-published.
Digital Informational and Marketing Communications	**Website** – Any error that is found is immediately corrected by the Web Communications team. The Web Communications team responds back to the originator of the request that the webpage is updated. **Vendor Link** – Invitation to Bid, Awarding Projects, or Specifications Construction staff will add an addendum. **Parentlink** – When sending information to families through Parentlink, if an error occurs a second communication is sent notifying recipients of the mistake and providing the corrected information. **Social Media Platforms** – If an error is found on any social media post, the post is immediately taken down on Twitter and a new Twitter post is created and posted with the correct information. On Facebook, an error is edited with the corrected information by the Communications staff. **Twitter** – If an error is found, a tweet with corrected information is sent as a reply to the original, mistaken tweet. Sending it as a reply does two key things: it permanently links the correction tweet to the original one, thereby showing why the correction was issued. It also ensures that anyone looking at the mistaken tweet later will see the correction below it. **Instagram** – As soon as the error is detected, a correction notification is added the Instagram post by adding it in a comment. **Facebook** – Any posts with errors are edited with corrected information. An error notification comment is added to the post itself to alert individuals that the post has been edited and the content corrected. This element of disclosure is useful because individuals who previously commented on the post may be notified of the new comment, thereby drawing their attention to the correction.

Source: Hillsborough County Public Schools Operations and Communications Departments.

Our work revealed that while the District provided examples of taking timely actions to correct erroneous and/or incomplete information that has been provided to the public, no formal procedures are in place to: (1) document the process/procedure that should be followed, (2) ensure all appropriate staff are knowledgeable of the process/procedure, and (3) to ensure consistency. Written procedures are useful to ensure procedures are properly documented and followed when employee absences, turnover, or retirements occur.

Accordingly, Subtask 5.5 is partially met.

RECOMMENDATION

Establish and implement a formal procedure to ensure timely actions are taken to correct erroneous and/or incomplete data in the public domain.

RESEARCH TASK 6

COMPLIANCE OF THE PROGRAM WITH APPROPRIATE POLICIES, RULES, AND LAWS.

FINDING SUMMARY – **Overall, the School District of Duval County, Florida Partially Meets Task 6.**

The School District of Duval County, Florida's (the District) chief legal counsel is a City of Jacksonville employee who works for the Office of General Counsel. The chief legal counsel provides transactional and governance legal services to the District. In this capacity, the chief legal counsel reviews all contracts requiring board approval for compliance with legal requirements and board policy. The chief legal counsel's signature signifies that the contracted goods or services have been procured properly according to board policy and meet requirements as to legal form and sufficiency. The director of Government Relations is a non-practicing attorney and registered lobbyist who is responsible for keeping board members, the superintendent, department heads, and other District stakeholders apprised of new or changes to federal, state, and local laws that may impact the District. The executive director of Policy and Compliance reports to the chief of staff and is primarily responsible for interpreting and updating board policies and ensuring that all policies comply with *Florida Statutes*. The internal school board auditor position remained vacant for one (1) year during which an audit plan was not developed and internal audits were not performed. Program internal controls could be improved with detailed policies and procedures. Over 64 percent of schools, for which activity fund audits had been performed during Fiscal Year 2019, were in violation of board policy requiring a 10-working day response to audit findings. In addition, the District lacked documentation clarifying the implementation of two (2) external audit corrective action plans.

On May 7, 2019, the school board approved Agenda Item #47, which was a resolution directing a referendum to be held on November 5, 2019, to put before voters a one-half cent discretionary sales surtax. As required by law, the resolution includes a brief and general description of the school capital outlay projects to be funded by the surtax, and is consistent with the provisions of *Florida Statute* 212.055(6).

RESEARCH SUBTASK ANALYSIS AND CONCLUSIONS

SUBTASK 6.1 – Determine whether the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

MJ did not divide Subtask 6.1 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's process to assess legal compliance is universal and applies to all three areas.

To address the requirements of Subtask 6.1, MJ interviewed the following individuals who constitute the District's legal infrastructure and process to assess the District's compliance with federal, state, and local laws.

- Chief Legal Counsel
- Director of Government Relations
- Executive Director of Policy and Compliance

Chief Legal Counsel

Section 7.01 of the City of Jacksonville Charter established the Office of General Counsel with responsibility for furnishing legal services to the city and its independent agencies, including the District. The chief legal counsel for the District is a city employee who works for the Office of General Counsel along with another city attorney who is responsible for litigation and employment law. Both individuals are city employees but are assigned exclusively to the District and have offices in the District's administrative building.

The District's chief legal counsel is a member of the Florida Bar and is a board certified specialist, as designed by the Florida Bar, in education law. The individual also is a member of the Florida Bar Education Law Certification Committee. The chief legal counsel's primary responsibility is to provide transactional and governance legal services to the District and to supervise the attorney who handles litigation and employment law.

The chief legal counsel provides transactional and governance legal services to the District. In this capacity, the chief legal counsel reviews all contracts requiring board approval for compliance with legal requirements and board policy. The chief legal counsel's signature signifies that the contracted goods or services have been procured properly according to board policy and meet requirements as to legal form and sufficiency. Although the chief legal counsel and the litigation, employment law attorney are housed at the District's office, they are backed by the City of Jacksonville's Office of General Counsel, which has 41 attorneys and is one of the largest "law firms" in Jacksonville.

The chief legal counsel works with the director of Purchasing Administration as necessary and may also interact with the executive director of Policy and Compliance on issues involving board policy. In addition, the chief legal counsel coordinates with the director of Government Relations on new or revised legislation that may impact the District.

Director of Government Relations

The director of Government Relations is a non-practicing attorney and registered lobbyist who is responsible for keeping board members, the superintendent, department heads, and other District stakeholders apprised of new or changes to federal, state, and local laws that may impact the District. The director of Government Relations reports to the chief of staff and monitors federal, state, and local rulemaking before it becomes law. The position has no direct reports. After a law has passed, the director of Government Relations' work ends, and the chief legal counsel's work begins.

The director of Government Relations has well defined processes for monitoring local, state, and federal legislation and rulemaking. Each is described below.

Local Legislative Process

- Tracks all bills and ordinances on COJ.net, which is the City of Jacksonville's website.

- Reviews the city council agenda for upcoming bills and tracks them on a spreadsheet.

- Reviews council meeting schedule online and checks it daily for committee meetings regarding pertinent bills.

- Updates District management and board members as the bill moves through the legislative process.

State Legislative Process

- Understand the superintendent's and board's legislative platform for the upcoming legislative session. The 2019 platform includes the following planks:
  - Restore the authority of District school boards to levy an additional 0.5 mills, up to 2.0 mills for capital funding purposes, to meet the needs of both traditional public schools as well as charter schools.
  - Maintain the current required local effort statewide to assist with funding the base student allocation in the state's funding formula.
  - Provide necessary funding to significantly increase teacher salaries on a recurring basis, particularly in hard to staff schools.
  - Restore requirements for students to earn a concordant score to demonstrate proficiency on the Florida State Assessments.

- Review bills for applicability to the District once the bill filing process opens.

- Tag bills for tracking in LobbyTools software.

- Provide the District's chief of staff and subject matter experts with the bill text and summary of any bills of interest to the District.

- Work with bill sponsor to incorporate District changes to the bill.

- Update District leadership and board members on priority bills during committee weeks and during the legislative session.

- Review the legislative calendar, attend committee meetings and session debates regarding the District's priority bills.

- Meet weekly with members of the Florida Education Legislative Liaison to discuss bills.

- Provide, at the end of the legislative session, District leadership and the board with a summary of all bills passed and individual bill summaries.

- Attend District-wide meetings after the session to discuss the implementation of new legislation and to answer questions.

- Receive emails from the Florida Department of Education (FDOE) regarding statutory changes and updates.

- Provide emails to the chief of staff for distribution to the subject matter expert.

- Check the FDOE rulemaking website weekly for upcoming rulemakings.

- Provide a copy of the rule and summary, if available, to the chief of staff for distribution to the subject matter expert.

Federal Legislative Process

- Use Council of the Great City Schools resources to track legislative bills and rulemakings.

- Participate in the Council of the Great City Schools legislative liaison group.

- Monitor agendas of the U.S. House of Representatives Committee on Education and Labor as well as the U.S. Senate Health, Education, Labor, and Pension committee for bills and hearings of interest to the District.

The director of Government Relations also uses various tools and leverages memberships as outlined below:

- LobbyTools-subscription-based bill tracking system used to keep track of state bills

- MyFloridaHouse.gov

- Floridasenate.gov

- Congress.gov

- Florida Department of Education rulemaking page

- Florida Education Legislative Liaisons member

- Florida School Boards Association member

- Florida Association of District School Superintendents member

- Council of the Great City Schools member

- COJ.net

Executive Director of Policy and Compliance

The executive director of Policy and Compliance reports to the chief of staff and is primarily responsible for interpreting and updating board policies and ensuring that all policies comply with *Florida Statutes*. The executive director of Policy and Compliance also addresses student issues and reviews school contracts that can be approved by the superintendent but do not require board approval. The executive director of Policy and Compliance is a nonpracticing attorney and is assisted by three support staff.

The Policy Handbook Review Subcommittee (subcommittee) of the board meets every other month, except in June, July, and August. While some board policies are revisited annually, the subcommittee conducts a review of all board policies over a two-year rotation to ensure that the policies reflect current practices and legislative mandates. In some instances, policies must be updated prior to the scheduled review. All policy review subcommittee meetings are noticed, posted, and open to the public. The policy update process is as follows:

- During each meeting, the subcommittee reviews one chapter of the policy manual with the assistance of District staff.
- Policy & Compliance staff send the entire policy to individual staff members to review specific provisions of the policy with instructions to return any changes within a given time frame.
- Policy & Compliance staff review the changes and, if necessary, determine what other school districts are doing.
- Policy & Compliance staff review the citations in the policies to ensure they are accurate.
- The executive director of Policy and Compliance meets with the superintendent and chief of staff to review the revisions.
- The executive director of Policy and Compliance meets with the chief of staff, superintendent, board chair, and the chief legal counsel to review the revisions.
- At the board subcommittee meeting, the staff member (owner) presents the policy to the board subcommittee and answers any question.
- Policy & Compliance staff prepare a notice of public hearing 28 days before the regular board meeting for those policies that make it through the subcommittee meeting.
- The policy goes to the board workshop where it is pulled for further discussion.
- If approved, the policy goes to the full board for the public hearing.
- During the full board meeting, the board chair opens the public hearing where the public has an opportunity to provide input.
- After public input, the board votes on the policy changes.

Based on MJ's review, there are no issues or concerns regarding whether the program has a process to assess its compliance with applicable (i.e., relating to the program's operation) federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. Accordingly, Subtask 6.1 is met.

> **SUBTASK 6.2 – Review program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.**

MJ did not divide Subtask 6.2 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's internal control environment is universal and applies to all three areas.

To address the requirements of this subtask, MJ reviewed examples of program controls designed to monitor and ensure compliance with laws, contracts, agreements and policies and procedures. These controls include:

- External Audits
- Internal Audits

- Financial System (SAP) Controls
- Written Policies and Procedures including Approval Authority
- Management Reports

A. External Audits

While the findings and recommendations in both external and internal reports examined may not relate directly to facilities planning, use, and construction; security and technology equipment purchasing; or facilities leasing and debt service, they contain findings and recommendations that require a management response. Therefore, MJ reviewed audit reports in Subtask 6.2 and the timeliness of management's response to such reports in Subtask 6.3 to provide evidence as to whether District management is responsive to audit recommendations no matter the source or subject and indicates the effectiveness of internal controls.

MJ reviewed the District's external audit reports to determine if the auditors had identified internal control weaknesses that directly impact the program. Other external reports were also reviewed in **Subtasks 1.3** and **1.4**.

During an audit of a governmental entity, independent auditors perform procedures and issue reports that address the entity's internal controls. The District's independent auditors issued the reports in connection with their audit, which are shown in **Figure 6-1.**

FIGURE 6-1
Summary of External Audit Reports Findings – FY2016, FY2017, FY2018

INDEPENDENT AUDITOR REPORTS FINDINGS			
Report Description	**FY18**	**FY17**	**FY16**
Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on Audit of the Financial Statements Performed in Accordance with Government Auditing Standards	Internal Control Deficiency #2018-001 Capital Asset Reporting in Schedule of Findings and Questioned Costs	No findings.	No findings.
Report of Independent Auditor on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance	No findings.	No findings.	No findings.
Schedule of Findings and Questioned Costs	Significant deficiency identified #2018-001 Capital Asset Reporting: Certain construction in progress costs were not transferred to capital assets on a timely basis; CIP accruals were not reversed for five years; some capital outlays had not been capitalized; and some depreciable	No findings.	No findings.

INDEPENDENT AUDITOR REPORTS FINDINGS			
Report Description	FY18	FY17	FY16
	items were reported as non-depreciable. Overall resulting $17 million understatement of net capital assets.		
Summary Schedule of Prior Audit Findings	No findings.	Prior year findings #2016-001 and #2016-002 Federal Award Programs - Child Nutrition Cluster. Did not obtain approval for capital expenditures totaling $85,699. Also charged ineligible capital expenditures as indirect costs.	No findings.
Corrective Action Plan	The District implemented a software change to address the year-end accrual error. Also, Finance staff conducted a detailed reconciliation of CIP to ensure capital assets are properly classified and reported. Enhanced reconciliation process to be performed for FY2018-2019 by June 30, 2019.	No findings.	No findings.
Independent Auditor's Management Letter	Internal Control Deficiency #2018-001 Capital Asset Reporting in Schedule of Findings and Questioned Costs	No findings.	No findings.
Report of Independent Accountant on Compliance with Local Government Investment Policies	No findings.	No findings.	No findings.

Source: Duval County Public Schools' Comprehensive Annual Financial Report (CAFR) Fiscal Year 2016-2018.

MJ reviewed management's response dated April 17, 2019 to the auditor's report dated December 28, 2018 noting that the CFO attached a corrective action plan to the audit report with an anticipated completion date of June 30, 2019. The corrective action plan indicated that for the 2018-2019 fiscal year, the Finance Department's enhanced reconciliation process would be performed on the current year capital asset activities and the capital asset records would be adjusted accordingly. In addition, the corrective action plan indicates that the department would continue to refine its reconciliation processes and communication with other

departments to ensure that all capital assets are properly classified and reported. MJ also reviewed documentation attached to the District's response to the auditor supporting the corrections made and planned changes in procedures.

In addition to the external auditor's independent audit, the state auditor conducts periodic audits of the District. The scope of the audit includes determining whether the District has established and implemented a system of internal controls to provide for the proper authorization of financial transactions; provide reasonable assurance of the reliability of the recording and reporting of the District's operations; provide reasonable assurance of the reliability of the recording and reporting of Federal transactions; promote and encourage economic and efficient operations; provide for compliance with applicable laws, rules, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the District's financial statements or SEFA; and provide for adequate safeguarding of the District's assets. MJ reviewed the following finding in the most recent state auditor's report included in **Figure 6-2**.

FIGURE 6-2
Summary of External Audit Reports Findings – State Auditor's Report

STATE AUDITOR REPORTS FINDINGS			
Finding	**Recommendation**	**Management Response/ Corrective Action**	**Work Performed by MJ**
The District could enhance controls for monitoring contractual service agreements and related payments. A similar finding was noted in the report no. 2014-076. For example, the District issued a RFP for roofing repair projects and the lowest bidder was selected. However, the District subsequently issued a purchase order and paid the vendor over $500,000 for repairs on four buildings with a roof type that was not listed in the RFP. Additionally, the purchase order included materials and supplies in an "unidentified task" category which was listed in the RFP. Since these costs were not based on specifications in the RFP,	Ensure that contracts awarded using a competitive procurement process are based on the applicable specifications in the bid request or RFP.	All "unidentified tasks" will be included in a proposal/ bid and shall subsequently include detailed documentation to identify specifically what was purchased. In addition to enhancing and monitoring current contract procedures, Purchasing has developed as Administrative Contracting Officer Training Program to provide guidance, as well as resources to include a manual, checklists, and contract-related documents for District employees engaged in the administration of contracts.	To demonstrate the District's corrective action taken, MJ was provided an administrative Officer Contract Checklist and a PowerPoint presentation titled Contract Administration available on the website. Neither document is dated nor address "unidentified tasks".

STATE AUDITOR REPORTS FINDINGS			
Finding	Recommendation	Management Response/ Corrective Action	Work Performed by MJ
the District cannot demonstrate that the purchase was made following required competitive procurement procedures.			

Source: State of Florida's Auditor General's Operational Audit Report, March 2017.

B. Internal School Board Auditor and School Auditor Reports

Internal School Board Audit Function

The District has two (2) internal audit functions. The internal school board audit function was established to comply with *Florida Statute* 1001.42-*Powers and Duties of District School Board*, which requires school districts receiving in excess of $500 million federal, state, and local funds annually to employ a school board internal auditor. The incumbent internal school board auditor has been in the position since February 2019 and reports directly to the full board and administratively to the board chair.

No audit reports have been issued during the incumbent internal school board auditor's tenure and a current audit plan has not been developed. The former internal school board auditor left the position in February 2018 to become the District's current CFO resulting in a vacant position for one year.

School Internal Audit Function

The second internal audit function is led by the director, Internal Auditing who reports to the District's chief financial officer (CFO). The individual has a staff of seven auditors who conduct school fund audits and five financial records analysts, one of whom is part-time. The financial records analysts review the financial books and records of every school each month.

Board policy 7.60- *Audits* outlines requirements for District audits. Basic requirements include the following:

- The school board selects an independent auditor to perform audits of the District when the Florida Auditor General will not complete one within the twelve (12) month period immediately following the fiscal year or if otherwise deemed by the board.

- The school board establishes an audit committee as required by *Florida Statutes*. The primary role of the committee is to assist in selecting an auditor to conduct the annual financial audit.

- For internal audits of school campus and activity funds, each principal must report in writing to the director, Internal Auditing within ten (10) business days of receiving an

audit report. The written report must address the audit report and any discrepancies noted.

- Nonfinancial audits must be conducted by persons or entities qualified to conduct audits of the program, functions, or service to be audited.

- Results of all audits must be provided to the school board and the internal school board auditor for information and appropriate action consistent with law if action is required.

The District's school fund auditors conducted audits for Fiscal Years 2013-2014 through 2017-2018 to determine the completeness and accuracy of the school's financial records for internal accounts, including, but not limited to, letters, contracts, invoices, etc.; our inspection of certain assets; correspondence with various people and companies with which the school conducts business; and observation of school employees. MJ reviewed a sample of four (4) school activity fund audit reports shown in **Figure 6-3** noting the audit recommendations were addressed.

FIGURE 6-3
Sample of School Internal Audit Reports Reviewed

Report Name/Date	Audit Period	Results	Work Performed by MJ
Lake Lucina Elementary School Internal Accounts- June 2019	Fiscal Years 2013-2014 through 2017-2018	Ten (10) Findings and 10 Recommendations	MJ noted that an informal list of responses was attached to the audit report with no author, addressee, date, or other identifying information. Therefore, MJ could not determine if the list represented a formal response from the principal. However, according to the Internal Audit Department's spreadsheet of audits conducted during Fiscal Year 2019, the school's response was received.
New Berlin Elementary School, No. 150 Operational Audit Report School Internal Accounts/June 2019	July 1, 2013 through June 30, 2018	Fourteen (14) Findings and 14 Recommendations	MJ reviewed the school's response that was attached to the audit report noting that it addressed each of the recommendations.
Operational Audit Report School Internal Accounts Samuel Wolfson School for Advance Studies and Leadership No. 3224/ June 2019	Four-year period ending June 30, 2018	Eight (8) Findings and 8 Recommendations	MJ reviewed the school's response that was attached to the audit report noting that it addressed each of the recommendations.
Operational Audit Report School Internal Accounts Joseph Stilwell Military Academy of Leadership, No. 3219/ July 2019	Four-year period ending June 30, 2018	Ten (10) Findings and 10 Recommendations	MJ reviewed the school's response that was attached to the audit report noting that it addressed each of the recommendations.

Source: The Indicated Reports.

C. Financial System (SAP) Controls

The District's SAP system includes internal controls including system access, workflow approval process to generate purchase orders, budget requirements, and expenditures limits.

D. Written Policies and Procedures including Approval Authority

While some board policies are revisited annually, the District's requirement is for the School Board to conduct a review of all of the board policies over a two-year rotation. This is to ensure that policies reflect current practices and legislative mandates. In some instances, policies must be updated prior to the scheduled review. MJ reviewed various board policies including authorization requirements for expenditures and contracts. However, the District lacks detailed procedure manuals to document the specific requirements including checklists, technology tools, and reports to comply with the board policies. **Figure 6-4** and **6-5** presents an overview of some of the most relevant policy requirements.

FIGURE 6-4
Overview of Relevant DCPS' Policies & Procedures

Policy Number/Title	Key Requirements	Last Revised
CHAPTER 7.00 SCHOOL BUDGET SYSTEM		
7.10 School Budget System	• School Board shall adopt a balanced budget annually and submit it to the State. The budget shall be related to the goals, objectives, and strategic plan of the District's programs.	May 2019
7.20 Accounting and Control Procedures	• Financial records and accounts shall be kept as prescribed by in the publication "Financial and Program Cost Accounting and Reporting for Florida Schools"	May 2017
7.29 Debt Management	• The District may utilize long-term debt for the acquisition of land and the acquisition, construction or renovation of facilities and equipment and to refund outstanding debt. • The District shall select an underwriting team to assist with the issuance of long term debt and implementation of its capital plan.	May 2019
7.41 Authority to Sign Contracts, Agreements and Memoranda of Understanding	• The Superintendent is authorized to approve and execute contracts and agreements for $75,000 or less per fiscal year. Such agreements shall be reported to the Board quarterly.	September 2014
7.60 Audits	• The School Board shall select an independent auditor to perform district audits. Results of all audits shall be provided to the School Board and Board Internal Auditor.	May 2019
7.64 Internal Controls	• The Superintendent or designee shall develop internal controls for all systemic functions of law, finance, audit, inventory and accountability. **Staff shall review the internal controls annually** and shall revise procedures as appropriate to ensure a strong system of internal control.	May 2019

Policy Number/Title	Key Requirements	Last Revised
7.70 Purchasing	• Authority of the director of Purchasing Administration (and Facilities): The director of Purchasing Administration shall serve as the DCPS procurement officer **except that the executive director Design and Construction Services shall serve as the principal procurement officer for real property and construction contracts (I.1.)**. • Awards exceeding $75,000 require Board approval except for routine commodity products and purchases such as contracts with other governmental agencies per section II.J.1. (II.B.). • Competitive sealed bidding from three or more sources for purchases exceeding $50,000. (II.C.1). • Change Orders (non-construction and construction) less than 3% of approved costs or $50,000 whichever is greater, can be approved by the Superintendent. All construction change orders shall be reported to the School Board. All exceeding the limit must be approved by the School Board. (II.F.)	December 2014
7.76 Payments to Contractors During Construction	• Contractor shall submit a monthly application for payment to the design professional for each progress payment. • Final payment may be released upon receipt of the Certificate of Final Inspection issued by the DCPS Office of Code Enforcement and written acceptance of the project by the architect/engineer and another designated DCPS employee.	August 2014
7.81 Acquisition of Real Property	• Determination by the School Board to acquire real property shall be based on approved master planning data; surveys; title search; insurance; etc.	
CHAPTER 8.00 AUXILIARY SERVICES		
8.57 Substantial and Final Completion of Construction Projects	• The School Board accepts the project as substantially completed based on forms certified by the design professional, contractor, and Design and Construction Services. • Completion of punch list items must be completed in the prescribed time per the construction contract.	November 2008
8.60 Technical Plan	• The Superintendent shall develop a comprehensive Technology Plan subject to School Board Approval.	November 2008

Source: DCPS Board Policy Manual.
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The District's Purchasing Guidelines Manual (last updated December 2018) include references to specific State Board Rules, *Florida Statutes*, and DCPS Board Policy 7.70 Purchasing Policies. A few key requirements are listed in **Figure 6-5**.

FIGURE 6-5
Excerpts from DCPS' Purchasing Guidelines

Section No.	Key Requirements
4. Competitive Quotations Between $1,000-$4,999	Buyers required to seek at least a verbal quotation.
5. Purchases Between $5,000-$49,999	Requires a minimum of three written quotations.
25. Purchases For $50,000 or More	Requires competitive sealed bids.
40. Board Approval	Awards in excess of $75,000 require Board approval except for commodity products and purchases made pursuant to Florida Administrative Purchasing Rules.
56. Contract and Acquisition Committee (CAC)	The Contract and Acquisition Committee (CAC) responsibilities include: 1) Review and approve Purchasing Plan Proposals (PPP) submitted by various end-users on procurement requests greater than $50,000 with no competition; 2) Monitor contract actions through Purchasing Services to ensure end-users follow guidelines set forth by the CAC; and 3) Review the contract log to kept abreast of recurring contracts and acquisition methods used within DCPS.

Source: DCPS Purchasing Guidelines, December 2018.

E. Management Reports

The District uses various management reports as discussed in Subtask 1.1 to monitor for compliance with legislation and policies and procedures including budget and expenditure limits.

F. Internal Control Questionnaire

The management of an organization is responsible for maintaining an effective system of internal control. Accordingly, MJ deployed an internal control questionnaire to the chief financial officer, business services director, financial reporting director, chief information officer, director of Purchasing Administration, director, Payroll and internal school board auditor, to obtain management's assessment of internal controls. The questionnaire asks specific questions about the existence and effectiveness of internal controls and rates each response from 1 (very weak) to 5 (very strong). The business functions included on the survey are as follows:

- Segregation of Duties
- Purchasing
- Contract Management
- Payroll
- Accounts Payable

- Accounts Receivable

- Cash Management & Investment

- Information System Security

- Information System Access

- Information System Backup & Recovery

All survey respondents rated the effectiveness of these functions as 5-Very Strong or N/A if the function did not apply to them. In addition to the survey questions, there were two open-ended questions:

1. What are the top five (5) challenges, risks, or significant internal control issues that exist with respect to projects funded by a sales surtax or other sources as they relate to the development, construction, and operation of transportation facilities and services?

2. Are there any critical/urgent control issues which require immediate attention?

No survey respondents indicated if there were any critical/urgent issues or internal control weaknesses. MJ noted no significant or material weaknesses in internal controls from the perspective of the District management who completed the questionnaire.

Conclusion

Program internal controls require improvement including the following areas:

- Detailed procedure manuals to document the specific requirements including checklists, technology tools, and reports to comply with the board policies.

- Clear and complete documentation to provide evidence that audit recommendations were fully implemented.

- Consistency in maintaining the internal school board auditor function: the internal school board auditor position was vacant for one (1) year during which no internal audits were conducted or audit plan developed.

As a result, this subtask is partially met regarding the review of program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.

RECOMMENDATION

The District should document detailed procedure manuals, maintain appropriate supporting documentation implementation of audit recommendations, and ensure that the internal school board auditor functions continue through outsourcing or other alternatives if vacancies occur.

> **SUBTASK 6.3** – Determine whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.

MJ did not divide Subtask 6.3 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the District's practice of taking reasonable and timely actions to address any noncompliance is universal and applies to all three (3) areas.

To address the requirements of this subtask, the MJ Team reviewed whether corrective actions were timely taken to address auditor findings discussed in Subtask 6.2 regarding the School Internal Audit function and if reasonable actions were taken to close the audit findings regarding enhancing controls for monitoring contractual service and capital asset reporting and reconciliation.

The Internal Audit Department maintains a spreadsheet of activity fund audits conducted each year. The schedule shows the date the draft report was delivered to the school and the date the school submitted its response. Board Policy 7.60 requires that the school respond to internal audit reports within ten (10) business days. MJ performed an analysis of the schedule noting that of the 42 audits for which draft reports had been issued during Fiscal Year 2019, three (3) schools did not respond to the audit report and 24 did not respond within ten (10) business days. In summary, 64 percent of schools were in violation of board policy. In addition, two (2) of the four (4) schools reviewed in **Figure 6-6** did not respond within ten (10) days as required by Board Policy.

FIGURE 6-6
Sample of School Internal Audit Reports Reviewed

Report Name/Date	Audit Period	Results	Reasonable/Timely Actions Taken?	Work Performed by MJ
Lake Lucina Elementary School Internal Accounts-June 2019	Fiscal Years 2013-2014 through 2017-2018	Ten (10) Findings and 10 Recommendations	No	MJ noted that an informal list of responses was attached to the audit report with no author, addressee, date, or other identifying information. Therefore, MJ could not determine if the list represented a formal response from the principal. However, according to the Internal Audit Department's spreadsheet of audits conducted during Fiscal Year 2019, the school's response was received 27 days after issuance of the draft report in violation of the 10 business day requirement in Board Policy 7.60.

Report Name/Date	Audit Period	Results	Reasonable/Timely Actions Taken?	Work Performed by MJ
New Berlin Elementary School, No. 150 Operational Audit Report School Internal Accounts/June 2019	July 1, 2013 through June 30, 2018	Fourteen (14) Findings and 14 Recommendations	Yes	MJ reviewed the school's response noting that it was provided within the 10 business days required by Board Policy 7.60.
Operational Audit Report School Internal Accounts Samuel Wolfson School for Advance Studies and Leadership No. 3224/June 2019	Four-year period ending June 30, 2018	Eight (8) Findings and 8 Recommendations	Yes	MJ reviewed the school's response noting that it was provided within the 10 business days required by Board Policy 7.60.
Operational Audit Report School Internal Accounts Joseph Stilwell Military Academy of Leadership, No. 3219/July 2019	Four-year period ending June 30, 2018	Ten (10) Findings and 10 Recommendations	No	MJ reviewed the school's response noting that it was not dated. According to the Internal Audit Department's spreadsheet of audits conducted during Fiscal Year 2019, the school's responses were submitted 20 days after the draft report date, in violation of Board Policy 7.60

Source: The Indicated Reports.

MJ also reviewed the District's response to the findings discussed in Subtask 6.2 for reasonable and timely actions as shown in **Figure 6-7**.

FIGURE 6-7

Corrective Action Status of External Audit Report Recommendations

Finding/Recommendation	District's Corrective Action Procedures	Reasonable/Timely?
Finding per 2017-18 Comprehensive Annual Financial Report		
Finding Summary: Certain construction in process ("CIP") included in governmental capital assets was not transferred out of CIP on a timely basis and that CIP associated with year-end accruals over the past five years was improperly removed.	**Initial Response in Audit Report dated December 28, 2018 and Follow Up Response dated April 17, 2019** 1. For the 2018-2019 fiscal year, the Finance Department's enhanced reconciliation process was performed on the current year capital asset activities and capital asset records were adjusted accordingly. The	Yes. The corrective action procedures were reasonable and timely. However, departmental procedures were not provided to determine if the ongoing reconciliation requirements are

Finding/Recommendation	District's Corrective Action Procedures	Reasonable/Timely?
Recommendation: **December 28, 2018** 1. The District implemented a software change that addressed the year-end accrual error and Finance Department personnel conducted a detailed reconciliation of construction in progress (CIP) to ensure projects were properly classified and reported. The auditors recommended that this detailed reconciliation process continue to occur at least annually. 2. Additionally, the auditors recommended that the Finance Department improve communication processes with the other departments to ensure that Finance is notified regarding all capital assets that are placed into service.	department would continue to refine its reconciliation process. 2. The department would communicate with other departments to ensure that all capital assets are properly classified and reported. For example, the Chief Financial Officer is emailed a copy of the Project Status Report from the Executive Director, Design, Construction, and Contracts and forwards it to the Coordinator, Capital Assets. The coordinator determines what projects are at substantial completion and may need to be reclassified out of CIP into the appropriate capital asset category (Buildings, Improvements, etc.). Once the coordinator reviews the report and has questions, the coordinator works with Design and Construction Services for clarification.	documented to ensure future compliance.
Finding per March 2017 State of Florida Auditor General's Report		
The District could enhance controls for monitoring contractual service agreements and related payments. For example, the District issued a RFP for roofing repair projects and the lowest bidder was selected. However, the District subsequently issued a purchase order and paid the vendor over $500,000 for repairs on four buildings with a roof type that was not listed in the RFP. Additionally, the purchase order included materials and supplies in an "unidentified task" category which was listed in the RFP. Since these costs were not based on specifications in the RFP, the District cannot demonstrate that the purchase was made following required competitive procurement procedures.	**Initial Response in Audit Report Dated March 2017 and Corrective Action Plan Dated February 2019** 1. All "unidentified tasks" will be included in a proposal/ bid and shall subsequently include detailed documentation to identify specifically what was purchased. 2. In addition to enhancing and monitoring current contract procedures, Purchasing has developed as Administrative Contracting Officer Training Program to provide guidance, as well as resources to include a manual, checklists, and contract-related documents for District employees engaged in the administration of contracts.	Cannot determine if reasonable and timely. According to the assistant superintendent Operations, the District corrected the unidentified task by requiring a hard bid for all roofing repairs. The initial period expired on December 2018. It is unclear when this process was implemented to determine if the action was timely. If this means that the District will discontinue the practice of allocating costs to unidentified tasks, then the action is reasonable.

Source: Referenced Reports and Corrective Action Plans.

Conclusion

School Audits

Over 64 percent of schools, for which activity fund audits had been performed during Fiscal Year 2019, were in violation of board policy requiring a 10-working day response to audit findings. In addition, the District lacked documentation clarifying the implementation of two (2) external audit corrective action plans. Thus, MJ concludes that the District inconsistently takes reasonable and timely actions to address noncompliance.

If not corrected, schools may continue to violate board policy, which could lead to weaknesses in school internal controls over activity funds not being addressed. This situation could expose the District to misuse and/or misappropriation of activity funds.

External Audits

For one audit recommendation, the corrective action procedures were reasonable and timely. However, departmental procedures were not provided to determine if the ongoing reconciliation requirements are documented to ensure future compliance.

Thus, this task is partially met.

RECOMMENDATION

The district should enforce Board Policy 7.60 requiring schools to respond to activity fund audits within ten (10) business days, and the Internal Audit Department should enhance follow up efforts including early reporting of noncompliant schools to the board audit committee. In addition, the corrective action plans and management responses should clearly explain the actions taken and reference the name and location of specific checklists and procedures developed or revised to implement the recommendation.

> **SUBTASK 6.4 – Determine whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations.**

MJ did not divide Subtask 6.4 into facilities planning, use, and construction; security and technology equipment purchasing; and facilities leasing & debt servicing categories because the determination of whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations is universal and applies to all three areas.

To address the requirements of Subtask 6.4, MJ reviewed *Florida Statute* 212.055(6), school Agenda Item #47 from the board's regular May 7, 2019, meeting regarding the surplus sales tax referendum, proposed City Ordinance 2019-380 calling for a special election on November 5, 2019, and certain sections of the City of Jacksonville's Charter related to consolidated government.

Florida Statute 212.055(6) establishes the conditions under which a school board may levy a ½ cent school capital outlay surtax. The school board must pass a resolution that takes effect only upon approval by a majority vote of the electors of the county voting in a referendum. The resolution must include a statement that provides a brief and general description of the school capital outlay projects to be funded by the surtax. The statute also requires that the resolution present a plan for the use of the surtax proceeds as follows:

- fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses which have a useful life expectancy of five (5) or more years;
- land acquisition, land improvement, design, and engineering costs related thereto;
- costs of retrofitting and providing for technology implementation, including hardware and software, for the various sites within the school district;
- bond indebtedness to finance authorized projects including accrued interest; and
- none of the proceeds of the surtax nor any interest accrued on the funds may be used for operational expenses.

On May 7, 2019, the school board approved Agenda Item #47, which was a resolution directing a referendum to be held on November 5, 2019, to put before voters a one-half cent discretionary sales surtax. As required by law, the resolution includes the following statement that provides a brief and general description of the school capital outlay projects to be funded by the surtax and is consistent with the provisions of *Florida Statute* 212.055(6):

> *The Plan consists of fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses which have a useful life expectancy of five (5) years or more, and any land acquisition, land improvement, design and engineering costs associated therewith. In addition, the Plan also has a component for costs of installing safety and security equipment, and retrofitting and providing for technology implementation, including hardware and software, for various sites within the District. The Plan also includes the making of lease payments under the lease purchase agreements pursuant to sections 1001.42(11)(b)5. And 1013.15(2), Florida Statutes, and/or servicing of bond indebtedness to finance expenditures authorized by section 212.055(6), Florida Statutes. Neither the proceeds of the Sales Surtax nor any interest acquired thereto shall be used for operational expenses.*

Exhibit A of the resolution outlines specifically how the surtax funds will be used. MJ noted that the planned uses of the funds, listed below, are consistent with *Florida Statute* 212.055(6):

- Upgrading and modernizing schools and facilities to keep them safe and make them more conducive to learning through renovation, repair, remodeling, replacement, construction, security, and technology improvements.
- Acquiring land, constructing new school facilities (including new facilities at existing schools), demolishing, reconstructing and improving school facilities, including costs of retrofitting and providing for technology implementation.

- Acquiring equipment including safety and security.
- Acquiring technology hardware and software, including upgrades, implementation, hardware, and software with a useful life expectancy of five (5) or more years.
- Reducing portable classrooms as appropriate to improve school facilities.
- Designing and engineering costs.
- Making lease payments under the lease purchase agreements pursuant to sections 1001.42(11)(b)5. and 1013.15(2), *Florida Statutes*.

At its regular meeting on July 2, 2019, the school board approved the superintendent's master plan recommendations entitled: *A Bold Plan for Duval County Public Schools*. MJ reviewed the document noting that plans to enhance safety and security, increase utilization rates, removing over $1 billion dollars in deferred maintenance costs, and consolidating schools with a high facilities condition index are consistent with the required used outlined in *Florida Statute* 212.055(6).

Based on MJ's review, there are no issues or concerns regarding whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax are in compliance with applicable state laws, rules, and regulations. Accordingly, Subtask 6.4 is met.

MANAGEMENT RESPONSE

DUVAL COUNTY

PUBLIC SCHOOLS

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August 30, 2019

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Re: Management Response to the Performance Audit Report – Duval County Public Schools

Please see below the District's response to the Performance Audit Subtasks rated Partially Met.

Subtask 1.6 - Based on MJ's work in the facilities planning, use, and construction area, the five projects costs were reasonable and projects were completed well and within budget. However, only four out of five projects were completed timely. An executed change order for the project delay was not provided.

District Response – The District will ensure that sufficient documentation exists for projects not completed on time and that all requirements for approved extensions and/or changes are received and memorialized in the project file.

Subtask 2.1 – Our work revealed that 30 non-supervisory staff were placed into the supervisor labor category in the Application Development Department five (5) years ago as a result of a salary survey conducted by the Human Resources Division. Assigning supervisory titles to staff with no supervisory responsibility blurs lines of authority and potentially creates unrealistic career paths for employees.

District Response – The District will complete a compensation and classification study to determine appropriateness of Information Technology Division positions using a combination of national, state and local benchmarks.

Subtask 2.2 - Our work revealed that Facilities and Maintenance Services has encountered some difficulties attracting qualified workers for HAR Mechanic positions reflecting the rising wage levels in the city. Contract staff is used where needed and project budgets and backlogs are within reason when contract staff is utilized.

District Response – The District utilizes contract providers in this area to meet maintenance needs due to vacancies. The district conducted a salary study in March 2019 comparing wages with similar sized school districts in the state and surrounding districts, and has proposed an

appropriate wage adjustment for both current and newly hired HAR mechanics within the appropriate employee bargaining unit. District staff will continue to negotiate appropriate increases with the exclusive bargaining agent for employees in this classification.

Subtask 4.1 - Based on MJ's review, the program objectives align with the strategic plan and are clearly stated. However, the goals and objectives are not measurable, and, as a result, it is unclear whether they can be achieved within budget. Thus, the assessment is partially met regarding whether program goals and objectives are clearly stated, measurable, can be achieved within budget, and are consistent with the District's strategic plan.

District Response –Staff will ensure clear evidence is available to reflect program objectives that are measurable and can be achieved within budget. The District will reinstitute its former strategic plan monitoring process, or a modified variation, to ensure program objectives and goals are monitored on an ongoing basis and to allow for adjustments as needed.

Subtask 4.2 - Based on MJ's work, the District did not provide a standard management report by project that demonstrates that cost and timing variances are monitored and reported. Thus, this assessment is partially met regarding the measures, if any, the District uses to evaluate program performance and if they are sufficient to assess program progress toward meeting its stated goals and objectives.

District Response – The district will continue to monitor and track projects through appropriate metrics. A standard management reporting tool will be developed that allows project cost and variances to be monitored toward stated program goals and objectives.

Subtask 4.3 - Based on MJ's review, it was observed that comprehensive administrative procedures are not developed to document processes and relevant checklists and required reports to enhance the internal control environment. In addition, the purchasing director reports to the executive director of Facilities Planning. In most organizations, the purchasing function reports to the Financial Division. Thus, this sub task is partially met regarding internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.

District Response – The district will review its current administrative guidelines and determine if supplemental procedures should be memorialized to facilitate better internal controls. Additionally, a review of the current organizational placement of the Purchasing Department will occur to determine if a change is needed.

Subtask 5.5 - Our work revealed that while the District provided multiple examples of taking timely actions to correct erroneous and/or incomplete information that has been provided to the public no formal procedures are in place to: (1) document the process/procedure that should be followed, (2) ensure all appropriate staff are knowledgeable of the process/procedure, and (3) to ensure consistency.

District Response – Management has set clear expectations regarding the transparency and accuracy of published information. To ensure consistency throughout the district, these expectations regarding the timely correction of erroneous or incomplete information that has been provided to the public will be compiled and disseminated in written procedures to memorialize management's expectations in this area.

<u>Subtask 6.2</u> **-** Based on MJ's review, Program internal controls require improvement including the following areas:

1. Detailed procedure manuals to document the specific requirements including checklists, technology tools, and reports to comply with the board policies.

2. Clear and complete documentation to provide evidence that audit recommendations were fully implemented.

3. Consistency in maintaining the internal school board auditor function: the internal school board auditor position was vacant for one (1) year during which no internal audits were conducted, or audit plan developed.

Thus, the assessment is partially met regarding the review of program internal controls to determine whether they are reasonable to ensure compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures.

<u>District Response</u> – The District will incorporate its current audit review processes into a district Audit Procedure Manual to include appropriate checklists and other resources used to monitor corrective actions. Should a long term vacancy exist in a primary function that oversees audits, the district will review options to ensure planned audits are conducted as scheduled and monitoring is not interrupted.

<u>Subtask 6.3</u> **-** Based on MJ's review, over 64 percent of schools, for which activity fund audits had been performed during Fiscal Year 2019, were in violation of board policy requiring a 10-working day response to audit Subtasks. In addition, the District lacked documentation clarifying the implementation of two (2) external audit corrective action plans. Thus, MJ concludes that the District inconsistently takes reasonable and timely actions to address noncompliance. Thus, this sub task is partially met regarding whether program administrators have taken reasonable and timely actions to address any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures identified by internal or external evaluations, audits, or other means.

<u>District Response</u> – The District's Finance department will offer annual training to ensure school-based staff are familiar with policy requirements regarding audit responses. Staff will monitor audit responses to ensure that corrective action plans are submitted timely and include appropriate corrective actions with sufficiently detailed processes outlined.

Sincerely,

Diana L. Greene, Ph.D.
Superintendent of Schools