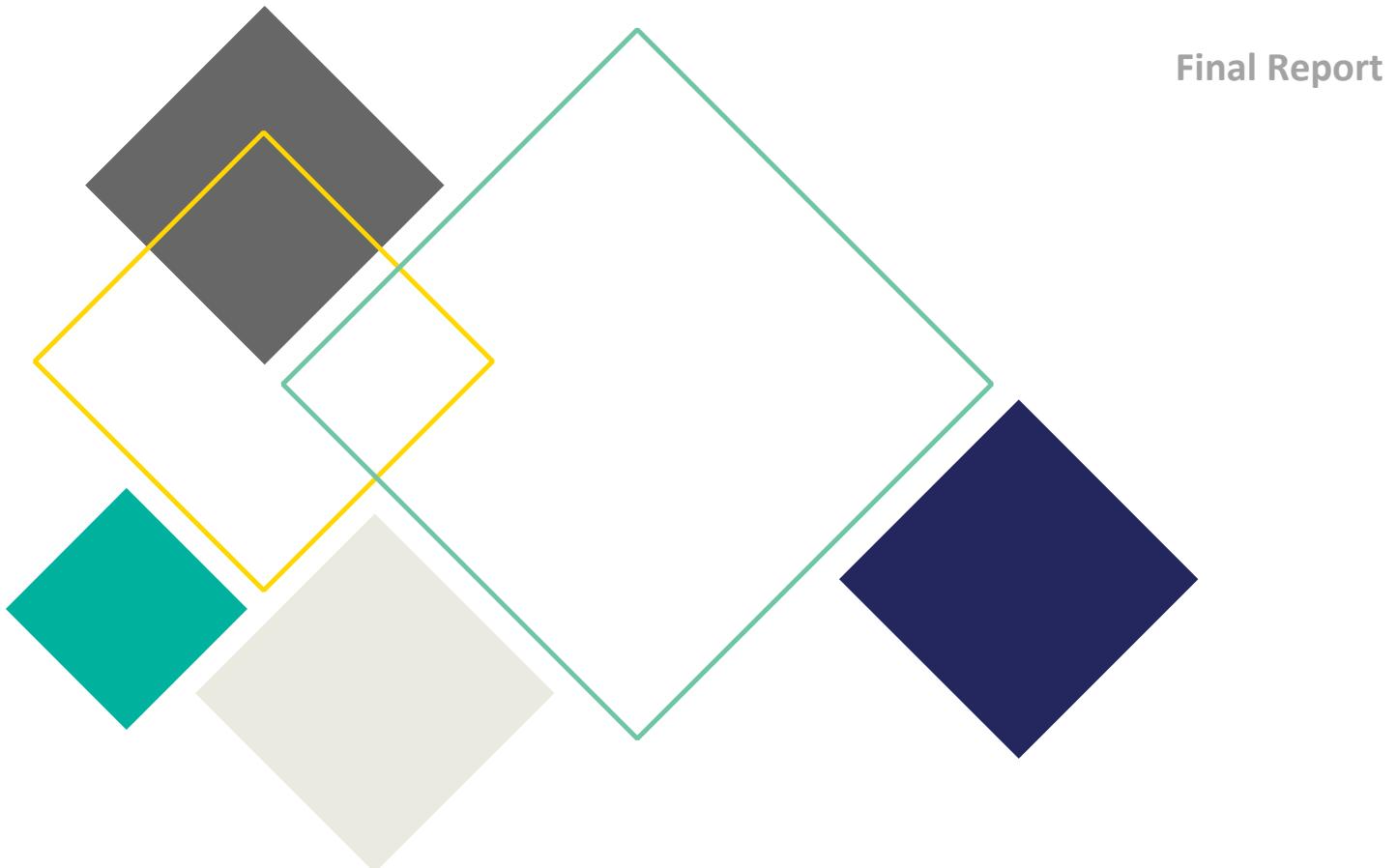




# Franklin County School District Performance Audit

SCHOOL CAPITAL  
OUTLAY SURTAX



Final Report



August 31, 2022

Steve Lanier, Superintendent  
Franklin County School District  
85 School Road, Suite 1  
Eastpoint, FL 32328

Dear Mr. Lanier:

MGT is pleased to submit the final report of the performance audit of Franklin County School District (District) pursuant to Section 212.055(11), Florida Statutes. In accordance with the requirements of Section 212.055(11)(b), Florida Statutes, the Office of Program Policy Analysis and Government Accountability (OPPAGA) selected MGT to conduct a performance audit of the District's administrative units related to the acquisition, construction, renovation, replacement, improvement, or equipping of school facilities and campuses and any land acquisition, land improvement, design and associated engineering costs; safety and security improvements of school facilities and campuses; retrofitting, upgrading, and providing for technology implementation, including hardware and software; purchase, lease-purchase, or maintenance of school buses, as defined in S. 1006.25, Florida Statutes; and the retirement of related debt.

MGT conducted this performance audit in accordance with Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that MGT plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on the audit objectives. MGT believes 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 Section 212.055(11), Florida Statutes. This statute requires that Florida local governments, 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 completed 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 programs 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 County, which relate to the program

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

MGT developed a work plan outlining the procedures to be performed to achieve the above audit objectives. Those procedures and the results of MGT's work are summarized in the Overview of Performance Audit Findings and Executive Summary and discussed in detail in the body of the report.

*MGT of America Consulting, LLC*

MGT  
TAMPA, FLORIDA

# *Overview of Performance Audit Findings*

FRANKLIN COUNTY SCHOOL DISTRICT  
AUGUST 2022

## **Overall, the District Met Expectations in 8, Partially Met Expectations in 15, and Did Not Meet Expectations in 3 of the 26 Performance Audit Research Areas**

Issue Area (Number of Subtasks Examined)	Overall Conclusion	Did the District Meet Subtask Expectations?		
		Yes	Partially	No
Economy, efficiency, or effectiveness of the program (7)	Partially Met	3	3	1
Structure or design of the program (2)	Partially Met	0	2	0
Alternative methods of providing program services or products (4)	Partially Met	0	4	0
Goals, objectives, and performance measures (3)	Partially Met	0	2	1
Accuracy or adequacy of public documents, reports, and requests prepared by the school district (5)	Partially Met	0	4	1
Compliance with appropriate policies, rules, and laws (5)	Met	5	0	0
<b>All Areas (26)</b>		<b>8</b>	<b>15</b>	<b>3</b>

## **RESULTS IN BRIEF**

In accordance with s. 212.055(11), F.S., and Government Auditing Standards, MGT conducted a performance audit of the Franklin County School District programs within the administrative units that will receive funds through the referendum approved by Resolution adopted by the Franklin County School Board on April 22, 2022. These programs are Facilities and Operations, Safety and Security, Information Technology (IT), Transportation, and Debt Service. For each program, the performance audit included an examination of the issue areas identified below.

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 program 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 county or school district which relate to the program.
6. Compliance of the program with appropriate policies, rules, and laws.

Findings for each of the six issue areas were based on the extent to which the programs met expectations established by audit subtasks. Overall, the audit found that Franklin County School District partially met expectations in 5 areas and met expectations in 1 area. Of the 26 total subtasks, the audit determined that the

District partially met expectations in 15, met expectations in 8, and did not meet expectations in 3 subtasks.

A summary of audit findings by issue area is presented below. A more detailed overview of the findings can be found in the Executive Summary.

## FINDINGS BY ISSUE AREA —

### Economy, Efficiency, or Effectiveness of the Program

Overall, the Franklin County School District partially met expectations in this area. Although the District has access to program performance and cost information that is adequate to monitor program performance, the District does not formally evaluate the Facilities and Operations, Transportation, and IT programs using performance information and other reasonable criteria to assess program performance and cost.

The Facilities and Operations Department uses information stored within the District's workorder system, such as number of workorders open, age of workorders, and cost of workorders, to monitor program performance and cost. The Manager discusses performance and cost information with the program's staff; however, this is an informal process and there is no documentation evidencing the discussions or a required frequency for monitoring performance. Additionally, the program does not formally present performance and cost information to the superintendent or School Board, unless the information is requested.

Also, the Facilities and Operations and Information Technology program costs per Unweighted Full-Time Equivalent Student appeared high when evaluated against peer districts. Transportation program costs also appear higher than peer counties.

MGT reviewed three completed projects: the installation of a playground for the Facilities and Operations program, installment of a Crisis Alert

System for the Safety and Security program, and the purchase of IT equipment for the IT program. The purpose of this review was to determine whether the costs were reasonable and projects were completed well, on time, and within budget. However, the District was unable to provide documentation, such as budgeted and actual cost data and completion dates, to support the projects.

The Safety and Security program provides an annual safety assessment with performance information to the Florida Department of Education. While the Safety and Security program indicated that costs are evaluated throughout the year, no documentation of the evaluation was maintained. The District's IT program is outsourced; however, there are no performance measures established by the contract to evaluate the effectiveness of the outsourced activities. The Transportation Department monitored program performance and cost on a regular basis. The performance metrics used by the Transportation Department to monitor program performance and cost include the age of the buses, mileage, and maintenance cost. Additionally, the Transportation Department provides an inventory report to the Florida Department of Education (FDOE) on a yearly basis. The Department also maintains mileage logs and the maintenance costs are stored within FMX.

For the Debt Service function, the District evaluated program performance and cost on a monthly basis using the District's monthly report to the Superintendent. The District also utilized internal calendars and its annual financial report to assess and monitor performance.

The District established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

MGT recommends the District establish reports that include performance measures and utilize those to evaluate program performance and cost on a regular basis. MGT also recommends that

District management maintain documentation including cost data and planned and actual start and completion dates for all projects.

### **The structure or design of the program to accomplish its goals and objectives**

Overall, the Franklin County School District partially met expectations in this area. The Facilities and Operations, Transportation, Safety and Security, and IT programs' organizational structures have clearly defined units, minimal overlapping functions, and administrative layers that minimize costs. When comparing the programs organizational chart span of control for all four programs, the organizational charts show that the span of control falls within the benchmarks published by the Society of Human Resource Management. However, MGT noted that the IT program was co-located with Human Resources; although IT should be independent of user departments to prevent override of established IT-related controls.

The District does not document the process used to assess program staffing. Additionally, the District's Facilities and Maintenance costs appear high.

MGT recommends the District ensure that the IT Department is independent of all user departments to protect the integrity of critical controls over IT systems. MGT also recommends the District document its process for assessing and adding staff. Lastly, MGT recommends that the District evaluate the reasons for the high capital outlay costs and implement strategies to decrease these costs, including modifications to staffing as necessary.

### **Alternative methods of providing services or Products**

Overall, the Franklin County School District partially met expectations in this area. The Facilities and Operations, Transportation, and IT program administrators did not formally evaluate 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 currently use a mixture of in-house and contracted personnel to perform the work. Criteria used to determine if a job should be contracted or performed in-house include cost, timeliness, expertise, and quality. However, the evaluations performed by the program administrators are informal and not documented, including the reasonableness of their conclusions.

One other factor that District staff face when considering whether work will be performed in-house or outsourced is a clause in the collective bargaining agreement that prevents use of contracted services that would displace any current District staff positions. Although that clause is valued by employees, it limits the financial options of the District and prevents certain efficiencies. MGT also found none of the three peer districts examined with that same job-protection clause.

MGT recommends the District review the possibility of negotiating the removal of the prohibition clause from its union agreement to allow the District to seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.

### **Goals, objectives, and performance measures used by the program to monitor and report program accomplishments**

Overall, the Franklin County School District partially met expectations in this area. The District's strategic plan lacks specificity and clearly stated program goals, objectives, and measures. Additionally, strategic plan goals are not aligned with the budget.

The Facilities and Operations, Safety and Security, IT, and Transportation programs do not have goals and objectives or performance measures. The contract for the outsourced IT program does not include benchmarks or performance measures. While District management indicated that they assess the IT contractor's performance

throughout the year, there was no documentation of the assessments. The single goal for the District's debt service function is to make timely payments on outstanding debt which is measured through the District's internal calendar.

MGT recommends that the District revise its strategic plan to establish goals and objectives which are clearly stated, measurable, and aligned with the budget. The District should also establish performance measures and targets that will enable it to assess program progress towards meeting stated goals and objectives.

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

Overall, the Franklin County School District partially met expectations in this area. The District uses its website to disseminate information. Examples of the information disseminated include the annual budget and annual financial reports. MGT's inquiries with District management and review of the District's website disclosed that the District has no policies governing the types of information that should be included on each program's web page or how to verify the accuracy of the information. Examination of the website for each program indicated that the District could improve the amount and usefulness of the financial and nonfinancial information made available to the public.

Additionally, the District has processes in place to evaluate the accuracy of financial information posted to its website including reviewing the information prior to making it publicly available. However, this process is not documented in writing and the District does not have procedures addressing the correction of data previously made publicly available. District management asserted that no corrections to publicly available data were required during the period July 2020 through May 2022.

MGT recommends the District develop procedures which provide guidelines on the type of information that should be included on the website, along with a process for verifying the accuracy of financial and nonfinancial information, and documenting that verification, prior to publishing information. The District should also establish procedures for correcting published data and notifying the public of those corrections.

**Compliance of the program with appropriate policies, rules, and laws**

Overall, the Franklin County School District met expectations in this area. The Board Attorney provides transactional and governance legal services to the District. In this capacity, the Board Attorney reviews all contracts requiring board approval for compliance with legal requirements and board policy. The Finance Department reviews and approves expenditure transactions to ensure compliance with applicable federal, state, and local laws, rules, and regulations and grant agreements. Additionally, the District has taken appropriate corrective actions to address noncompliance issues noted in external audits.

As it relates to the planned uses of the surtax, MGT concludes that program administrators have taken reasonable and timely actions to provide reasonable assurance that planned uses of the surtax are in compliance with applicable state laws, rules, and regulations. MGT noted that the District engaged additional outside counsel, with surtax compliance specialization, in a timely fashion to assist with compliance. The District also has a process in place to distribute funds to its charter school and monitor how the charter school has used the funds.

**FRANKLIN COUNTY SCHOOL DISTRICT**  
**PERFORMANCE AUDIT**

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# INTRODUCTION

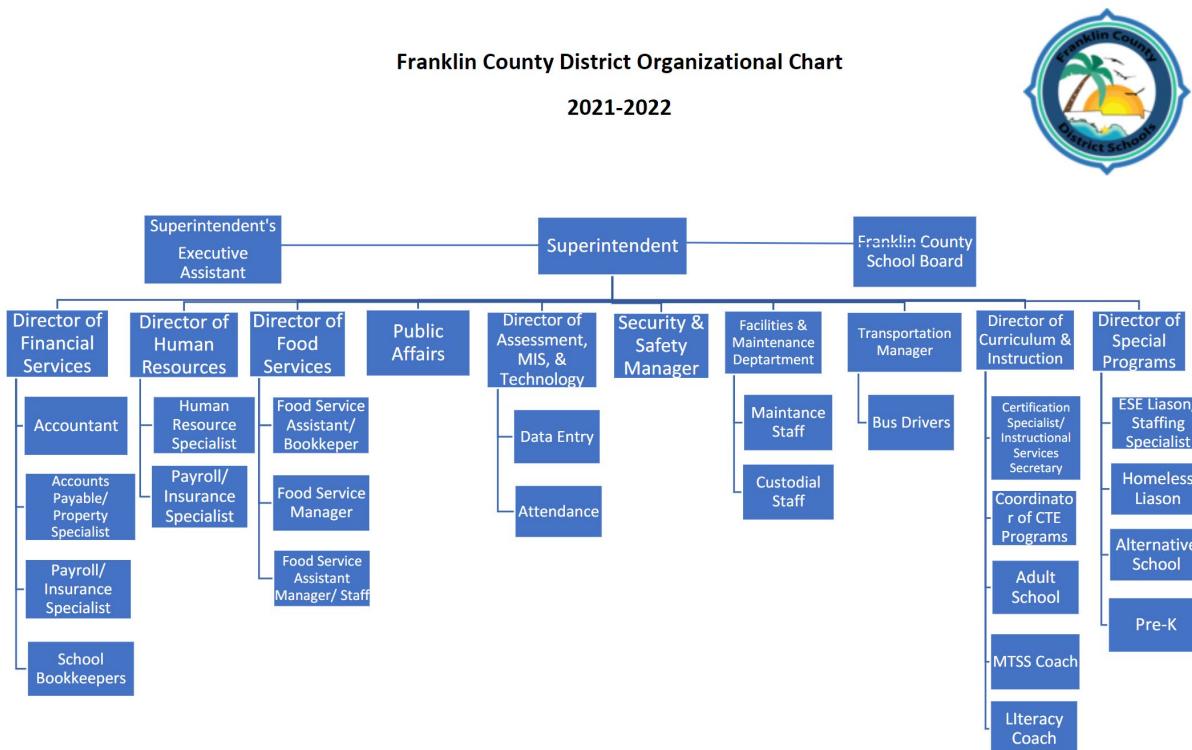
## Background

Franklin County School District is located in the panhandle of the State of Florida along the Gulf of Mexico approximately 80 miles east of the state capital of Tallahassee. The Franklin County seat is located in Apalachicola and the School District headquarters is located in Eastpoint. Franklin County is bordered by three other Florida counties: Liberty to the north, Gulf to the west, and Wakulla to the east. According to the Florida Department of Education membership survey as of December 31, 2021, the District provided education services to 1,242 students.

### *Responsible Organizational Units & Budget Information*

Within the District, the Superintendent is responsible for overseeing all District departments including those providing educational services, updating school facilities, information technology and transportation infrastructure projects. The organizational chart below shows the organizational structure of Franklin County School District. Surtax projects would be completed by the Business Services, Facilities and Maintenance, Transportation, and Security and Safety departments identified below.

### *Existing District Organizational Structure*



## INTRODUCTION

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### *Use of Surtax Funds*

On April 28, 2022, the School Board of Franklin County approved a resolution to place on the ballot of a referendum, to be held on November 8, 2022, the imposition of a 20-year one-half percent (0.5%) sales surtax upon the District's electors effective January 1, 2023. Subsequently, on May 3, 2022, the Board of County Commissioners of Franklin County passed and adopted the resolution. Section 212.055(11), Florida Statutes, provides requirements associated with such referenda, including that the Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) procure the services of a certified public accountant to conduct a performance audit of the programs associated with the proposed surtax. Should Franklin County voters approve the sales surtax of one-half percent (0.5%), the proceeds will be used for the acquisition, construction, renovation, replacement, improvement, or equipping of school facilities and campuses, and any land acquisition, land improvement, design and engineering costs associated; safety and security improvements of school facilities and campuses; retrofitting, upgrading, and providing for technology implementation, including hardware and software, for various sites within the District; and purchase, lease-purchase, lease, or maintenance of school buses.

Pursuant to the resolution, the District desires to fund the acquisition, construction, renovation, replacement, improvement, or equipping of school facilities, safety and security improvements, technology hardware and software, and school buses through a one-half percent (0.5%) discretionary sales tax known as a School Capital Outlay Surtax. The funds from the School Capital Outlay Surtax will be used for projects that will improve and modernize school facilities, campuses, and equipment and meet the security, safety, and technology needs of the District's facilities and campuses. Table 1.1 presents the 2020-21 District budget for the programs related to the District's planned use of the surtax revenue.

### *Existing District Budget for related programs*

Table 1-1 FY 2021-22 Franklin County School District Budgeted Appropriations

	General Fund	Special Revenue (Food Svc)	Special Revenue (Other Federal)	Special Revenue (ESSER)	Special Revenue (CARES)	Special Revenue (ESSER II)	Capital Projects
Salaries	\$ 5,343,870	\$ 460,000	\$ 330,061	\$ 57,665	\$ -	\$ 802,241	
Benefits	\$ 2,470,800	\$ 235,000	\$ 119,612	\$ 6,026	\$ -	\$ 251,035	
Purchased Services	\$ 4,499,375	\$ 43,000	\$ 619,202	\$ 61,193	\$ 740	\$ 751,829	
Energy Services	\$ 401,000	\$ 8,000	\$ -	\$ -	\$ -	\$ -	
Materials & Supplies	\$ 663,300	\$ 475,000	\$ 68,035	\$ 5,655	\$ 406	\$ 204,612	
Captial Outlay	\$ 227,300	\$ 60,000	\$ 11,500	\$ 57,809			\$ 4,379,904
Other	\$ 482,707	\$ 3,000	\$ 43,512	\$ 2,482		\$ 45,636	
Fund Balance	\$ 758,218						
	<b>\$ 14,846,570</b>	<b>\$1,284,000</b>	<b>\$1,191,922</b>	<b>\$190,830</b>	<b>\$ 1,146</b>	<b>\$2,055,353</b>	<b>\$4,379,904</b>

As of May 2022, the School District had 163 full-time equivalent employees and 2021-22 fiscal year budgeted appropriations for its general fund totaling approximately \$15.8 million, of which \$6.3 was for salaries, \$2.4 million was for employee benefits, \$4.5 million for purchased services, \$401,000 for energy services and \$663,300 for materials and supplies, \$227,300 for capital outlay, \$482,707 for other expenses.



## Audit Objectives

In accordance with Section 212.055(11), Florida Statutes, and Generally Accepted Government Auditing Standards, a certified public accountant must conduct a performance audit of the District's program areas within the administrative units that will receive funds through the surtax referendum. Pursuant to the requirements of Section 212.055(11), Florida Statutes, OPPAGA selected MGT to conduct the performance audit of the programs associated with the surtax resolution. 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.

The objectives of the audit are consistent with the requirements of the statute, which are to evaluate the District's administrative units related to the acquisition, construction, renovation, replacement, improvement, or equipping of school facilities and campuses and any land acquisition, land improvement, design and associated engineering costs; safety and security improvements of school facilities and campuses; retrofitting, upgrading, and providing for technology implementation, including hardware and software; purchase, lease-purchase, or maintenance of school buses; and the retirement of related debt 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 County, which relate to the program, and
6. Compliance of the program with appropriate policies, rules, and laws.

## Project Scope

The subject auditee for the performance audit is the Franklin County School District. MGT conducted this audit from July 2022 through August 2022 in accordance with generally accepted government auditing standards. Those standards require that MGT plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on the audit objectives. MGT believes that the evidence obtained provides a reasonable basis for the findings and conclusions based on the audit objectives.

## Project Methodology

The audit included the selection and examination of transactions and records occurring during the period July 2020 through May 2022. Unless otherwise indicated in this report, these transactions and records were not selected with the intent of statistically projecting the results, although MGT has presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature, does not include a review of all records and actions of agency management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, abuse, or inefficiency.

As described in more detail below, for those programs, activities, and functions included within the scope of the audit, the audit work included, but was not limited to:

- Communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of the audit.
- Obtaining an understanding of the program, activity, or function.
- Identifying and evaluating internal controls significant to the audit objectives.
- Exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests, analyses, and other procedures included in the audit methodology.
- Obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of the audit's findings and conclusions.
- Reporting on the results of the audit as required by governing laws and auditing standards.

In conducting the audit, MGT:

- Reviewed applicable laws, rules, District policies and procedures, and other guidelines, and interviewed District personnel to obtain an understanding of the administration units.
- Obtained an understanding of selected District information technology (IT) controls, assessed the risk related to those controls, evaluated whether selected general IT controls were in place, and test the effectiveness of the selected controls.
- Interviewed superintendent, department heads, program administrators, district staff and board members.
- Examined reports and data used by management to monitor program performance and cost to determine whether the information appears to be adequate to the monitor program performance and cost.
- Examined the District's Annual Financial Reports for fiscal years ending June 30, 2020, and June 30, 2021, and the State of Florida Auditor General's Operations Audit Report issued in 2020 to determine whether the District had any findings affecting the audited programs and, if so, if management had taken appropriate acting to correct the findings.
- Communicated with program administrators to ensure the timely resolution of issues involving controls and noncompliance.
- Evaluate program performance by comparing to peer districts where sufficient data was available. For this audit, the peer districts are Jackson, Liberty, and Washington county school districts.
- Examined projects related to the Facilities and Operations, Safety and Security, and Information Technology programs to determine whether the projects were completed well, within budget or reasonable amount, and completed on-time.
- Examined District purchasing policies and procedures to determine whether the policies and procedures addressed the use of competitive procurement, volume discounts, and special pricing agreements.
- Examined the audited programs organizational charts and compared staffing levels to Span of Control benchmarks obtained from the Society for Human Resource Management (SHRM) to determine whether the organizational structure appears to minimize overlapping functions, excessive administrative layers, and minimizes administrative costs.
- Examined the audited programs organizational charts and performed analytical procedures to determine whether the staffing appeared appropriate given the nature of the services provided and program workload.

## INTRODUCTION

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- Inquired with audited programs management regarding evaluations of in-house services and activities to assess the feasibility of alternative methods of providing services and the assessment of contracted services.
- Inquired with audited programs management to identify the program's goals and objectives, measures used to evaluate program performance, and internal controls in place to determine whether clear, measurable, and achievable goals have been established for the program, sufficient measures are in place to evaluate program performance, and internal controls provide reasonable assurance that goals and objectives will be met.
- Reviewed the District website to identify the types of documents available related to the audited programs and reviewed the documents to determine the types of performance and cost data publicly available.
- Reviewed the District website to determine whether information appeared to be posted timely and made inquiries regarding corrections to data previously posted on the website.
- Inquired with audited programs management to gain an understanding of the processes and controls established to determine whether the departments have established a process to ensure compliance with applicable federal, state, and local laws and regulations; contracts; and grant agreements.
- Made inquiries with the Board Attorney, Chief Financial Officer, and audited programs administrators to determine how the District verified that planned uses of the surtax comply with applicable state laws, rules, and regulations.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Collected, reviewed and analyzed labor agreements from auditee and its peers
- Prepared and submitted for management response the findings and recommendations that are included in this report, and which describe the matters requiring corrective actions. Management's response is included in this report under the heading MANAGEMENT'S RESPONSE.

## EXECUTIVE SUMMARY

### Overall Conclusion:

Franklin County School District has appropriate controls and processes in place to manage the School Capital Outlay Surtax. However, MGT noted that the District could improve its processes and work activities related to proper administration of discretionary sales surtax proceeds as detailed in Research Tasks 1 through 6 below.

## I – ECONOMY, EFFICIENCY & EFFECTIVENESS OF THE PROGRAM

### Conclusion: Partially Meets

Districtwide – Financial performance data are presented to the Board on regular cadences with updates and additional supporting documentation presented when budget amendments are needed and throughout the annual budget process. Program-specific reports provide accurate and appropriate detail for the Board for informational purposes but are inadequate to monitor program performance and cost. There is a lack of clearly documented program level performance evaluation criteria that is regularly tracked and monitored at the leadership and Board level. The District has a strategic plan that was adopted by the Board in 2019, but it lacks specificity and clear goals and objectives.

- Facilities and Operations – The Facilities and Operations program provides district wide maintenance and uses monthly reporting to the School Board to monitor program performance and cost. The department also uses its FMX software to manage on-going workorders at the District.
- Safety and Security – The Safety and Security program provides monthly updated to the School Board along with gathering the information necessary to report in its annual safety assessment performed and submitted to the Florida Department of Education.
- Information Technology – Although there is likely a wealth of information available, the Information Technology program only reviews reports of the prior month's activities and actions performed by its third party IT service provider.
- Transportation – The Transportation program tracks fuel, mileage, and reports annually to the Florida Department of Education.



- Debt Service –The Debt Service function uses internal calendars, debt schedules, and annual reporting to ensure the program stays efficient and continues to make timely debt payments.

#### KEY RECOMMENDATIONS

- Establish a schedule for major programs, including the program area under review, to provide Board updates relating to performance, challenges and opportunities relating to their area of operations.
- Build in performance requirements or expectations into the agreement with contract IT vendor.
- Prepare at least quarterly technology reports for the Superintendent and Board providing information on established performance metrics as well as the status of the Information Technology program in the District.

## 2 – ORGANIZATIONAL STRUCTURE & DESIGN OF THE PROGRAMS

### Conclusion: Partially Meets

Districtwide – The central organizational structure of the Franklin County School District is clear and minimizes administrative costs. Costs for administrative personnel are significantly less than comparable peer districts. The District has a process for determining if additional positions are needed; however, as the District is so small, the process is informal with no written documentation.

- Facilities and Operations – The Facilities and Maintenance Department is comprised of 18 positions, including the Director, Secretary, 4 maintenance staff, and 12 custodial staff. The District has a relatively high cost of operations and maintenance compared to its peer districts, but costs are still below the state average.
- Safety and Security – The Safety and Security Department includes 1 position, the District Safety Specialist Officer. Two School Resource Officers are provided through contract with the Franklin County Sheriff's Office. According to the terms of the District's contract with the Sheriff's Office, the deputies remain responsible to the Sheriff's chain of command, but are required to abide by District policies and consult and coordinate all activities through the school principal.
- Information Technology – The District has contracted for the provision of all information technology services. The contract has clear scope and payment terms but lacks specifics on performance and levels of service. The District has assigned oversight responsibility for the IT contract to the District's Human Resources Director. However, IT should be independent of user departments to prevent override of established IT-related controls.
- Transportation – The Transportation Department consists of 17 positions, the Transportation Manager, 2 mechanics, and 14 bus drivers. The District currently has 12 daily buses, along with

work required by field trips and extracurricular activities. Given the District's workload, the current staffing level of 14 bus drivers appears reasonable.

- Debt Service – This research task is not applicable to Debt Service as Debt Service is a function rather than a program.

#### KEY RECOMMENDATIONS

- Document its process for adding new staff when necessary.
- Evaluate the reasons for the District's high capital outlay costs and implement strategies to decrease these costs, including modifications to staffing as necessary.
- Ensure that the IT Department is independent of all user departments to protect the integrity of critical controls over IT systems.

### 3 – ALTERNATIVE DELIVERY METHODS

#### Conclusion: Partially Meets

Districtwide – Overall, MGT found that Franklin County School District is using contracted services but has not adopted a formal process for evaluating the costs and benefits of performing the work in-house or hiring in-house staff to perform the functions. There are also contract provisions in the National Education Association labor agreement that prevent the District from supplanting any district staff with contracted services. This limits the District's options to lower costs and increase efficiencies through service delivery alternatives.

- Facilities and Operations – The District has not formally evaluated existing in-house services for the feasibility of using external contractors, but the District maintains a contract with providers for nighttime custodial services that augment the work that cannot be efficiently performed by current staff.
- Safety and Security – The District is required by Florida Statutes to contract with the Franklin County Sheriff's Office for School Resource Deputies (SRD). MGT identified no additional opportunities relating to alternative service delivery in this program.
- Information Technology – As noted in Research Task 2, the technical support staffing in the Information Technology program is a contract with a third-party provider. The District's cost per student of instructional technology spending is in line with peers (4% above the average). However, total information technology spending per student appears high.
- Transportation – The Transportation program is very limited in the opportunities to outsource the services it provides to the District. The program currently does well with the resources it has, but there is still potential for more efficiencies to be found.

- Debt Service – This research task is not applicable to the Debt Service function. The Debt Service function does not look for alternative ways to deliver services as it is only designed to make timely payments of the District's debt.

#### KEY RECOMMENDATIONS

- Conduct a comprehensive district-wide staffing analysis.
- Conduct a contract review in the Information Technology program to determine optimum staffing levels in combination with actual needs for supplemental expertise or peak staffing needs in each program area and staffing category.

## 4 – GOALS, OBJECTIVES & PERFORMANCE MEASURES

### Conclusion: Partially Meets

Districtwide – Overall, MGT found that Franklin County School District's programs lacked clear, measurable goals, objectives and performance measures. Although the District does have a strategic plan adopted by its Board in 2019, that plan lacks specificity to manage and monitor performance.

- Facilities – The District capital outlay plan has clear projects planned for the future. However, the Facilities and Operations program lacks a clear list of projects with budgets, planned start and completion dates in order to properly monitor performance. The program also reports data and annual costs on a per square footage and per student basis annual but has not set ranges that would determine performance or success.
- Safety and Security – The Safety and Security program has a very clear goal for the program but it lacks specificity to monitor and measure success.
- Information Technology – As noted in Research Task 2, the technical support staffing in the Information Technology program is a contract with a third-party provider. The contract with the vendor lacks service levels, clear goals objectives and performance measures. The contractor is performing the tasks and scope outlined in the agreement but it lacks performance measures.
- Transportation – The Transportation program does not have goals and objectives set to strive to meet or measure performance against.
- Debt Service – The Debt Service function's sole goal is to make timely debt payments. Though this goal is not in writing it is an intuitive goal for the function to have.

## KEY RECOMMENDATIONS

- Establish a District-wide list of goals and objectives that are clearly stated, measurable, achievable within the budget, and are in line with the District's strategic plan so performance can be tracked and monitored.
- Conduct contract review within the Information Technology program to establish service levels and performance metrics for the third-party provider to meet.
- The Safety and Security program should develop a formal evaluation of performance so that it can be regularly reviewed throughout the year, other than its annual assessment.

## 5 – ACCURACY & ADEQUACY OF PUBLIC DOCUMENTS, REPORTS

### Conclusion: Partially Meets

Districtwide – The District uses its website to disseminate information including the annual budget and annual financial reports. The District has processes in place to evaluate the accuracy of financial information posted to its website including reviewing the information prior to making it publicly available. However, these processes are not documented, and the District does not have procedures addressing the correction of data previously made publicly available.

- Facilities – Based on MGT's examination of the District's website, the District does not publish information related to Facilities and Operations on its website. The Council of Great City Schools published a list of metrics that could be used to provide cost and performance data for Operations. Those metrics included cost of custodial work per square foot, routine maintenance cost per work order, and work order completion time.
- Safety and Security – The Safety Department has several systems it uses to manage the program. Because of the nature of security its data and information is of significant value to District leadership but in most instances is not information that can or should be provided to the public. The District includes some basic safety information including the School Visitor Policy on its website, but could improve the usefulness of the safety website by including additional information such as safety and security expenditures per 1,000 students, safety and security staff per 1,000 students, and number of assault and battery incidents.
- Information Technology – The District does not publish any information regarding IT on its website. The Council of Great City Schools published a list of metrics that could be used to provide cost and performance data for IT. Those measures include the average age of computers, devices per student, and IT spending per student.
- Transportation – While the District includes non-financial information on its website for transportation, including information valuable to students and parents on bus routes and code

of conduct; there is no transportation-specific financial information on the website. Metrics suggested by the Council of Great City Schools for transportation include average age of the bus fleet, cost per mile operated, and on-time performance.

- Debt Service – The District has adequate systems in place and publishes sufficient information to inform the public of its debt service activities.

#### KEY RECOMMENDATIONS

- Develop procedures which provide guidelines on the type of information that should be included on the website.
- Implement a process for verifying the accuracy of financial and nonfinancial information, and documenting that verification, prior to publishing information.
- Establish procedures for correcting published data and notifying the public of those corrections.

## 6 – INTERNAL CONTROLS, COMPLIANCE WITH APPLICABLE FEDERAL, STATE AND LOCAL LAWS, RULES & REGULATIONS

#### Conclusion: District Met

Districtwide – Based on the analysis performed and a review of internal controls, the District has an adequate process in place to assess compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies. MGT noted that the District engaged additional outside counsel, with surtax compliance specialization, in a timely fashion to assist with and ensure District compliance. Competitive procurement and purchasing functions are centralized which results in compliance with policy, competitive solicitations, and documentation being held in a central location.

- Facilities – The internal controls, policies and processes used for managing projects uses multiple levels of control to effectively ensure compliance with federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.
- Safety – The Safety Specialist Officer uses the annual security risk assessments as a critical part of the District's compliance process.
- Information Technology – The Information Technology program has policies relating to the use of technology by staff and students and processes and applications in place to regularly monitor compliance.
- Transportation – The Transportation program reports annual statistics to the Florida Department of Education and regularly reviews transportation rules and regulations to ensure compliance.

## EXECUTIVE SUMMARY

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- Debt Service – The Debt Service function strives to ensure compliance with debt schedules and timely payments.

### KEY RECOMMENDATIONS

- MGT has no recommendation for this task.

## SUMMARY OF FINDINGS BY SUBTASK

### FACILITIES AND OPERATIONS

**Research Task 1: The economy, efficiency, or effectiveness of the Facilities and Operations program—Partially Met**

FACILITIES AND OPERATIONS SUBTASK		CONCLUSION	RECOMMENDATION
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.	Partially Met	MGT recommends the Facilities and Operations program review the capabilities of its FMX software for potential reports and data that could provide objective and measurable information on program performance.
1.2	Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.	Partially Met	MGT recommends the Facilities and Operations program enhance its performance reporting and develop a procedure to evaluate program performance periodically.
1.3	Review findings and recommendations included in any relevant internal or external reports on program performance and cost.	Met	
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.	Not Applicable – No deficiencies noted.	
1.5	Evaluate program performance and cost based on reasonable measures, including best practices.	Partially Met	MGT recommends that the District evaluate the reasons for its high capital outlay costs and implement strategies to decrease these costs.
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.	Did Not Meet	MGT recommends the Facilities and Operations program enhance its project tracking procedures to appropriately track the progress of, and maintain documentation related to, ongoing and completed projects.
1.7	Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	Met	

**SUMMARY OF FINDINGS BY SUBTASK**

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**Research Task 2: The structure or design of the Facilities and Operations program to accomplish its goals and objectives—Partially Met**

<b>FACILITIES AND OPERATIONS SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
2.2 Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.	Partially Met	MGT recommends that the District document its process for adding new staff when necessary. As noted in subtask 1.5, MGT also recommends that the District evaluate the reasons for its high capital outlay costs and implement strategies to decrease these costs, including modifications to staffing as necessary.

**Research Task 3: Alternative methods of providing Facilities and Operations program services or products—Partially Met**

<b>FACILITIES AND OPERATIONS SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Did Not Meet	MGT recommends the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District to seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.
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.	Partially Met	MGT recommends the Facilities and Operations program formally assess contracted and/or privatized services to verify the effectiveness and cost savings achieved and document the reasonableness of their conclusions.
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.	Partially Met	MGT recommends program administrators document their assessment of contracted labor to support changes in service delivery methods and ensure the service quality and cost fit the needs of the District.
3.4 Identify possible opportunities for alternative service delivery methods that have the	Did Not Meet	MGT recommends the District review the possibility of negotiating

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>FACILITIES AND OPERATIONS SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities.		the prohibition clause out of its union agreement to allow the District to seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.

**Research Task 4: Goals, objectives, and performance measures used by the Facilities and Operations program to monitor and report program accomplishments—Partially Met**

<b>FACILITIES AND OPERATIONS SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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 District's strategic plan.	Partially Met	MGT recommends the District establish a list of goals and objectives that are clearly stated, measurable, achievable, and consistent with the District's strategic plan.
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.	Did Not Meet	MGT recommends the District establish measures that will assess program progress towards meeting its stated goals and objectives, once those goals and objectives are established.
4.3 Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.	Partially Met	MGT recommends that the District review and revise, as necessary, its current internal controls to ensure that the goals and objectives in its revised strategic plan will be met.

**Research Task 5: The accuracy or adequacy of public documents, reports, and requests prepared by the Franklin County School District which relate to the Facilities and Operations program—Partially Met**

<b>FACILITIES AND OPERATIONS SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
5.1 Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.	Partially Met	MGT recommends the District develop procedures which provide guidelines on the type of information that should be included on the District's website.
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 District related to the program.	Did Not Meet	MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.
5.3 Determine whether the public has access to program performance and cost information that is readily available and easy to locate.	Partially Met	MGT recommends that the District ensure that sufficient financial and

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>FACILITIES AND OPERATIONS SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
			nonfinancial information is provided on the website to allow for an evaluation of Department performance and cost.
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.	Partially Met	MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.
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 County and that these procedures provide for adequate public notice of such corrections.	Partially Met	MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.

**Research Task 6: Compliance of the Facilities and Operations program with appropriate laws, rules, and policies—Met**

<b>FACILITIES AND OPERATIONS SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
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.	Met	
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.	Met	
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.	Met	

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>FACILITIES AND OPERATIONS SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
6.5	Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used.	Met	

## **SAFETY AND SECURITY**

### **Research Task 1: The economy, efficiency, or effectiveness of the District's Safety and Security program—Partially Met**

<b>SAFETY AND SECURITY SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Partially Met	MGT recommends the Safety and Security program administrators enhance the reports used to monitor the security program's performance and costs.
1.2	Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.	Partially Met	MGT recommends the Safety and Security program have a formal evaluation in place other than the yearly assessment to assess performance more regularly throughout the year. Also, MGT recommends the security program formalize its procedures to review the program's cost and document each time the programs goes through that process.
1.3	Review findings and recommendations included in any relevant internal or external reports on program performance and cost.	Met	
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.	Met	
1.5	Evaluate program performance and cost based on reasonable measures, including best practices.	Met	
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.	Did Not Meet	MGT recommends the Safety and Security program enhance its recordkeeping of projects within the program. The program should document relevant information such as project cost to budget, completion date, and setbacks noted during a project.

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>SAFETY AND SECURITY SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
1.7	Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	Met	

**Research Task 2: The structure or design of the District's Safety and Security program to accomplish its goals and objectives—Partially Met**

<b>SAFETY AND SECURITY SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
2.2	Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.	Partially Met	MGT recommends the District document its process for adding new staff when necessary.

**Research Task 3: Alternative methods of providing services or products provided by the District's Safety and Security program— Met**

<b>SAFETY AND SECURITY SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
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.	Met	
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.	Met	
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.	Met	

## SUMMARY OF FINDINGS BY SUBTASK

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**Research Task 4: Goals, objectives, and performance measures used by District's Safety and Security program to monitor and report program accomplishments—Partially Met**

SAFETY AND SECURITY SUBTASK		CONCLUSION	RECOMMENDATION
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 District's strategic plan.	Partially Met	MGT recommends that the District establish goals and objectives that are clearly stated, measurable, achievable, and consistent with the District's strategic plan.
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.	Did Not Meet	MGT recommends that the Safety and Security Department implement performance measures that are sufficient to assess the Department's progress meeting its stated goals and objectives established as a result of recommendation 4.1.
4.3	Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.	Partially Met	MGT recommends that the District review and revise, as necessary, its current internal controls to ensure that the goals and objectives in its revised strategic plan will be met.

**Research Task 5: The accuracy or adequacy of public documents, reports, and requests prepared by the Franklin County School District which relate to District's Safety and Security program—Partially Met**

SAFETY AND SECURITY SUBTASK		CONCLUSION	RECOMMENDATION
5.1	Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.	Partially Met	MGT recommends that the District develop procedures which provide guidelines on the type of information that should be included on the website.
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 District related to the program.	Did Not Meet	MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.
5.3	Determine whether the public has access to program performance and cost information that is readily available and easy to locate.	Partially Met	MGT recommends that the District ensure that sufficient financial and nonfinancial information is provided on the website to allow for an evaluation of Department performance and cost.
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.	Partially Met	MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>SAFETY AND SECURITY SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
		information is made publicly available.
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 District and that these procedures provide for adequate public notice of such corrections.	Partially Met	The District should establish procedures for correcting published data and notifying the public of those corrections.

**Research Task 6: Compliance of the District's Safety and Security program with appropriate laws, rules, and policies—Met**

<b>SAFETY AND SECURITY SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
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.	Met	
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.	Met	
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.	Met	
6.5 Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used.	Met	

## INFORMATION TECHNOLOGY

### Research Task 1: The economy, efficiency, or effectiveness of the District's Information Technology (IT) program—Partially Met

INFORMATION TECHNOLOGY SUBTASK		CONCLUSION	RECOMMENDATION
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.	Met	
1.2	Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.	Partially Met	MGT recommends that program administrators formally assess the IT program's performance based on objective, measurable criteria and document these assessments.
1.3	Review findings and recommendations included in any relevant internal or external reports on program performance and cost.	Met	
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.	Met	
1.5	Evaluate program performance and cost based on reasonable measures, including best practices.	Partially Met	MGT recommends that the District continue to track data provided to the FDOE and evaluate for potential improvements in program performance and cost.
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.	Did Not Meet	MGT recommends that the IT program enhance its project tracking procedures to ensure they can track and maintain documentation related to ongoing and completed projects.
1.7	Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	Met	

## SUMMARY OF FINDINGS BY SUBTASK

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**Research Task 2: The structure or design of the District's Information Technology program to accomplish its goals and objectives—Partially Met**

INFORMATION TECHNOLOGY SUBTASK		CONCLUSION	RECOMMENDATION
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.	Partially Met	MGT recommends the District ensure that the IT Department is independent of all user departments to protect the integrity of critical controls over IT systems.
2.2	Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.	Partially Met	MGT recommends the District document its process for adding new staff when necessary.

**Research Task 3: Alternative methods of providing services or products provided by the District's Information Technology program—Partially Met**

INFORMATION TECHNOLOGY SUBTASK		CONCLUSION	RECOMMENDATION
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.	Not Applicable	
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.	Partially Met	MGT recommends the Information Technology program set benchmarks or performance metrics for the IT provider and formally assess its IT service provider's performance.
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.	Met	
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.	Met	

**SUMMARY OF FINDINGS BY SUBTASK**

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**Research Task 4: Goals, objectives, and performance measures used by the District's Information Technology program to monitor and report program accomplishments—Partially Met.**

<b>INFORMATION TECHNOLOGY SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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 District's strategic plan.	Did Not Meet	MGT recommends that District management develop more specificity and detail in its strategic plan. As part of those efforts, the District should establish goals and objectives which are clearly stated, measurable, and achievable within budget.
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.	Did Not Meet	MGT recommends that the District establish measures that will assess program progress towards meeting its stated goals and objectives, once those goals and objectives are established. MGT also recommends that the agreement with the third party be updated to include clearly stated, measurable goals and objectives so that the District can evaluate program performance.
4.3 Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.	Partially Met	MGT recommends that the District review and revise, as necessary, its current internal controls to ensure that the goals and objectives in its revised strategic plan will be met.

**Research Task 5: The accuracy or adequacy of public documents, reports, and requests prepared by the Franklin County School District which relate to the District's Information Technology program—Did Not Meet**

<b>INFORMATION TECHNOLOGY SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
5.1 Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public.	Did Not Meet	MGT recommends that the District develop procedures which provide guidelines on the type of information that should be included on the website.
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 District related to the program.	Did Not Meet	MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.
5.3 Determine whether the public has access to program performance and cost information that is readily available and easy to locate.	Did Not Meet	MGT recommends that the District ensure that sufficient financial and nonfinancial information is

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>INFORMATION TECHNOLOGY SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
		provided on the website to allow for an evaluation of Department performance and cost.
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.	Did Not Meet  MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.
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 County and that these procedures provide for adequate public notice of such corrections.	Partially Met  The District should establish procedures for correcting published data and notifying the public of those corrections.

**Research Task 6: Compliance of the District's Information Technology program with appropriate laws, rules, and policies—Met**

<b>INFORMATION TECHNOLOGY SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
6.1	Met  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.	
6.2	Met  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.	
6.3	Met  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.	
6.4	Met  Determine whether program administrators have taken reasonable and timely actions to determine whether planned uses of the surtax	

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>INFORMATION TECHNOLOGY SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
	are in compliance with applicable state laws, rules, and regulations.		
6.5	Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used.	Met	

## TRANSPORTATION

**Research Task 1: The economy, efficiency, or effectiveness of the District's Transportation program—Partially Met**

<b>TRANSPORTATION SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
1.2	Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.	Met	
1.3	Review findings and recommendations included in any relevant internal or external reports on program performance and cost.	Met	
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.	N/A – No Transportation-related findings	
1.5	Evaluate program performance and cost based on reasonable measures, including best practices.	Partially Met	MGT recommends that the Transportation program set clear goals and objectives with respect to these measurable statistics. MGT also recommends that the District examine bus occupancy, routes, and other efficiencies to ensure that it can serve its students better by utilizing resources more effectively and efficiently.
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.	Not applicable	

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>TRANSPORTATION SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
1.7 Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	Met	

**Research Task 2: The structure or design of the District's Transportation program to accomplish its goals and objectives—Partially Met**

<b>TRANSPORTATION SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
2.2 Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload.	Partially Met	MGT recommends the District document its process for adding new staff when necessary.

**Research Task 3: Alternative methods of providing services or products provided by the District's Transportation program—Partially Met**

<b>TRANSPORTATION SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Did Not Meet	MGT recommends that the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District to seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.
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.	N/A	
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.	Partially Met	MGT recommends that the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.
3.4 Identify possible opportunities for alternative service delivery methods that have the potential to reduce program costs without	Partially Met	MGT recommends that the District analyze route timing, bell schedules, release times or route changes that

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>TRANSPORTATION SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
significantly affecting the quality of services, based on a review of similar programs in peer entities.		would enable the program to operate with less buses without impacting quality of service or drastically increasing ride times of student. MGT realizes that with only one school, the District's options may be limited.

**Research Task 4: Goals, objectives, and performance measures used by the District’s Transportation program to monitor and report program accomplishments—Partially Met**

<b>TRANSPORTATION SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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 District’s strategic plan.	Did Not Meet	MGT recommends that District management continue its efforts to develop more specificity and details in its strategic plan. As part of those efforts, the District should establish goals and objectives which are clearly stated, measurable, and achievable within budget. Because the Transportation program has existing State-required reporting on metrics of its programs and services, the District could establish goals and objectives based on cost per student, cost per mile, or percentage of bus occupancy.
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.	Did Not Meet	MGT recommends that the District establish performance measures and targets that will enable it to assess program progress towards meeting its stated goals and objectives, once those goals and objectives are established.
4.3 Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.	Partially Met	MGT recommends that the District review and revise, as necessary, its current internal controls to ensure that the goals and objectives in its revised strategic plan will be met.

**Research Task 5: The accuracy or adequacy of public documents, reports, and requests prepared by the Franklin County School District which relate to the District’s Transportation program—Partially Met**

<b>TRANSPORTATION SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
5.1 Assess whether the program has financial and non-financial information systems that provide	Partially Met	MGT recommends that the District develop procedures which provide

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>TRANSPORTATION SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
	useful, timely, and accurate information to the public.		guidelines on the type of information that should be included on the website.
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 District related to the program.	Did Not Meet	MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.
5.3	Determine whether the public has access to program performance and cost information that is readily available and easy to locate.	Partially Met	MGT recommends that the District ensure that sufficient financial and nonfinancial information is provided on the website to allow for an evaluation of Department performance and cost.
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.	Partially Met	MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.
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 County and that these procedures provide for adequate public notice of such corrections.	Partially Met	The District should establish procedures for correcting published data and notifying the public of those corrections.

**Research Task 6: Compliance of the District's Transportation program with appropriate laws, rules, and policies—Met**

<b>TRANSPORTATION SUBTASK</b>		<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
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.	Met	
6.3	Determine whether program administrators have taken reasonable and timely actions to	Met	

## SUMMARY OF FINDINGS BY SUBTASK

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TRANSPORTATION SUBTASK		CONCLUSION	RECOMMENDATION
	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.		
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.	Met	
6.5	Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used.	Met	

**DEBT SERVICE**

***Debt Service is a function not a program. Debt payments are based on a predetermined debt schedule. As such, MGT determined that certain research tasks are not applicable to Debt Service. The tables below present MGT's conclusions for each of the research tasks that were determined to be applicable to Debt Service***

**Research Task 1: The economy, efficiency, or effectiveness of the District's Debt Service function—Met**

DEBT SERVICE SUBTASK		CONCLUSION	RECOMMENDATION
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.	Met	
1.2	Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost.	Met	
1.3	Review findings and recommendations included in any relevant internal or external reports on program performance and cost.	Met	
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.	Met	

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>DEBT SERVICE SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
1.5 Evaluate program performance and cost based on reasonable measures, including best practices.	N/A	
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.	N/A	
1.7 Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.	N/A	

**Research Task 2: The structure or design of the District's Debt Service function to accomplish its goals and objectives—Not Applicable**

**Research Task 3: Alternative methods of providing services or products by the District's Debt Service function—Not Applicable**

**Research Task 4: Goals, objectives, and performance measures used by the District's Debt Service function to monitor and report function accomplishments—Met**

<b>DEBT SERVICE SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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 District's strategic plan.	Met	
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.	Met	
4.3 Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.	Met	

**Research Task 5: The accuracy or adequacy of public documents, reports, and requests prepared by the Franklin County School District which relate to the District's Debt Service function—Partially Met**

<b>DEBT SERVICE SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
5.1 Assess whether the program has financial and non-financial information systems that provide	Met	

**SUMMARY OF FINDINGS BY SUBTASK**

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<b>DEBT SERVICE SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
useful, timely, and accurate information to the public.		
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 District related to the program.	Did Not Meet	MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.
5.3 Determine whether the public has access to program performance and cost information that is readily available and easy to locate.	Met	
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.	Met	
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 County and that these procedures provide for adequate public notice of such corrections.	Partially Met	The District should establish procedures for correcting published data and notifying the public of those corrections.

**Research Task 6: Compliance of the District's Debt Service function with appropriate laws, rules, and policies—Met**

<b>DEBT SERVICE SUBTASK</b>	<b>CONCLUSION</b>	<b>RECOMMENDATION</b>
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.	Met	
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.	Met	
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.	Met	

SUMMARY OF FINDINGS BY SUBTASK

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DEBT SERVICE SUBTASK	CONCLUSION	RECOMMENDATION
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.	Met	
6.5 Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used.	Met	

## DETAILED FINDINGS AND RESULTS

### CHAPTER I: FACILITIES AND OPERATIONS

#### RESEARCH TASK 1: ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM

**Finding:** Overall, the District's Facilities and Operations program partially met expectations for this research task.

MGT made inquiries with program administrators and examined records and reports to assess the programs' procedures for evaluating the performance and cost. The team's examination indicated that the program did not have sufficient reports in place to appropriately evaluate program performance and cost and did not conduct such evaluations.

With regards to individual projects, it appears, based on the limited information available, that the program is effectively managing its projects, however MGT was given no documents to support these observations. Also, the District has established a written policy that allows the District to take the maximum advantage of competitive procurement, volume discounts, and special pricing agreements. Additionally, MGT's review of procurement documentation indicated that the procedures were generally followed; however, MGT was unable to quantify any savings realized by the department's volume discounts, special pricing agreement and competitive procurements.

MGT recommends that program administrators establish reports that include performance measures to evaluate program performance and cost on a regular basis. Also, MGT recommends the program administrators maintain documentation that includes cost data, planned and actual start and completion dates to monitor program performance and cost for all projects, both in-house and contracted or outsourced.

#### 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—Partially Met

##### **Subtask 1.1 Discussion:**

MGT interviewed the Operations Manager to gain an understanding of the reports and processes in place for the administrators to monitor the Facilities and Operations program's performance and cost. The Operations Manager indicated the program does not use any reports to monitor the Facilities and Operations program's performance. However, for monitoring cost, the Operations Manager uses budget information provided by the finance department to review total year-to-date expenditures and year-to-date expenditures as a percentage of annual budget. This information is presented to the school board monthly in the Superintendent Monthly Financial report.

Exhibit 1.1.1 illustrates the information provided in May 2022's Superintendent's Monthly Financial Report.

#### Exhibit 1.1.1 – Extract from Superintendent's Monthly Financial Report

APPROPRIATIONS	Account Number	Total	Expenditure	Budget	Percent	Percent of Budget Used
		Appropriations	Amount Used	Balance	Fiscal Yr	
Operation of Plant	7900				92%	
Salaries	100	254,000	249,813	4,187	92%	98%
Employee Benefits	200	131,000	111,753	19,247	92%	85%
Purchased Services	300	581,000	506,916	74,084	92%	87%
Energy Services	400	340,000	311,293	28,707	92%	92%
Materials & Supplies	500	68,860	26,489	42,370	92%	38%
Other Expenses	700	1,000	443	557	92%	44%
	Total	1,375,860	1,206,707	169,153	92%	88%
Maintenance of Plant	8100				92%	
Salaries	100	250,000	216,257	33,743	92%	87%
Employee Benefits	200	94,000	81,574	12,426	92%	87%
Purchased Services	300	40,000	21,675	18,325	92%	54%
Energy Services	400	7,000	6,478	522	92%	93%
Materials & Supplies	500	60,000	35,738	24,262	92%	60%
Capital Outlay	600	2,000	0	2,000	92%	0%
Other Expenses	700	5,000	100	4,900	92%	2%
	Total	458,000	361,822	96,178	92%	79%

Source: Franklin County School District Management.

This report appears to give the Operations Manager adequate information to monitor the Facilities and Operations program's cost. The report breaks the program into two categories, Operation of Plant and Maintenance of Plant. Within those two categories, program administrators can review its budget, year-to-date expenditures, year-to-date expenditures as a percentage of the budget, and remaining budgeted amount.

In the team's interview with the Operation Manager, it was brought to MGT's attention that the Facilities and Operations program uses the software FMX to track work requests, job status, and hours and costs associated with each task. Currently program administrators do not use the information from the software to evaluate the program's performance.

**Subtask 1.1 Conclusion:** The District uses available reports to monitor the Facilities and Operations program's cost, including whether program expenditures are within budget. However, although the District has numerous reports available that provide a broad range of performance information, it does not use this information to monitor program performance. This subtask has been partially met by the program.

**Subtask 1.1 Recommendation:** MGT recommends the Facilities and Operations program review the capabilities of its FMX software for potential reports and data that would provide objective and measurable insight on program performance.

Subtask 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost—Partially Met

**Subtask 1.2 Discussion:**

MGT interviewed the Operations Manager to gain an understanding of the processes in place for the Facilities and Operations program to assess program performance and costs. The Operations Manager indicated the program administrators do not have any processes in place to assess program performance. For assessing cost, the program administrators use budget information provided by the finance department. See Exhibit 1.1.1 for a sample of the information used to assess program cost. This information is evaluated monthly by the program administrators, superintendent, and the School Board.

As noted in subtask 1.1, the program uses the software FMX to track work request, job status, and hours and costs associated with each task. Currently, program administrators do not use the information from the software to assess the program's performance.

**Subtask 1.2 Conclusion:** Although the Facilities and Operations program does not have processes in place to assess the program's performance, it does have reasonable information to evaluate the program's cost and does so monthly. This subtask has been partially met by the program.

**Subtask 1.2 Recommendation:** MGT recommends the Facilities and Operations program enhance its performance reporting and develop a procedure to evaluate program performance periodically.

Subtask 1.3 – Review findings and recommendations included in any relevant internal or external reports on program performance and cost—Met.

Due to the requirements of 1.3 and 1.4, MGT has determined to assess them together. Please see below for MGT's analysis of subtasks 1.3 and 1.4

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.—Not Applicable.

**Subtasks 1.3 and 1.4 Discussion:**

MGT inquired of the District's Chief Financial Officer for access to all reports, either internal or external, that are related to the Facilities and Operations program that may contain findings and/or recommendations. MGT reviewed the District's Financial and Single Audit Reports for the Fiscal Years Ending June 30, 2020, and June 30, 2021. MGT also reviewed the District's 2020 Operational Audit. MGT inquired of any other reports that may be relevant to the Facilities and Operations program and the Chief Financial Officer confirmed there were no others.

During the review of the two financial reports, MGT noted no material weaknesses or significant deficiencies were included in either report. During the review of the operational audit, MGT noted four findings. None of the four related to the Facilities and Operations program. These findings will be addressed in other sections of this report.

**Subtasks 1.3 and 1.4 Conclusions:** Based on MGT's review of the relevant internal and external reports, there were no findings related to the Facilities and Operations program. Subtask 1.3 has been met and Subtask 1.4 has been determined to be not applicable.

Subtask 1.5 – Evaluate program performance and cost based on reasonable measures, including best practices—Partially Met.

**Subtask 1.5 Discussion:**

Although the Facilities and Operations program does not have measures to review program performance, MGT gathered data from the Florida Department of Education (FDOE) and analyzed peer data to evaluate maintenance costs for reasonableness. This data is compiled and published annually by the FDOE. A variety of metrics are available to program administrators and staff to begin tracking program performance. The table below displays the cost per gross square foot of facilities as well as the total facilities maintenance cost per equivalent full-time student (EFTS). Compared to its peers, Franklin County School District's costs are the highest per square foot and the highest cost per EFTS. Franklin County School District's per square foot cost is likely higher than its peers because of its smaller enrollment and limited number of facilities. However, Franklin County School District's capital outlay costs are double that of its peers on a per student basis which seems unreasonable, as indicated in Exhibit 1.1.2 below:

Exhibit 1.1.2 Review of Peer Facilities & Maintenance Costs				
District	Total Cost Per Gross Sq. Ft. (Maintenance)	Total Cost of Capital Outlay per Full-Time Equivalent Student (Includes Operations & Maintenance)	Florida Inventory of School Houses Gross Square Feet	2021 UTE Students
Franklin	\$5.77	\$2,290.06	307,113	773
Jackson	\$4.76	\$1,454.44	1,721,573	5,634
Liberty	\$3.99	\$1,615.20	452,606	1,116
Washington	\$3.43	\$1,101.75	1,034,590	3,218
Average	\$4.49	\$1,615.36	878,970.50	2,685.25

Source: FDOE School District Annual Plant Maintenance Report.

**Subtask 1.5 Conclusion:** The District's maintenance cost per square foot appears reasonable; however, the total cost of capital outlay per EFTS appears unreasonably high. This subtask has been partially met by the program.

**Subtask 1.5 Recommendation:** MGT recommends that the District evaluate the reasons for its high capital outlay costs and implement strategies to decrease these costs.

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—Not Met.

**Subtask 1.6 Discussion:**

MGT inquired of the Operations Manager for any projects that were completed during the period July 1, 2020, through May 31, 2022. MGT sampled one project to evaluate the cost, timing and quality of the Facilities and Operations program's efforts to ensure costs are reasonable and the project is completed, on time, and within budget. The project that was selected for review was the purchase and installment of playground equipment.

MGT asked for all relevant documents and information related to the purchase and installment of the playground equipment. The program administrators were unable to provide any documents that detailed the timing, and quality of the project. During MGT's review of this project, program administrators told MGT the following information about the project:

- The playground equipment included two slides, a small rock hill, and other climbing structures and equipment was installed on school grounds near other outdoor playground equipment.
- The install of the equipment started on 6/7/21 and during the installation, part of the sprinkler system was damaged and required repair before completion of the installation.
- Installation resumed on 6/14/2021 and was completed on 6/17/21.
- The projected cost of the project was \$25,853 and actual cost was \$26,053 due to the repair of the sprinkler system.
- The District was satisfied with the installation and finished product.

The District was able to provide this information in writing, but was unable to provide MGT with any documents to support the information.

**Subtask 1.6 Conclusion:** Due to the lack of documentation and support provided by the Facilities and Operations program administrators, this subtask has not been met by the program.

**Subtask 1.6 Recommendation:** MGT recommends the Facilities and Operations program enhance its project tracking procedures to ensure they can track and maintain documentation related to ongoing and completed projects.

Subtask 1.7 – Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements—Met.

**Subtask 1.7 Discussion:**

MGT interviewed the Chief Financial Officer and reviewed relevant Board Policies and Procedures to gain an understanding of the program's established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. The Chief Financial Officer indicated the District has multiple vendor agreements in place to purchase supplies needed to maintain daily operations. The District also has blanket purchase orders in place with vendors to take advantage of discounts. The program uses state contracts through the FDOE and the Panhandle Area Educational Consortium (PACE) to make purchases of products that are already negotiated to the lowest price. In addition, the District has a set policy in place that requires the program to obtain quotes or bids depending on the cost of the product or service. Specifically, the District must obtain quotes for purchases over \$9,999 and must use cooperative purchasing, state bid pricing, or formal bidding process for purchases over \$49,999. School Board Policies reviewed by MGT include the following:

- School Board Policy No. 6320 – Purchasing
- School Board Policy No. 6320.1 – Vendor Preference
- School Board Policy No. 6325 – Federal Procurement
- School Board Policy No. 6440 – Cooperative Purchasing
- School Board Policy No. 6450 – Local Purchasing

The information provided within this section is relevant to the Security, Transportation, and Information Technology programs. The conclusion reached in this section will carry across the other sections in this report.

**Subtask 1.7 Conclusion:** The District has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. This subtask is met.

## RESEARCH TASK 2: STRUCTURE OR DESIGN OF THE PROGRAM

**Finding:** Overall, the District's Facilities and Operations program partially met expectations for this research task.

Organizational structure is the method by which work flows through an organization, such as a school district. It allows groups to work together within their individual functions to manage tasks. Five elements create an organizational structure: job design, departmentation, delegation, span of control, and chain of command. Departmentation refers to the way the organization structures its jobs to coordinate work and span of control means the number of individuals who report to a manager.

Franklin County School District has a program organizational structure with clearly defined units, minimal overlapping functions, and administrative layers that minimize costs. The span of control for their managerial positions appeared appropriate and the District's overall cost for administrative and managerial staff was less than comparable districts.

The District assesses staffing as duties and responsibilities change. According to the HR Director, if responsibilities are added due to changes in statutory requirements or Board policy, the applicable Department manager will determine if an additional position is needed to keep up with the workload. If the manager determines that an additional position is needed, the District's management team will discuss it with the Superintendent during their weekly meetings. As the District is relatively small, the process is informal with no written documentation.

MGT recommends the District document its process for adding new staff when necessary.

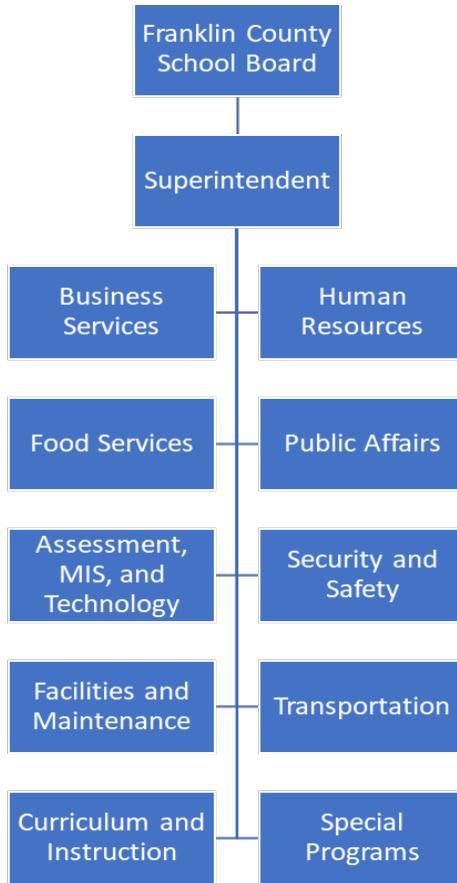
### Research Subtask Analysis and Conclusions

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—Met.

**Subtask 2.1 Discussion:**

MGT reviewed Franklin County School District's organizational charts. The Franklin County School District's administrative support is organized into Departments. The Facilities & Operations, Transportation, Security, and Business Services Directors all report to the District Superintendent. Exhibit 1.2.1 presents the overall organization of the District.

**Exhibit 1.2.1 – Franklin County School District Organizational Chart**



Source: Franklin County School District Chief Financial Officer.

Organizational span of control refers to the number of subordinates that can be managed effectively and efficiently by executive/director level and middle management staff. Middle management typically includes manager and supervisor level staff. MGT compared the District's organizational span of control for Facilities and Operations, Transportation, IT, and Security and Safety with Society of Human Resource Management (SHRM) guidelines. The District's organizational chart shows that the span of control falls within the benchmarks published by the SHRM. For example, the Facilities and Maintenance Manager supervises 17 employees, which falls between the median and 75<sup>th</sup> percentile for middle management positions.

MGT also compared the Unweighted Full-Time Equivalent (UFTE) cost for administrative personnel for the District with the same costs for Jackson, Liberty, Wakulla, and Washington School Districts. As shown in Exhibit 1.2.2, while the percentage of administrative and managerial personnel was slightly above comparable school districts, the District's overall UFTE cost was significantly less than other districts.

<b>Exhibit 1.2.2 Comparison of Administrative Costs</b>					
	Franklin	Jackson	Liberty	Wakulla	Washington
Administrative Personnel	12	35	11	31	24
Managers	2	8	2	5	11
Direct Services Personnel	153	933	204	619	500
Total Staff	167	976	217	655	535
Admin. & Managers as a Percent of Workforce	8.38%	4.41%	5.99%	5.50%	6.54%
Total Cost per UFTE	\$2,222.23	\$1,028.20	\$2,009.28	\$1,004.05	\$1,090.52
UFTE per Admin. Personnel	\$68.52	\$165.53	\$108.77	\$152.32	\$135.55

Source: Florida Department of Education, Educational Funding Accountability Act Reports, 2020-21 Fiscal Year.

**Subtask 2.1 Conclusion:** Based on the analysis performed, the District organizational structure for the Facilities and Operations program has clearly defined units and lines of authority and no overlapping functions. This subtask has been met.

Subtask 2.2 – Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload—Partially Met.

**Subtask 2.2 Discussion:**

MGT interviewed the Human Resources (HR) Director on how the District determines if additional positions are required. According to the HR Director, if responsibilities are added due to changes in statutory requirements or Board policy, the applicable Department manager will determine if an additional position is needed to keep up with the workload. If the manager determines that an additional position is needed, the District's management team will discuss it with the Superintendent during their weekly meetings. As the District is so small, the process is informal with no written documentation.

The Facilities and Maintenance Department is responsible for the maintenance and construction of facilities, along with the maintenance of school grounds. The Department's activities includes custodial activities for school buildings, oversight of all construction projects, and representing the district at the Emergency Operations Center. The Facilities and Maintenance Department is comprised of 18 positions, including the Director, Secretary, 4 maintenance staff, and 12 custodial staff.

MGT obtained the Facilities and Operations Department's overtime payrolls, along with their regular payrolls, to determine whether overtime costs were indicative of unreasonable staffing as detailed in Exhibit 1.2.3. MGT's examination of the payroll records indicated that staffing appeared reasonable.

**Exhibit 1.2.3 Analysis of Facilities and Operations Overtime**

	2020-21 FY Totals	7/1/21 – 5/31/22 Totals
Regular Payroll – Facilities	\$341,141.74	\$235,218.61
Overtime Payroll – Facilities	5,244.40	2,321.45
Overtime as a % of Regular Payroll	1.54%	.99%

Source: Franklin School District, Chief Financial Officer.

MGT also reviewed operations and maintenance costs per square foot for the District and compared those costs to the costs of related peer school districts and the state average. As reflected in Exhibit 1.2.4 below,

the District has a relatively high cost of operations and maintenance compared to its peer school districts, but costs are still below the state average.

Exhibit 1.2.4 Operations and Maintenance Costs per Square Foot			
District	Cost per Square Foot		
	Operations	Maintenance	Total
Franklin	\$4.48	\$1.29	\$5.77
Jackson	3.63	1.13	4.76
Liberty	3.06	0.93	3.99
Wakulla	4.64	1.06	5.70
Washington	2.70	0.73	3.43
State Average	4.75	1.47	6.22

Source: Florida Department of Education, Florida School District Annual Plant Maintenance and Operations Cost Information, 2020-21 Fiscal Year.

**Subtask 2.2 Conclusion:** While the District appears to have a process in place to assess Facilities and Maintenance staffing, the process is not formally documented. Additionally, as noted in subtask 1.5, the costs of operations and maintenance are relatively high. This subtask is partially met.

**Subtask 2.2 Recommendation:** MGT recommends the District document its process for adding new staff when necessary. As noted in subtask 1.5, MGT also recommends that the District evaluate the reasons for its high capital outlay costs and implement strategies to decrease these costs, including modifications to staffing as necessary.

### RESEARCH TASK 3: ALTERNATIVE METHODS OF PROVIDING PROGRAM SERVICES

**Finding:** Overall, the District's Facilities and Operations program partially met expectations for this research task.

MGT examined the processes used by the District to evaluate whether a service could be privatized and examined the District's evaluation of current privatized services. MGT also evaluated the services currently provided by the District for opportunities for outsourcing. The review of these items revealed that, while the District has processes in place to manage the outsourced projects, the District did not have a formal process to assess the effectiveness and costs savings achieved by using outside providers. The District's union agreement includes provisions that limit the District's ability to contract for duties that can be performed by District employees. Compared to its peers, Franklin County School District's union contract is unique in having such provisions, which limit the District's ability to implement alternative services delivery options that have the potential to reduce costs, and improve efficiency and effectiveness.

MGT recommends the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.

## Research Subtask Analysis and Conclusions

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—Not Met.

### **Subtask 3.1 Discussion:**

MGT interviewed the Operations Manager to gain an understanding of the process used to formally evaluate existing in-house services and assess the feasibility of alternative methods of providing services, such as outside contracting and privatization. The program administrators informally assess operations from time to time to determine if existing in-house services and activities could feasibly be provided by alternative methods. However, due to the agreement with its unionized labor, the District is unable to consider outsourcing any services that would affect a union protected position without first renegotiating the union agreement.

Exhibit 1.3.1 illustrates that, compared to its peers, Franklin County School District is the only district with a union contract that has a clause that prohibits contracting and subcontracting public works services.

<b>Exhibit 1.3.1 Review of Peer Labor Agreement Clauses</b>					
<b>Contract Clause Contained in CBA:</b>	Franklin County Schools	Liberty County	Jackson County Schools	Washington County Schools	Wakulla County Schools
Contracting & Subcontracting Public Works Services Prohibition Clause	Yes ✓	No ✗	No ✗	No ✗	No ✗
No Strike Clause	Yes ✓	Yes ✓	No ✗	No ✗	No ✗
Contract Compliance or Individual Contract Clause	Yes ✓	Yes ✓	No ✗	Yes ✓	Yes ✓
Grievance Procedures	Yes ✓	Yes ✓	Yes ✓	Yes ✓	Yes ✓

**Subtask 3.1 Conclusion:** Due to the District's union agreement with the prohibition clause, the Facilities and Operations program is unable to evaluate existing in-house services and activities to assess the feasibility of alternative methods of providing services, such as outside contracting and privatization. This subtask has not been met.

**Subtask 3.1 Recommendation:** MGT recommends the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.

Subtask 3.2 – Determine whether program administrators have assessed any contracted and/or privatized services to very effectiveness and cost savings achieved and determine the reasonableness of their conclusions—Partially Met.

**Subtask 3.2 Discussion:**

MGT interviewed the Operations Manager to gain an understanding of the process used to assess contracted and/or privatized services to verify the effectiveness and cost savings achieved. The Operations Manager indicated that due to the union contract, the District is limited in the services it is able to outsource. The only outsourced labor the Facilities and Operations program has is a contract with a nighttime custodial service to supplement the daytime, unionized custodial staff. Program administrators have assessed the performance of the current contracted nighttime custodial staff and determined after daily review, responsibilities such as vacuuming classrooms, cleaning restrooms, and gathering trash from the administrative building and cafeteria were not being performed; however, this review was not documented.

**Subtask 3.2 Conclusion:** Although program administrators have assessed its contracted custodial service, the District did not provide MGT documentation of the assessment. This subtask has been partially met.

**Subtask 3.2 Recommendation:** MGT recommends that the Facilities and Operations program formally assess contracted and/or privatized services to verify effectiveness and cost savings achieved and document these assessments and the reasonableness of their conclusions.

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—Partially Met.

**Subtask 3.3 Discussion:**

As noted in subtask 3.2 above, the District assessed the current outsourced, nighttime custodial service and determined that the service did not meet the needs of the District. Program administrators informed MGT that the District is currently in contract negotiations with a new nighttime custodial provider. These negotiations are outside the scope of the audit, but MGT was informed the District's decision to change its custodial service provider is to achieve a higher quality of service than the District's current provider.

**Subtask 3.3 Conclusion:** Through assessment of its contracted labor, program administrators have determined that the District needs to change its service provider to achieve a level of service that meets the District's needs. However, this assessment was not documented. This subtask is partially met.

**Subtask 3.3 Recommendation:** MGT recommends program administrators document the process used to assess contracted labor to support changes in service delivery methods and ensure the service quality and cost fit the needs of the District.

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—Did Not Meet.

**Subtask 3.4 Discussion:**

MGT interviewed the Operations Manager to gain an understanding of the methods used by the District to perform Facilities and Operations program services. Due to the limitations set in the union agreement, as discussed in subtasks 3.1 and 3.2, the District is not able to consider possible alternative service delivery methods unless it renegotiates the union agreement first.

**Subtask 3.4 Conclusion:** Due to the restrictive language in the District's union agreement, the Facilities and Operations program is limited in its ability to seek alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services. This subtask has not been met.

**Subtask 3.4 Recommendation:** MGT recommends that the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.

#### RESEARCH TASK 4: GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

**Finding:** Overall, the District's Facilities and Operations program partially meets expectations for this research task.

To facilitate the process of decision making in the context of the public administration system, a governmental entity should establish and communicate clear, relevant goals and objectives; set measurable targets for accomplishment; and develop and report indicators that measure its progress in achieving those goals and objectives.

MGT inquired with District management regarding the District's strategic plan and the goals and objectives established by the board. District management provided MGT with the District's board-approved 2019 strategic plan. The plan lacked clear, measures, goals and objectives that would allow the District to measure progress of programs, departments and projects.

MGT recommends that District management continue their efforts to develop additional detail and clarity of their strategic plan. As part of those efforts, the District should establish goals and objectives which are clearly stated, measurable, and achievable within budget. Further, once goals and objectives are established, District management should continue to maintain appropriate policies and procedures to support program goals and objectives.

#### 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 District's strategic plan—  
Partially Met.

##### **Subtask 4.1 Discussion:**

MGT interviewed the Operations Manager to determine whether the program goals, objectives, and performance measures are clearly stated, measurable, achievable within budget, and consistent with the District's strategic plan and are utilized to monitor and report on program performance.

MGT's review of the District's 2019 strategic plan found that the plan lacks specificity, clearly stated program goals, objectives, and measures that are achievable within Budget. Administrators described some processes to track project spending and shared a sample report with MGT (see subtask 1.1). However, MGT's analysis found that plan strategic goals are not clearly aligned with the District's budget and the District generally lacked an adequate system, including performance measures and targets, to track its progress toward its goals. **Exhibit 1.4.1** presents the goals and strategies in the District's 2019 strategic plan.

**Exhibit 1.4.1: Franklin County School District Strategic Plan**

<b>Goals</b>	<b>Strategies</b>
1. Set high expectations for students and staff to ensure that all students achieve personal success.	<ul style="list-style-type: none"> <li>➤ Continue Discovery Education Implementation</li> <li>➤ Monitor Student Achievement to drive instruction</li> <li>➤ Provide all students with college and career pathways</li> <li>➤ Support students and staff with meaningful learning opportunities</li> </ul>
2. Create Safe, Positive, healthy climates for learning.	<ul style="list-style-type: none"> <li>➤ Implement the Restorative Practices and Conscious Discipline Programs to reduce student discipline</li> <li>➤ Build positive relationships between students, staff, parents, and the community</li> <li>➤ Create classroom environments that are engaging and support learning.</li> </ul>
3. Engage staff, parents, and our community to support student's success.	<ul style="list-style-type: none"> <li>➤ Utilize district and school media outlets to inform and involve parents and our community in supporting all students and staff</li> <li>➤ Engage participation in all parent and community support organizations, i.e....PTO, SAC, Booster Clubs, etc....</li> </ul>
4. Ensure financial health and transparency to allocate resources to strengthen student success, in alignment with the mission and vision of the School District.	<ul style="list-style-type: none"> <li>➤ Equitable allocation of resources to align with operational and capital project priorities.</li> <li>➤ Maintain adequate fund balances within the operating, capital outlay and trust funds.</li> <li>➤ Proactively monitor and analyze district-wide resources to ensure appropriate usage of funds within the operating fund, capital outlay, and grants.</li> <li>➤ Continuously review cost-saving/revenue enhancement measures in alignment to priorities, to support the mission and vision statement of the School District.</li> <li>➤ Proactively monitor and analyze district-wide resources to inform budget allocations and/or potential adjustments.</li> <li>➤ Annually negotiate fair salary and benefit options for all employee groups.</li> <li>➤ Ensure sustainability of local capital funding sources.</li> </ul>

Source: Franklin County School District Management.

**Subtask 4.1 Conclusion:** Although the District has established Districtwide goals and implementation strategies through its Strategic Plan, the goals are not measurable and the plan does not include information necessary to ensure that the goals can be met given the District's budget. This subtask has been partially met by the District.

**Subtask 4.1 Recommendation:** MGT recommends that the District revise its strategic plan to establish goals and objectives which are clearly stated measurable, and aligned with its 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—Did Not Meet.

**Subtask 4.2 Discussion:**

As discussed above in subtask 4.1, the District has a strategic plan that describes Districtwide goals and implementation strategies. However, MGT's analysis found that plan generally lacked an adequate system, including performance measures and targets, to track its progress toward its goals.

Most District programs and departments had no established measures to evaluate program performance or determine if stated goals and objectives were being met. In many instances, the District reports metrics to the FDOE, which means metrics and measurements exist, the District needs to set clear expectations for those measures so that they can be tracked against goals and objectives. For example, the District supplies FDOE with an annual report for the Educational Funding & Accountability Act (EFAA) but it does not have any goals for those metrics. If the District were to establish program goals for cost per student in specific areas such as Information Technology costs or Transportation cost per student, it could begin to track program performance in those areas.

**Subtask 4.2 Conclusion:**

Because the District lacks a system to track its progress towards its strategic goals, this subtask is not met.

**Subtask 4.2 Recommendation:**

MGT recommends that District establish performance measures and targets that will enable it to assess program progress towards meeting stated goals and objectives, once those goals and objectives are established.

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—Partially Met.

**Subtask 4.3 Discussion:**

To gain an understanding of the District's internal controls as it relates to the program area meeting its goals and objectives, MGT interviewed the Operations Manager, the District's Chief Financial Officer, and reviewed the relevant internal controls, including policies and procedures. The internal controls and policies and procedures that MGT reviewed were as follows:

- Employee job descriptions
- Monthly School Board reports
- Facilities and Operations School Board Policies
- Purchasing Policies and Procedures

MGT found that the District's internal controls, including policies and procedures, to be reasonable and generally followed by program administrators and program staff. The District also has a clear policy on procurement. However, project management and project tracking procedures are not documented at the program level. Program administrators manage projects for the program by close observation. Those processes were described by staff but are not documented.

As stated above in subtasks 4.1 and 4.2, the program lacks clearly stated goals, objectives, and measures. Therefore, MGT could not determine whether the internal controls are sufficient to ensure that the District's goals and objectives will be met.

**Subtask 4.3 Conclusion:**

The District has established reasonable internal controls, but MGT was unable to assess if the District's internal controls provide reasonable assurance that programs goals and objectives will be met. This subtask was partially met.

**Subtask 4.3 Recommendation:**

MGT recommends that the District review and revise, as necessary, its current internal controls to ensure that the goals and objectives in its revised strategic plan will be met.

**RESEARCH TASK 5: ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS**

**Finding:** Overall, the District's Facilities and Operations program partially met expectations for this research task.

The District uses its website to disseminate information. Examples of the information disseminated include the annual budget and annual financial reports. MGT's inquiries with District management and review of the District's website disclosed that the District has no policies governing the types of information that should be included on each Department's web page or how to verify the accuracy of the information. Examination of the website for each Department indicated that the District could improve the usefulness of the financial and nonfinancial information made available to the public.

Additionally, the District has processes in place to evaluate the accuracy of financial information posted to its website including reviewing the information prior to making it publicly available. However, these processes are not documented, and the District does not have procedures addressing the correction of data previously made publicly available. District management asserted that no corrections to publicly available data were required during the period July 2020 through May 2022.

Useful, timely, and accurate information which is made available to the public, assists the District in its goal of transparency.

MGT recommends the District develop procedures which provide guidelines on the type of information that should be included on the website, along with a process for verifying the accuracy of financial and nonfinancial information, and documenting that verification, prior to publishing information. The District should also establish procedures for correcting published data and notifying the public of those corrections.

## 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—Partially Met.

### **Subtask 5.1 Discussion:**

MGT interviewed the District's Chief Financial Officer and the Director of HR to assess the systems used to provide information to the public and the processes used to ensure the information is timely and accurate. Additionally, MGT evaluated relevant documents available on the District's website. The District's website includes the information identified in Exhibit 1.5.1 below.

<b>Exhibit 1.5.1</b>
Financial Information
District Budgets and Amendments for the 2017-18 through 2022-23 fiscal years
School Accountability Report
Superintendent's Monthly Financial Report
Financial and Federal Single Audit Reports
Expenditures Per Full-Time Equivalent Student for the 2016-17 through 2020-21 Fiscal Years
Educational Funding Accountability Act Expenditure Reporting for the 2020-21 Fiscal Year
Links to the Florida Department of Education's Website for reporting on District and State Per-Pupil Expenditures and Financial Transparency Reports
Internal Account Procedures
Payroll Calendar and Related Forms
Vendor Registration
Bid Notices

Each Department is responsible for maintaining its own page on the District's website. The employees are expected to abide by Board policies regarding the publishing of student information and any applicable laws and rules when determining what to post on the website. However, the District has no policies governing the types of information that should be included on each Department's web page.

MGT's review of the District website page for each Department indicated that the District could improve the usefulness of the financial and nonfinancial information made available to the public. While the financial information in the budget and audit reports encompass all the District's financial activities, further financial information breaking down the costs for specific program areas could be helpful to District administrators and the community. Nonfinancial information would also be helpful to provide full transparency on District activities.

Based on MGT's examination of the District's website, the District does not publish information related to Facilities and Operations on its website. The Council of Great City Schools published a list of metrics that could be used to provide cost and performance data for operations. Those metrics included cost of custodial work per square foot, routine maintenance – cost per work order, and work order completion time.

**Subtask 5.1 Conclusion:** MGT's evaluation of the systems and documents utilized to provide information to the public disclosed that the District could improve its processes to further ensure the usefulness of information made available to the public. This subtask is partially met.

**Subtask 5.1 Recommendation:** MGT recommends that the District develop procedures which provide guidelines on the type of information that should be included on the website.

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 District related to the program—Did Not Meet.

**Subtask 5.2 Discussion:**

MGT's audit found no relevant internal or external reports that evaluated the accuracy or adequacy of public documents, reports, and requests prepared by the District related to the programs.

**Subtask 5.2 Conclusion:** The District did not meet this subtask.

**Subtask 5.2 Recommendation:** MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

Subtask 5.3 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate—Partially Met.

**Subtask 5.3 Discussion:**

MGT reviewed the District budget and reports identified in Exhibit 1.5.1. MGT's analysis found that the District does not include sufficient financial and non-financial information on the website. Specifically, Facilities and Operations does not include Department-level cost information or sufficient performance information, as detailed in Subtask 5.1 above.

MGT also reviewed the District's Public Records policies and procedures and the process for making public records requests. The District's process includes a designated individual to receive public records requests, a process for reviewing the information to ensure it is accurate and complete, and for delivering the information after payment is received.

**Subtask 5.3 Conclusion:** Financial and nonfinancial information is not sufficiently detailed to allow for an evaluation of the Facilities and Operations Department. However, the District's process for disseminating information as a result of public records requests appears appropriate to ensure the information provided is accurate and complete. This subtask is partially met.

**Subtask 5.3 Recommendation:** MGT recommends that the District ensure that sufficient financial and nonfinancial information is provided on the website to allow for an evaluation of Department performance and cost.

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—Partially Met.

**Subtask 5.4 Discussion:**

MGT interviewed the Director of HR and Chief Financial Officer management to assess the processes in place to verify the accuracy and completeness of any information provided to the public. Based on the

interviews completed and documents reviewed, the District does not have policies and procedures in place to ensure the accuracy of financial or nonfinancial information prior to publishing the information on the website. However, the District does have a process in place to ensure that financial information is accurate. Specifically, the Chief Financial Officer checks all financial-related reports and data for accuracy and reasonableness prior to publishing the information on the District's website, but, this process is not documented.

**Subtask 5.4 Conclusion:** The District does not have procedures in place to ensure the accuracy of financial and nonfinancial information. While there is a process in place to ensure the accuracy of financial information provided to the public; the review of the information is not documented in writing. This subtask is partially met.

**Subtask 5.4 Recommendation:** MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.

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 District and that these procedures provide for adequate public notice of such corrections—Partially Met.

**Subtask 5.5 Discussion:**

MGT interviewed the CFO and Director of HR regarding the processes in place to correct any erroneous or incomplete information included in public documents, reports, or other materials prepared by the District. According to the Director of HR, no erroneous or incomplete information was noted during the period July 2020 through May 2022. The CFO indicated that, if erroneous or incomplete information were discovered, it would be corrected. However, the District does not have written procedures regarding the correction of any erroneous or incomplete information.

**Subtask 5.5 Conclusion:** Based on the information provided, the District has a process for correcting erroneous or incomplete information; however, it has no written procedures detailing this process. Accordingly, this subtask is partially met.

**Subtask 5.5 Recommendation:** The District should establish procedures for correcting published data and notifying the public of those corrections.

## RESEARCH TASK 6: COMPLIANCE WITH APPROPRIATE POLICIES, RULES, AND LAWS

**Finding:** Overall, the District's Facilities and Operations program met expectations for this research task.

Franklin County School District has an appropriate process to assess, and internal controls appeared sufficient, to ensure compliance with applicable federal, state, and local laws, rules, and regulations. Program administrators have taken reasonable and timely actions to address noted instances of noncompliance. Program administrators have also properly assessed whether planned uses of the surtax complied with state laws, rules, and regulations and have a process in place to distribute funds and mechanisms for charter schools to report how the funds are used.

## 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—Met.

Due to the nature of subtasks 6.1 and 6.2 and the procedures performed by MGT to assess these subtasks, MGT has determined to assess them together. See below for the team's analysis of these subtasks.

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—Met.

### **Subtasks 6.1 and 6.2 Discussion:**

To determine whether the District has internal controls and a process to assess its compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grants agreements; and local policies, MGT interviewed the District's Chief Financial Officer, Director of Human Resources, the Board Attorney, and special counsel hired by the District to address the planned uses of the surtax funds. MGT also reviewed relevant policies and procedures. The policies and procedures reviewed include the following:

- Board Policy – 6145 Borrowing
- Board Policy – 6110 Grant Funds
- Board Policy – 6111 Internal Controls
- Board Policy – 6112 Cash Management of Grants
- Board Policy – 6114 Cost Principles
- Board Policy – 6116 Time and Effort Reporting
- Board Policy – 8141 Mandatory Reporting of Misconduct
- Board Policy – 8310 Public Records
- Board Policy – 8700 Anti-Fraud

The Board's Attorney reviews all contracts to ensure the District is compliant with federal, state, and local laws, rules, and regulations. The School Board, Superintendent, and other program administrators can request legal guidance on grant agreements and other School Board related topics. In addition, the Finance Department is responsible for ensuring that processes and expenditures are compliant to the contract and grant agreements.

### **Subtask 6.1 and 6.2 Conclusions:**

The District has the internal controls and process in place 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. The District has met both subtask 6.1 and 6.2.

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—Met.

**Subtask 6.3 Discussion:**

MGT inquired of the District's Chief Financial Officer for access to all internal or external evaluations, audits, and reports, that addressed any noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. MGT was given access to the District's Financial and Federal Single Audit – For Fiscal Year Ended June 30, 2020, Financial and Federal Single Audit – For Fiscal Year Ended June 30, 2021, and the 2020 Operational Audit.

MGT review noted no findings or recommendations in Financial and Federal Single Audit reports but noted four findings and recommendations within the District's Operational Audit. MGT noted two of the findings and recommendations related to the District's lack of compliance with state laws. See below for a summary of both.

Finding #1: Contrary to State law and State Board of Education (SBE) rules, District mental health care plans and reports were not always timely submitted to the Florida Department of Education. In addition, contrary to SBE rules, District records evidenced that only 2 of the required 5 hours of mental health awareness and assistance instruction were provided for students in grades 8 through 12.

Finding #2: As of April 2020, the District had not complied with State law by posting on its Web site the required graphical representations of summary financial efficiency data and fiscal trend information.

As detailed later in this report, MGT's analysis found that the District took timely and reasonable actions to address the findings and recommendations. Finding #1 will be addressed further in subtasks 1.3 and 1.4 in the Safety and Security chapter and finding #2 will be addressed further in subtasks 1.3 and 1.4 in the Debt Service chapter of this report.

**Subtask 6.3 Conclusion:**

As discussed in subtasks 1.3 and 1.4 in the Security and Debt Service chapters of this report, the District took timely and reasonable actions to address the noncompliance issues noted in the 2020 Operational Audit report. This District has met this subtask.

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—Met.

**Subtask 6.4 Discussion:**

MGT inquired of the District's Chief Financial Officer, Director of Human Resources, the School Board's attorney, the District special counsel hired specifically to address the planned uses of the surtax funds. MGT also reviewed the District's planned uses of the half cent sales surtax funds.

Exhibit 1.6.1 is a report of the District's planned uses of the half cent sales surtax funds.

**Exhibit 1.6.1 – Franklin County School District’s Planned Use of Half Cent Surtax Funds**

<b>Franklin County District Schools Half Cent Sales Tax Usages</b>	
<b>Student Safety/ Capital Improvement/Athletic Projects</b>	<b>Estimated Cost</b>
Build bus barn on Hwy 65 to replace existing bus barn in Carrabelle	\$4,000,000.00
Build district office and conference room	\$4,000,000.00
Build alternative school and pre-K classrooms	\$3,000,000.00
Build auditorium	\$2,000,000.00
Purchase new bus fleet ( <b>need 12 buses, several are 20 years old</b> )	\$1,500,000.00
Replace (2) 250-ton air conditioning chillers ( <b>units are 15 years old</b> )	\$680,000.00
Air conditioning controls ( <b>not working since 2016</b> )	\$450,000.00
Roof repairs and maintenance	\$300,000.00
Pave parking lots for football, softball, and baseball fields	\$300,000.00
Air conditioning replacement at football field house	\$205,000.00
Purchase new utility vehicles ( <b>replace 5 vehicles, two from 1999</b> )	\$200,000.00
Replace carpet throughout school ( <b>not replaced since 2008</b> )	\$180,000.00
Re-surface track to bring up to standards ( <b>replace asphalt</b> )	\$150,000.00
Re-surface parking lots	\$140,000.00
Update playground equipment	\$120,000.00
Replace bleachers in gym	\$100,000.00
Lighting upgrades throughout campus	\$100,000.00
Replace football, baseball, softball and basketball scoreboards ( <b>15 years old</b> )	\$65,000.00
Install drain system for football, softball and baseball complex	\$60,000.00
Purchase all-terrain utility lift	\$50,000.00
Repair sidewalks and walkways throughout main campus	\$50,000.00
HVAC duct cleaning	\$20,000.00
<b>New Technology and Replacement</b>	
<b>Estimated Cost</b>	
Classroom panels replacement of chalk/white boards ( <b>replace in 6 years</b> )	\$250,000.00
Teacher laptops and service contract ( <b>replace every 5 years</b> )	\$85,000.00
Security camera upgrade ( <b>6 year life expectancy</b> )	\$80,000.00
Network switches and firewall licenses ( <b>renewal every 5 years</b> )	\$80,000.00
Computers for school lab/testing center ( <b>replace every 3 years</b> )	\$65,000.00
Laptops, computers and monitors ( <b>replace every 3 years</b> )	\$30,000.00
<b>TOTAL:</b>	<b>\$18,260,000.00</b>

Source: Franklin County School District’s Chief Financial Officer.

MGT noted that in January 2022, the District engaged additional outside counsel, with surtax compliance specialization, to assist with the District’s compliance with state law related to the surtax. Based on MGT’s analysis, the District has taken reasonable and timely actions to determine whether planned uses of the surtax comply with applicable state laws, rules, and regulations.

**Subtask 6.4 Conclusion:**

Based on MGT’s analysis, District has taken timely and reasonable actions to determine whether its planned uses of the surtax comply with applicable state laws, rules and regulations. The District has met this subtask.

Subtask 6.5 – Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used—Met.

**Subtask 6.5 Discussion:**

Apalachicola Bay Charter School is the only charter school that operates within the Franklin County School District. MGT inquired with the District's Chief Financial Officer regarding the distribution of funds to the charter school and a mechanism for the charter school to report how the funds are used. According to the CFO, the District currently has a process in place to distribute and monitor funds sent to the charter school, which it plans to use to allocate surtax funds to the charter school and receive reports on how the charter school uses surtax funds.

The District allocates funds to the charter school based on its full-time enrollment (FTE) allocation compared to the District as a whole. The District's Chief Financial Officer keeps a spreadsheet designed to calculate the amount required to be sent to the charter school, based on the FTE allocation. Each time the District receives a check, the District records the check in the spreadsheet, calculates the amount due to the charter school and then writes the charter school a check for the calculated amount. The charter school then must report to the District, annually, its capital outlay plan for the current year and report to the District how the funds were used in the prior year. All information is documented and detailed within the District's maintained spreadsheet. The Chief Financial Officer indicated the process would be the same for the funds received from the surtax.

**Subtask 6.5 Conclusion:**

Based on MGT's inquiries and review of the .5 mill operating referendum spreadsheet, it appears the District has a process to distribute funds to the district charter schools and mechanisms for the charter school to report how the funds are used. The District has met this subtask.

## CHAPTER 2: SAFETY AND SECURITY

### RESEARCH TASK 1: ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM

**Finding:** Overall, the District's Safety and Security program partially met expectations for this research task.

The Safety and Security program has processes in place to review program performance and cost regularly throughout the year. The program files an annual safety assessment to the Florida Department of Education; however, due to the confidential nature of this assessment, the reports are not able to be shared with MGT or the public.

During the audit, MGT was not provided with documentation for projects that occurred during the audit scope, but MGT did note the program administrators used the District's purchasing and procurement policies and procedures in order to maximize its potential for special pricing and discounts.

MGT recommends the program administrators maintain documentation that includes cost data, planned and actual start and completion dates to monitor program performance and cost for all projects, both in-house and contracted or outsourced.

#### 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—Partially Met.

##### **Subtask 1.1 Discussion:**

To gain an understanding of the reports and processes in place for the program administrators to monitor the program's performance and cost, MGT inquired of the District's Safety Specialist Officer. The Safety Specialist Officer indicated the program does not use any reports to monitor performance but uses its yearly budget information and monitors expenditures closely to ensure that the program stays within the year's budget. However, MGT was not provided with documentation to support this process.

The Safety Specialist Officer is also responsible for maintaining documentation for the District's annual safety assessment for the Florida Department of Education (FDOE). This information is confidential and could not be shared with MGT.

**Subtask 1.1 Conclusion:** MGT was unable to determine whether the information used by the program administrator is adequate to monitor program performance and cost. However, MGT understands the District maintains appropriate information for its yearly safety assessment; therefore, the District has partially met this task.

**Subtask 1.1 Recommendation:** MGT recommends the Safety and Security program administrator enhances the reports used to monitor the security program's performance and costs.

Subtask 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost—Partially Met.

**Subtask 1.2 Discussion:**

To gain an understanding of the process in place to periodically evaluate the program's performance and MGT inquired of the District's Safety Specialist Officer. As discussed in subtask 1.1 above, the Safety Specialist Officer evaluates program performance through the required annual safety assessment. This information is confidential and could not be provided to MGT. Also, the Safety Specialist Officer reviews costs throughout the year against the annual budget. MGT was not provided any documentation of this process.

**Subtask 1.2 Conclusion:** The District performs an annual safety assessment for the FDOE and costs are evaluated throughout the year against the annual budget. However, program administrators did not provide documentation to support the District's review of program cost. The District has partially met this subtask.

**Subtask 1.2 Recommendation:** MGT recommends that, in addition to the annual safety assessment, the Safety and Security program implement a formal evaluation to assess performance more regularly throughout the year. Also, MGT recommends that the program formalize its procedures to review the program's cost and document each time the programs is reviewed.

Subtask 1.3 – Review findings and recommendations included in any relevant internal or external reports on program performance and cost—Met.

Due to the requirements of 1.3 and 1.4, MGT has determined to assess them together. Please see below for the team's analysis of subtask 1.3 and 1.4.

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.—Met.

**Subtasks 1.3 and 1.4 Discussion:**

MGT inquired of the District's Chief Financial Officer for access of all reports, either internal or external, that are related to the Safety and Security program that may contain findings and/or recommendations. MGT reviewed the District's Financial and Single Audit Reports for the Fiscal Years Ending June 30, 2020, and June 30, 2021. MGT also reviewed the District's 2020 Operational Audit.

During the review of the two financial reports, MGT noted no material weaknesses or significant deficiencies were included in either report. Two of the four findings in the operational audit related to the District's Safety and Security program.

Finding #1: Contrary to State law and State Board of Education (SBE) rules, District mental health care plans and reports were not always timely submitted to the Florida Department of Education. In addition, contrary to SBE rules, District records evidenced that only 2 of the required 5 hours

of mental health awareness and assistance instruction were provided for students in grades 8 through 12.

Finding #2: As similarly noted in our report No. 2018-180, District controls over contracted services and related payments could be enhanced.

In Finding #2, the Operational Audit specifically calls attention to the controls in place over the security services that are contracted by the District from the County Sheriff's Office.

The Chief Financial Officer provided MGT documentation to demonstrate that the District took reasonable and timely action to address the findings. The documentation detailed the teachers who provided the state-required mental health awareness instruction and dates that the instruction was provided to students. Also, MGT was provided with the District's updated Purchase Order Procedures which specifically addresses how the District should handle payment of security services.

**Subtask 1.3 and 1.4 Conclusions:** Based on MGT's review of the relevant internal and external reports, administrators took reasonable and timely actions to address the findings noted in the Operational Audit related to the District's Safety and Security program. The District has met subtasks 1.3 and 1.4.

Subtask 1.5 – Evaluate program performance and cost based on reasonable measures, including best practices – Met.

**Subtask 1.5 Discussion:**

As discussed in subtasks 1.1 and 1.2, much of the information regarding the Safety and Security program is confidential and cannot be shared with MGT or the public. Program performance is evaluated by the Florida Department of Education each year and the District regularly performs safety drills as required by state law. Program cost is mainly the salary of the Safety Specialist Officer and contracted school resource deputies along with any maintenance and repair cost and the occasional security related project. The staffing levels of the Safety and Security program appear reasonable as discussed in subtask 2.1 below.

Based on MGT's discussions with program administrators, the program stays current with all new laws and regulations regarding school safety and security and as discussed above in subtasks 1.3 and 1.4, program administrators timely address any issues of noncompliance with state law and other findings.

**Subtask 1.5 Conclusion:** Based on the information available for the Safety and Security program, it appears the program's performance and cost are reasonable. The District has met this subtask.

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—Did Not Meet.

**Subtask 1.6 Discussion:**

MGT inquired of the Safety Specialist Officer for any projects that were completed during the audit period of July 1, 2020, through May 31, 2022. MGT sampled one project to evaluate the cost, timing and quality of the Safety and Security program's efforts to ensure costs are reasonable and the project is completed well, on time, and within budget. The project that selected for review was the purchase and installment of a Crisis Alert System.

MGT asked for all relevant documents and information related to the purchase and installment of a Crisis Alert System. The program administrators were unable to provide any documents that detailed the timing, and quality of the project. During MGT's review of this project, program administrators told MGT that the project total cost was \$19,500, and the project was completed within budget, timely, and to the District's satisfaction. However, the program administrators provided MGT with additional no detail or supporting documentation regarding the project.

**Subtask 1.6 Conclusion:** Due to the lack of documentation and support provided by the Safety and Security program administrators, this subtask has not been met.

**Subtask 1.6 Recommendation:** MGT recommends the Safety and Security program enhance its project tracking procedures to ensure program administrators can track and maintain documentation related to ongoing projects.

Subtask 1.7 – Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements—Met.

**Subtask 1.7 Discussion:**

As discussed in subtask 1.7 in the Facilities and Operations chapter of this report, the District has multiple vendor agreements in place to purchase supplies needed to maintain daily operations. The District also has blanket purchase orders in place with vendors to take advantage of discounts. The program uses state contracts through the FDOE and the Panhandle Area Educational Consortium to make purchases of products that are already negotiated to the lowest price. In addition, the District has a set policy in place that requires the program to obtain quotes or bids depending on the cost of the product or service. Please refer to subtask 1.7 in the Facilities and Operations chapter for MGT's analysis of this subtask.

**Subtask 1.7 Conclusion:** The District has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. This subtask is met.

## RESEARCH TASK 2: STRUCTURE OR DESIGN OF THE PROGRAM

**Finding:** Overall, the District's Safety and Security program partially met expectations for this research task.

Organizational structure aligns and relates parts of an organization so it can achieve its maximum performance. Organizational structure is the method by which work flows through an organization. It allows groups to work together within their individual functions to manage tasks. Five elements create an organizational structure: job design, departmentation, delegation, span of control, and chain of command. Departmentation refers to the way an organization structures its jobs to coordinate work and span of control means the number of individuals who report to a manager. The Security Department includes 1 position, the District Safety Specialist Officer. Two School Resource Officers are provided through contract with the Franklin County Sheriff's Office. According to the terms of the District's contract with the Sheriff's Office, the deputies remain responsible to the Sheriff's chain of command, but are required to abide by District policies and consult and coordinate all activities through the school principal.

Franklin County School District demonstrated a program organizational structure with clearly defined units, minimal overlapping functions, and administrative layers that minimize costs. The District assesses staffing as duties and responsibilities change. According to the HR Director, if responsibilities are added due to changes in statutory requirements or Board policy, the applicable Department manager will determine if an additional position is needed to keep up with the workload. If the manager determines that an additional position is needed, the District's management team will discuss it with the Superintendent during their weekly meetings. As the District is so small, the process is informal with no written documentation.

MGT recommends the District document its process for adding new staff when necessary.

### 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—Met.

#### **Subtask 2.1 Discussion:**

As discussed in subtask 2.1 in the Facilities and Operations chapter of this report, the District's organizational structure has clearly defined units and lines of authority and no overlapping functions. The Security and Safety Department is responsible for directing school safety, security, and risk management services in compliance with all state and federal laws and regulations, along with implementing School Board policy in a manner that will ensure the safety and security of students and staff. The Department also plans and conducts safety and security training exercises and provides youth mental health resources for students and staff as required by statute. The Department includes 1 position, the District Safety Specialist Officer. Two School Resource Officers are provided through contract with the Franklin County Sheriff's Office. According to the terms of the District's contract with the Sheriff's Office, the deputies remain responsible to the Sheriff's chain of command, but are required to abide by District policies and consult and coordinate all activities through the school principal.

**Subtask 2.1 Conclusion:** This subtask has been met.

Subtask 2.2 – Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload—Partially Met.

**Subtask 2.2 Discussion:**

As discussed in subtask 2.2 in the Facilities and Operations chapter of this report, the District has a process in place to assess the need for additional positions. Please refer to subtask 2.2 in the Facilities and Operations chapter for MGT's analysis of this subtask.

**Subtask 2.2 Conclusion:** Although the District has a process in place to assess the need for additional positions, this process is not formally documented. This subtask is partially met.

**Subtask 2.2 Recommendation:** MGT recommends the District document its process for adding new staff when necessary.

### RESEARCH TASK 3: ALTERNATIVE METHODS OF PROVIDING PROGRAM SERVICES

**Finding: Overall, the District's Safety and Security program met expectations for this research task.**

Pursuant to State law, the Safety and Security program is very limited in the activities it can outsource. The District must contract with local law enforcement for school resource deputies and most other Safety and Security services are to be provided in-house. The District will look to outside vendors when current staff is unable to provide a service, but will look to use its in-house resources such as the facilities and operations staff whenever possible.

#### Research Subtask Analysis and Conclusions

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—Met.

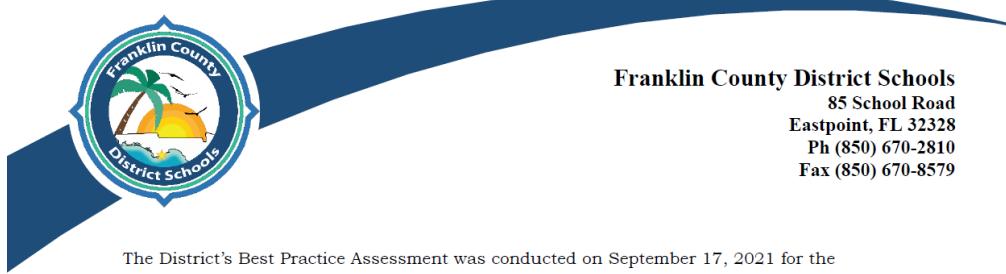
**Subtask 3.1 Discussion:**

As discussed in subtask 2.1 above, School Resource Officers are provided to the District through a contract with the Franklin County Sheriff's Office. Because Florida Statutes require security be provided by local law enforcement, privatization is not an option in this program area. Although the District cannot outsource the daily operations of its Safety and Security program, program administrators do look to outside vendors to install new systems and performance maintenance and assessments on areas the current staff is unable to do. An example of this is the Crisis Alert System which was installed by an outside vendor, see subtask 1.6 of this chapter.

The District Security Director provides regular updates to the Board, periodically performs a risk assessment and follows best practices as documented by board reports and implementation of the Crisis

Alert System. See Exhibit 2.3.1 for an example of a Best Practice report given to the Board on September 17, 2021.

**Exhibit 2.3.1 – Best Practice Report for Safety and Security program**



The District's Best Practice Assessment was conducted on September 17, 2021 for the Franklin County School District and below is the summary of that assessment.

**Objective:**

To review and make certain the District is adhering to the regulations noted in this assessment and make corrections when needed to meet requirement shortfalls.

**Positive School Measures:**

The positive measures for this District are that each school has a Safe School Officer assigned and the District has seven trained guardians. Vehicle gates have been upgraded and are operable. The District has new Crisis Alert Badges/Buttons and they have been issued to all employees. The K12 school has radios for all classrooms and offices. Every classroom in the district has a secondary locking device. Additional Vape detectors were installed in various locations around the district. The District remains ALICE certified.

**Best Practice Summary:**

We are adhering to forty-six areas mentioned in this assessment. Some areas are more advanced than others.

**Strategies and Actions to be Taken:**

Continue to review and strengthen every area mentioned in the assessment.

**Fiscal Impact and Timelines:**

The fiscal impact will depend on what our budgets look like for the new school year.

Anthony Croom, Jr.  
Safety and Security Specialist  
September 23, 2021

The Franklin County School District does not discriminate on the basis of race, color, national origin, gender, age, disability, pregnancy or marital status in its educational programs, services or activities, or in its hiring or employment practices. The district also provides equal access to its facilities to the Boy Scouts and other patriotic youth groups, as required by the Boy Scouts of America Equal Access Act. Questions, complaints or request for additional information regarding discrimination or harassment may be sent to: Karen Peddie, Director of Human Resources, 85 School Road, Eastpoint, Florida 32328 850-670-2810 X 4101, [kpeddie@franklincountyschools.org](mailto:kpeddie@franklincountyschools.org)

Source: Franklin County School District Management.

**Subtask 3.1 Conclusion:** Based on the analysis above, the Safety and Security program has evaluated its in-house services and assessed for options to outsource services based on the limitations the program has. The District has met this subtask.

Subtask 3.2 – Determine whether program administrators have assessed any contracted and/or privatized services to very effectiveness and cost savings achieved and determine the reasonableness of their conclusions – Met.

**Subtask 3.2 Discussion:**

As discussed above in subtask 3.1, the program is unable to outsource most of the services it provides to the District. The District is required to contract with local law enforcement for school resource deputies. Based on MGT's interview with the Safety Specialist Officer, the program only looks to outside vendors when services or maintenance cannot be performed with the District's current staff. Whenever the program does need to hire an outside vendor, the program administrators adhere to the District's purchasing policies, as noted in subtask 1.7 of this chapter, to ensure the District is getting the service it requires at the best price available.

**Subtask 3.2 Conclusion:** Based on the analysis above, the District has met this subtask.

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—Met.

**Subtask 3.3 Discussion:**

Florida Statutes require security be provided by local law enforcement; therefore, alternative service delivery methods are not an option in this program area.

**Subtask 3.3 Conclusion:** Based on the statement above, the District has met this subtask.

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—Met.

**Subtask 3.4 Discussion:**

MGT reviewed Safety and Security programs in the Washington, Jackson, and Liberty County school districts to identify possible opportunities for alternative service delivery methods. MGT's review disclosed no clear opportunities to reduce costs without affecting the quality of services.

**Subtask 3.4 Conclusion:** Based on MGT's review of peer districts, the District has met this subtask.

## RESEARCH TASK 4: GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

**Finding:** Overall, the District's Safety and Security program partially met expectations for this research task.

Similar to other chapters in this report, the Safety and Security program has stated goals incorporated in the District's strategic plan; however, the goals are not measurable and it cannot be determined if the goals can be achieved within the District's budget. During the analysis, MGT noted that the District appears to have policies and procedures in place that would help ensure the program's goals are being met, but without clearly stated and measurable goals, MGT could verify this assessment.

### 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 county's strategic plan—  
Partially Met

#### **Subtask 4.1 Discussion:**

To determine if the Safety and Security program's goals and objectives are clearly stated, measurable, and achievable within budget, MGT reviewed the District's strategic plan and interviewed the Safety Specialist Officer. The District's Strategic Plan includes one goal that directly relates to Safety and Security: "Create safe, positive, healthy climates for learning." The strategies associated with this goal are to "implement the restorative practices and conscious discipline programs to reduce student discipline, build positive relationships between students, staff, parents, and the community, and create classroom environments that are engaging and support learning."

Similar to other goals in the District's Strategic Plan, the District's Safety and Security goal is not stated in a manner that can be measured, and it is not clearly aligned with the District's budget. MGT's detailed analysis of the District's 2019 strategic plan is presented in the Facilities and Operations chapter subtask 4.1.

MGT also found no other goals or objectives in writing for the Safety and Security program. In MGT's interview of the School Safety Officer, he noted that the Safety and Security program's sole objective is to keep school students, visitors, and employees safe and to harden the school from any penetration from the outside. However, this objective is not measurable in nature.

**Subtask 4.1 Conclusion:** While the District's strategic plan includes a goal for the Safety and Security program, the goals and objectives are not clearly stated, measurable, and achievable within the budget. The District partially met this subtask.

**Subtask 4.1 Recommendation:** MGT recommends the Safety and Security program establish goals and objectives that are clearly stated, measurable, achievable within budget, and consistent with the District's strategic plan.

Subtask 4.2 – Assess the measures, if any, the school district uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives—Did Not Meet.

**Subtask 4.2 Discussion:**

MGT interviewed the Safety Specialist Officer and reviewed board policies to determine if the District's Safety and Security program had established performance measures. Based on the analysis performed, the Safety and Security program has not established performance measures that can help evaluate program performance.

Most District programs and departments had no established measures to evaluate program performance or determine if state goals and objectives were being met. As mentioned in the discussion related to subtask 4.2 in the Facilities and Operations chapter, in many instances, the District reports metrics to the FDOE which the District could use to set clear program expectations so that they can be tracked against goals and objectives.

**Subtask 4.2 Conclusion:** The District has not established any measures to evaluate the Safety and Security program's performance. The District did not meet this subtask.

**Subtask 4.2 Recommendation:** MGT recommends the Safety and Security Department implement performance measures that are sufficient to assess the Department's progress meeting its stated goals and objectives established as a result of recommendation 4.1.

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—Partially Met.

**Subtask 4.3 Discussion:**

MGT interviewed the Safety Specialist Officer to gain an understanding of the internal controls for the security program. MGT also reviewed the School Safety and Security policy to assess if the District's internal controls to provide reasonable assurance that program goals and objectives will be met.

The District's School Safety and Security policies have clearly outlined the responsibilities of the School Safety Specialist such as, "reviewing District policies and procedures for compliance with Florida law and applicable rules, including the District's timely and accurate submission of school environmental safety incident reports to the Department pursuant to F.S. 1001.212; providing necessary training and resources to students and staff in matters relating to youth mental health awareness and assistance; emergency procedures, including active shooter training; and school safety and security; serving as the District liaison with local public safety agencies and national, State, and community agencies and organizations in matters of school safety and security; conduct annually, in collaboration with the appropriate public safety agencies, a school security risk assessment at each District school using the Florida Safe Schools Assessment Tool developed by the Office of Safe Schools." The policy also states that the Superintendent shall develop administrative procedures based on best practices for the prevention of violence on school grounds. The Safety and Security program also adheres to the procurement policies as required by the Board.

The District also submits a yearly Safe Schools Assessment to FDOE for review and received recommendations and feedback from the FDOE Office of Safe Schools. These assessments are confidential and not available to the public.

**Subtask 4.3 Conclusion:** The Safety and Security program does not have clearly stated goals and objectives and MGT was unable to determine if the internal controls in place at the District will reasonably assure the programs goals and objectives will be met. The District partially met this subtask.

**Subtask 4.3 Recommendation:** MGT recommends that the District review and revise, as necessary, its current internal controls to ensure that the goals and objectives in its revised strategic plan will be met.

## RESEARCH TASK 5: ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS

**Finding:** Overall, the District's Safety and Security program partially met expectations for this research task.

The District does not have processes in place governing the types of information that should be included on each Department's web page or how to verify the accuracy of the information. Specifically, for the Security program, the District includes some basic safety information including the School Visitor Policy on its website, but could improve the usefulness of the safety website by including additional information such as safety and security expenditures per 1,000 students, safety and security staff per 1,000 students, and number of assault and battery incidents. The District also does not have procedures addressing the correction of data previously made publicly available. See Facilities and Operations Research Task 5 for a full description of the District processes which apply to all Departments.

MGT recommends the District develop procedures which provide guidelines on the type of information that should be included on the website, along with a process for verifying the accuracy of financial and nonfinancial information, and documenting that verification, prior to publishing information. The District should also establish procedures for correcting published data and notifying the public of those corrections.

### 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 – Partially Met.

#### **Subtask 5.1 Discussion:**

As discussed in subtask 5.1 in the Facilities and Operations chapter of this report, District processes for ensuring that systems are in place to provide useful, timely, and accurate information to the public need improvement. Specifically, for the Security program, the District includes some basic safety information including the School Visitor Policy on its website, but could improve the usefulness of the safety website by including additional information such as safety and security expenditures per 1,000 students, safety and security staff per 1,000 students, and number of assault and battery incidents. Please refer to subtask 5.1 in the Facilities and Operations chapter for additional information regarding MGT's analysis of this subtask.

**Subtask 5.1 Conclusion:** MGT's evaluation of the systems and documents utilized to provide information to the public disclosed that the District could improve its processes to further ensure the usefulness of information made available to the public. This subtask is partially met.

**Subtask 5.1 Recommendation:** MGT recommends that the District develop procedures which provide guidelines on the type of information that should be included on the website.

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 District related to the program – Did Not Meet.

**Subtask 5.2 Discussion:**

Based on MGT's inquiries with District staff and review of documents and the website, there were no relevant internal or external reports that evaluated the accuracy or adequacy of public documents, reports, and requests prepared by the District related to the programs.

**Subtask 5.2 Conclusion:** The District did not meet this subtask.

**Subtask 5.2 Recommendation:** MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

Subtask 5.3 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate – Partially Met.

**Subtask 5.3 Discussion:**

As similarly discussed in subtask 5.3 in the Facilities and Operations chapter, MGT's analysis found that the District does not include sufficient financial and non-financial information on the website. Specifically, Security does not include Department-level cost information or sufficient performance information, as detailed in subtask 5.1 above. Please see subtask 5.3 in the Facilities and Operations chapter for additional analysis of District processes for compiling, reviewing, and releasing public records.

**Subtask 5.3 Conclusion:** Financial and nonfinancial information is not sufficiently detailed to allow for an evaluation of the Security Department. However, the District's process for disseminating information as a result of public records requests appears appropriate to ensure the information provided is accurate and complete. This subtask is partially met.

**Subtask 5.3 Recommendation:** MGT recommends that the District ensure that sufficient financial and nonfinancial information is provided on the website to allow for an evaluation of Department performance and cost.

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 – Partially Met.

**Subtask 5.4 Discussion:** As discussed in subtask 5.4 of the Facilities and Operations chapter, MGT found that the District does not have policies and procedures in place to ensure the accuracy of financial or nonfinancial information prior to publishing the information on the website. Please see subtask 5.4 in the

Facilities and Operations chapter for additional analysis of District processes for ensuring the accuracy and completeness of information provided to the public.

**Subtask 5.4 Conclusion:** The District does not have procedures in place to ensure the accuracy of financial and nonfinancial information. While there is a process in place to ensure the accuracy of financial information provided to the public; the review of the information is not documented in writing. This subtask is partially met.

**Subtask 5.4 Recommendation:** MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.

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 District and that these procedures provide for adequate public notice of such corrections – Partially Met.

**Subtask 5.5 Discussion:**

As discussed in subtask 5.5 of the Facilities and Operations chapter, MGT found that the District does not have written policies and procedures in place to correct any errors included in public documents, reports, and other materials or notify the public of such corrections. Please see subtask 5.5 in the Facilities and Operations chapter for additional analysis of District processes for correcting data and providing public notice of such corrections.

**Subtask 5.5 Conclusion:** Based on the information provided, the District has a process for correcting erroneous or incomplete information; however, it has no written procedures detailing this process. Accordingly, this subtask is partially met.

**Subtask 5.5 Recommendation:** The District should establish procedures for correcting published data and notifying the public of those corrections.

## RESEARCH TASK 6: COMPLIANCE WITH APPROPRIATE POLICIES, RULES, AND LAWS

**Finding:** Overall, the District's Safety and Security program met expectations for this research task.

Franklin County School District's Safety and Security program has an appropriate process to assess, and internal controls appeared sufficient, to ensure compliance with applicable federal, state, and local laws, rules, and regulations. Program administrators had taken reasonable and timely actions to address noted instances of noncompliance related to the Security program. Program administrators had also properly assessed whether planned uses of the surtax complied with state laws, rules, and regulations and have a process in place to distribute funds and mechanisms for charter schools to report how the funds are used.

## 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—Met.

Due to the nature of subtasks 6.1 and 6.2 and the procedures performed by MGT to assess these subtasks, MGT has determined to assess them together. See below for the team's analysis of these subtasks.

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—Met.

### **Subtasks 6.1 and 6.2 Discussion:**

As discussed in the Facilities and Operations chapter of this report, MGT interviewed the District's Chief Financial Officer, Director of Human Resources, the Board Attorney, and special counsel hired by the District to address the planned uses of the surtax funds. For more detail, please refer to the analysis documented in the Facilities and Operations chapter in subtasks 6.1 and 6.2.

**Subtasks 6.1 and 6.2 Conclusion:** The District has the internal controls and process in place 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. The District has met both subtasks 6.1 and 6.2.

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—Met.

### **Subtask 6.3 Discussion:**

As discussed in subtask 6.3 in the Facilities and Operations chapter, MGT reviewed three reports that addressed noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. For more on MGT's analysis of this subtask, refer to subtask 6.3 in the Facilities and Operations chapter.

There were two findings in the Operational Audit that noted the District's noncompliance with state laws. Finding #1 was related to security while finding #2 was related to debt service. Finding #1 has been addressed in subtasks 1.3 and 1.4 of this chapter and finding #2 has been addressed in subtasks 1.3 and 1.4 in the Debt Service chapter.

**Subtask 6.3 Conclusion:** As discussed in subtasks 1.3 and 1.4 in this chapter and the Debt Service chapter of this report, the District took timely and reasonable actions to address the noncompliance issues noted in the 2020 Operational Audit report. This District has met this subtask.

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—Met.

**Subtask 6.4 Discussion:**

As discussed in subtask 6.4 in the Facilities and Operations chapter, MGT noted the District engaged additional outside counsel, with surtax compliance specialization, in January 2022, to assist with surtax compliance. For more on MGT's analysis of this subtask, refer to subtask 6.4 in the Facilities and Operations chapter.

**Subtask 6.4 Conclusion:** Based on MGT's analysis, it appears the District took timely and reasonable actions to determine whether planned uses of the surtax comply with applicable state laws, rules and regulations. The District has met this subtask.

Subtask 6.5 – Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used—Met.

**Subtask 6.5 Discussion:**

As discussed in subtask 6.5 in the Facilities and Operations Chapter, MGT noted the District currently has a process in place to distribute and monitor funds sent to the chapter school related to the .5 mill operating referendum the District has in place. This process involves a spreadsheet that is maintained by the District's Chief Financial Officer and is used to calculate the funds to be sent to the charter school and also used to report the charter school's uses of the funds. All information is documented and detailed within the District's maintained spreadsheet. The Chief Financial Officer indicated the process would be the same for the funds received from the surtax.

**Subtask 6.5 Conclusion:** Based on the MGT's inquiries and review of the .5 mill operating referendum spreadsheet, it appears the District has a process to distribute funds to the district charter schools and mechanisms for the charter school to report how the funds are used. The District has met this subtask.

# CHAPTER 3: INFORMATION TECHNOLOGY

## RESEARCH TASK 1: ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM

**Finding:** Overall, the District's Information Technology program partially met expectations for this research task.

The District has outsourced its entire information technology program to a third party IT service provider. The District has one person in administration, the Director of Human Resources and Information Technology, that oversees the IT service provider's performance.

The District receives monthly reporting with the activities being performed by the IT service provider in the prior month. These reports, along with monthly meetings, gives the Information Technology program an opportunity to assess the IT service provider's performance and uphold the provider to the terms set in the yearly contract.

The IT service provider will handle all IT needs for the District including project management and purchasing of new services and equipment for the District. The District is generally very pleased with the service provider; however, MGT recommends incorporating a formal evaluation process and project oversight in its Information Technology program.

### 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 - Met.

#### **Subtask 1.1 Discussion:**

MGT interviewed the Director of Human Resources and Information Technology to gain an understanding of the reports and processes in place that the Information Technology program uses to monitor program performance and costs. The Director of Human Resources and Information Technology indicated that the program receives monthly reports from its IT service provider. These reports detail the provider's activities during the prior month. These reports include activities such as installing or removing selected apps from District computers, reviewing emails identified as a threat, and removing account access for terminated employees.

Under the District's current agreement, the IT service provider handles all of the IT needs of the District, including having on campus personnel during school days for troubleshooting and support, managing IT related projects, and procurement of all IT products and services.

Program cost is governed by the contract agreement. The District pays the IT service provider monthly for its general services, while also reimbursing program costs associated with the purchase of new equipment, services, and other technology needs.

**Subtask 1.1 Conclusion:** The Information Technology program uses monthly activity reports to monitor program performance and cost. The District met this subtask.

Subtask 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost – Partially Met.

**Subtask 1.2 Discussion:**

MGT interviewed the Director of Human Resources and Information Technology to gain an understanding of the program's process to assess program performance and cost. MGT inquired of any performance information or other criteria that was used to assess the program's performance and costs. The Director of Human Resources and Information Technology noted that there is no formal assessment performed of the Information Technology program. The program does not have any performance measures or other criteria to assess the program's performance and cost. The Information Technology program is evaluated during the weekly director's meeting but these evaluations are not documented.

**Subtask 1.2 Conclusion:** Although program administrators indicated they evaluate the Information Technology program during the weekly director's meeting, there is no documentation of these discussions. Therefore, the District has partially met this subtask.

**Subtask 1.2 Recommendation:** MGT recommends the program administrators formally assess the information technology program's performance based on objective, measurable criteria and document these assessments.

Subtask 1.3 – Review findings and recommendations included in any relevant internal or external reports on program performance and cost—Met.

Due to the requirements of 1.3 and 1.4, MGT has determined to assess them together. Please see below for the team's analysis of subtasks 1.3 and 1.4.

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.—Met.

**Subtasks 1.3 and 1.4 Discussion:**

MGT inquired of the District's Chief Financial Officer for access to all reports, either internal or external, that are related to the Information Technology program and may contain any findings or recommendations associated with them. MGT reviewed the District's Financial and Single Audit Reports for the Fiscal Years Ending June 30, 2020, and June 30, 2021. MGT also reviewed the District's 2020 Operational Audit. MGT inquired of any other reports that may be relevant to the Information Technology program and the Chief Financial Officer confirmed there were no others.

MGT noted one finding in the Operational Audit that was relevant to the Information Technology program. MGT requested documentation of the District's steps taken to address the findings to assess if the steps taken by the District were reasonable and completed in a timely manner.

In the District's 2020 Operational Audit, the State of Florida Auditor General's Office noted a finding that in summary stated "some unnecessary information technology user access privileges existed that increased the risk that unauthorized disclosure of sensitive personal information may occur."

On February 16, 2021, one month after the issuance of the 2020 Operational Audit, the District received a letter from the Florida Department of Education addressing the District's Chief Financial Officer. This letter stated the District had taken the appropriate actions necessary to address the above mentioned finding. Exhibit 3.1.1 is copy of the letter received from the Florida Department of Education.

#### **Exhibit 3.1.1 – Letter from Florida Department of Education Addressing IT Finding**



February 16, 2021

Ms. Shannon Venable  
Director of Financial Services  
Franklin County School District  
85 School Road, Suite 1  
Eastpoint, Florida 32328

RE: Auditor General Report Number 2021-042

Dear Ms. Venable:

Thank you for your response to our request for documentation relative to the finding from the above-referenced Auditor General Report pertaining to Information Technology.

We have reviewed the documentation related to Information Technology finding Number 4, and believe that appropriate corrective measures have been taken to resolve this finding.

Please remember to update your IT policies or procedures based on your corrective measures, and no further action is required relative to this finding as it has been appropriately addressed.

Sincerely,

Andre Smith, Ed.D.  
Deputy Commissioner  
Division of Technology and Innovation

AS/aw

Source: Franklin County School District management

#### **Subtask 1.3 and 1.4 Conclusion:**

Given the evidence above, the District has met the requirements of subtasks 1.3 and 1.4.

Subtask 1.5 – Evaluate program performance and cost based on reasonable measures, including best practices – Partially Met.

**Subtask 1.5 Discussion:**

As discussed in the subtasks 1.1 and 1.2 of this chapter, the District outsources its entire Information Technology program. The program's cost is based on the contract with its third-party IT service provider while the program's performance expectations are set in the contract but these expectations are generalized and cannot be measurable. Program administrators have communicated to MGT that the District is pleased with the service provider.

To evaluate the program's performance and cost against peer district, MGT gathered information from the Florida Department of Education website. **Exhibit 3.1.2** shows a comparison of Franklin County School District's technology spending per unweighted full-time enrollment (UFTE) against its peers.

**Exhibit 3.1.2 Review of Peer Technology Spending Per Student**

School District	2021 Instructional Technology Spending	2021 Admin Technology Spending	2021 Total Technology Spending	2021 UFTE Students	Instructional Technology Spending (Per UFTE)	Total Technology Spending (Per UFTE)
Franklin	\$184,016.00	\$76,816.00	\$260,832	\$822.29	\$223.78	\$317.20
Jackson	292,125.00	71,215.00	363,340	5,793.40	50.42	62.72
Liberty	486,125.00	50,225.00	536,350	1,196.43	406.31	448.29
Washington	578,676.00	228,613.00	807,289	3,253.14	177.88	248.16
<b>State Average</b>	<b>\$385,235.50</b>	<b>\$106,717.25</b>	<b>\$491,952.75</b>	<b>\$2,766.32</b>	<b>\$214.60</b>	<b>\$269.09</b>

Source: FDOE, 2021 EFAA Reports (Education Funding Accountability Act).

As shown in Exhibit 3.1.2, Franklin County School District's total spending on its Information Technology program is much less compared to its peers, \$260,832 total spending compared to the next lowest Jackson County School District at \$363,340. However, due to the smaller student population compared to its peers, Franklin County's total technology spending per UFTE is above average. This may be explained by the minimum necessary technology and infrastructure required to operate a district. The other Districts may have the advantage of economy of scale and may be able to find efficiencies in spending that Franklin County may not.

**Subtask 1.5 Conclusion:** The Information Technology program's performance and cost seem reasonable, but when compared to its peers, program cost appears to be above average on a per UFTE calculation. The District has partially met this subtask.

**Subtask 1.5 Recommendation:** MGT recommends that the District continue to track data provided to the FDOE and evaluate for potential improvements in program performance and cost.

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 – Did Not Meet.

**Subtask 1.6 Discussion:**

MGT inquired of the Director of Human Resources and Information Technology for any projects that were completed during the audit period July 1, 2020, through May 31, 2022. MGT sampled one project to evaluate the cost, timing, and quality of the Information Technology program's efforts to ensure costs are reasonable and the project is completed well, on time, and within budget. The project selected was the purchase of Chromebooks, Chromebook screen replacements, and Chromebases. The project's budgeted and actual cost was \$102,768.

MGT requested all relevant documents and information related to the purchase and receipt of the Chromebooks. The program administrators were unable to provide any documents that detailed the timing and quality of the project. MGT was provided some documentation regarding the project, but none was relevant to determine if the project was completed well or on time.

**Subtask 1.6 Conclusion:** Due to the lack of documentation and support provided by the Information Technology administrators, this subtask has not been met by the program.

**Subtask 1.6 Recommendation:** MGT recommends the Information Technology program enhance its project tracking procedures to ensure they can track and maintain documentation related to ongoing and completed projects.

Subtask 1.7 – Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements—Met.

**Subtask 1.7 Discussion:**

As discussed in subtask 1.7 in the Facilities and Operations chapter of this report, the District has multiple vendor agreements in place to purchase supplies needed to maintain daily operations. The District also has blanket purchase orders in place with vendors to take advantage of discounts. The program uses state contracts through the FDOE and the Panhandle Area Educational Consortium to make purchases of products that are already negotiated to the lowest price. In addition, the District has a set policy in place that requires the program to obtain quotes or bids depending on the cost of the product or service. Please refer to subtask 1.7 in the Facilities and Operations chapter for MGT's analysis of this subtask.

**Subtask 1.7 Conclusion:** The District has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. This subtask is met.

## RESEARCH TASK 2: STRUCTURE OR DESIGN OF THE PROGRAM

**Finding:** Overall, the District's Information Technology program partially met expectations for this research task.

Organizational structure aligns and relates parts of an organization so it can achieve its maximum performance. Organizational structure is the method by which work flows through an organization. It allows groups to work together within their individual functions to manage tasks. Five elements create an organizational structure: job design, departmentation, delegation, span of control, and chain of command. Departmentation refers to the way an organization structures its jobs to coordinate work and span of control means the number of individuals who report to a manager.

Franklin County School District demonstrated a program organizational structure with clearly defined units, minimal overlapping functions, and administrative layers that minimize costs. The District's overall cost for administrative and managerial staff was less than comparable districts. However, MGT noted that the IT program was co-located with Human Resources; although IT should be independent of user departments to prevent override of established IT-related controls.

The District assesses staffing as duties and responsibilities change. According to the HR Director, if responsibilities are added due to changes in statutory requirements or Board policy, the applicable Department manager will determine if an additional position is needed to keep up with the workload. If the manager determines that an additional position is needed, the District's management team will discuss it with the Superintendent during their weekly meetings. As the District is so small, the process is informal with no written documentation.

MGT recommends the District ensure that the IT Department is independent of all user departments to protect the integrity of critical controls over IT systems and document its process for adding new staff when necessary.

### 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—Partially Met.

#### Subtask 2.1 Discussion:

As discussed in subtask 2.1 in the Facilities and Operations chapter of this report, the District's organizational structure has clearly defined units and lines of authority and no overlapping functions. The District has contracted for the provision of all information technology services. The District has assigned oversight responsibility for the IT contract to the District's Human Resources Director. However, IT should be independent of user departments to prevent override of established IT-related controls.

**Subtask 2.1 Conclusion:** Due to the current reporting structure of the Information Technology program, this subtask is partially met.

**Subtask 2.1 Recommendation:** MGT recommends the District ensure that the IT Department is independent of all user departments to protect the integrity of critical controls over IT systems.

Subtask 2.2 – Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload—Partially Met.

**Subtask 2.2 Discussion:**

As described in subtask 2.1, the District has contracted for the provision of all information technology services and has assigned oversight responsibility for the IT contract to the District's Human Resources Director. The only District position related to IT is the Director.

**Subtask 2.2 Conclusion:** Although the District has a process in place to assess the need for additional positions, the process is not formally documented. This subtask is partially met.

**Subtask 2.2 Recommendation:** MGT recommends the District document its process for adding new staff when necessary.

**RESEARCH TASK 3: ALTERNATIVE METHODS OF PROVIDING PROGRAM SERVICES**

**Finding: Overall, the District's Information Technology program partially met expectations for this research task.**

MGT examined the processes used by the District to evaluate whether a service could be privatized and examined the District's evaluation of current privatized services. MGT's examination disclosed the District does not provide any IT services in-house. As noted in research task 1, the District has contracted with a third party to manage all IT services. MGT found that management assess the contracted services weekly; however, no documentation of these assessments is maintained.

MGT also evaluated the services provided to the District for opportunities reduce cost without a significant affect to the services provided. MGT found no reasonable opportunities for a change in service delivery method that would reduce program costs without sacrificing the quality of services provided.

MGT recommends the Information Technology program begin to maintain documentation of its weekly assessments and set benchmarks or performance metrics for the IT provider.

**Research Subtask Analysis and Conclusions**

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 – Not Applicable.

**Subtask 3.1 Discussion:**

To gain an understanding of the services provided by the Information Technology contractor, MGT interviewed the District's Director of Human Resources and Information Technology. The District outsources its entire Information Technology program to a third party. According to the Director of Human Resources, her main job is to ensure the IT provider is performing the services set forth by the contract

and the provider is performing well for the District. This subtask has been determined as not applicable due to the Information Technology program not providing any in-house services.

**Subtask 3.1 Conclusion:** This subtask is not applicable.

Subtask 3.2 – Determine whether program administrators have assessed any contracted and/or privatized services to very effectiveness and cost savings achieved and determine the reasonableness of their conclusions – Partially Met.

**Subtask 3.2 Discussion:**

To gain an understanding of the Information Technology program's contracted services and the program administrators' assessment of those services, MGT interviewed the District's Director of Human Resources. As noted in subtask 3.1 above, the District outsources its entire Information Technology program to a third party.

The Director of Human Resources informed MGT that the District assesses the services provided by the third party during the weekly director's meetings, but she could not provide MGT with any documentation to support these discussions.

The District has renewed the contract with the IT service provider yearly, at the recommendation of the previous Director of Information Technology and with the School Board's approval, and will go through a formal RFP process to received bids for the contract every 3 years. There is no formal documentation assessing the IT service provider's performance other than the prior letters to the Board from Director of Information Technology recommending the District maintain its current contract.

**Subtask 3.2 Conclusion:** District management indicated that they assess the IT service provider's performance throughout the year; however, the program administrators were unable to provide MGT documentation of these assessments. The District has partially met this subtask.

**Subtask 3.2 Recommendation:** MGT recommends the Information Technology program set benchmarks or performance metrics for the IT provider and formally assess its IT service provider's performance.

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 – Met.

**Subtask 3.3 Discussion:**

As discussed in subtasks 3.1 and 3.2 above, MGT noted the District will renew the contract with the IT service provider at the beginning of each school year and will go through a formal RFP process early three years. The District provided MGT the bid listing for the previous time the contract went through the RFP process, and the current provider was the sole provider to send the District a bid.

The District has been with the same IT service provider since 2017. The District signs yearlong contracts with the provider. Each year the IT program administrators and School Board must agree to renew the annual contract. Every three years, the District goes through a formal RFP process to receive bids from all

potential providers. The District attempts to find ways to change service delivery methods that would reduce the program cost without significantly affecting the quality of services but has yet to find another provider that meets the District's needs in many years.

**Subtask 3.3 Conclusion:** The District will attempt to make changes to its service delivery methods through annual assessments and going through a formal RFP process every three years. The District has met this subtask.

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 – Met.

**Subtask 3.4 Discussion:**

The District's size and lack of specialized staff to perform information technology services limits its opportunities for alternative service delivery as demonstrated by the fact that the District only receives formal bids from one provider each time the District goes through the RFP process.

**Subtask 3.4 Conclusion:**

MGT sees no reasonable opportunities for alternative service delivery methods that have potential to reduce program costs without significantly affecting the quality of services. The District has met the subtask.

## RESEARCH TASK 4: GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

**Finding:** Overall, the District's Information Technology program partially met expectations for this research task.

MGT found that the District has a strategic plan, but it lacked the required specificity to guide the department, programs, and staff to track and measure program accomplishments. Although the strategic plan has been in place since 2019, the Information Technology program has not established goals and objectives or performance measures. Additionally, Information Technology internal controls are not documented.

MGT recommends that District management continue its work on the strategic plan by adding clear program goals and objective. Once those goals are clearly stated and measurable, it can track program and project performance and corresponding District success.

### 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 county's strategic plan—Did Not Meet.

**Subtask 4.1 Discussion:**

As discussed in detail in the Facilities and Operations chapter under subtask 4.1, the District has a strategic plan which was adopted by its Board in 2019. The District's Strategic Plan has no goals that directly relate to the District's Information Technology program. MGT also found no other goals or objectives in writing

for the Information Technology program. The lack of goals and objectives for District's Information Technology program makes it difficult to track program and project success.

**Subtask 4.1 Conclusion:** As the Information Technology Department did not have any written goals and objectives, the District did not meet this subtask.

**Subtask 4.1 Recommendation:** MGT recommends that District management develop more specificity and detail in its strategic plan. As part of those efforts, the District should establish goals and objectives which are clearly stated, measurable, and achievable within budget.

Subtask 4.2 – Assess the measures, if any, the county uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives—Did Not Meet.

**Subtask 4.2 Discussion:**

The District has not established measures to evaluate the performance of the Information Technology Department. This function is contracted out to a third party and while there is a clear scope of work and specifications for payment, there are no performance measures or other criteria to evaluate performance in the contract between the third party and the District.

Most District programs and departments had not established measures to evaluate program performance or determine if state goals and objectives were being met. As mentioned in the discussion related to subtask 4.2 in the Facilities and Operations chapter, in many instances, the District reports metrics to the FDOE, which means metrics and measurements exist, the District needs to set clear expectation for those measures so that they can be tracked against goals and objectives. If the District were to establish program goals for cost per student in specific areas such as Information Technology costs per student, it could begin to track program performance in those areas. Example measurable data reported to FDOE is listed below in Table 3.4.1.

**Table 3.4.1 Review of Peer Technology Spending Per Student**

School District	2021 Instructional Technology Spending	2021 Admin Technology Spending	2021 UFTE Students	Instructional Technology Spending \$ (Per Student)	Total Technology Spending \$ (Per Student)
Franklin	\$184,016.00	\$76,816.00	822.29	\$223.78	\$317.20
Jackson	\$292,125.00	\$71,215.00	5793.40	\$50.42	\$62.72
Liberty	\$486,125.00	\$50,225.00	1196.43	\$406.31	\$448.29
Washington	\$578,676.00	\$228,613.00	3253.14	\$177.88	\$248.16
<b>Average</b>	<b>\$385,235.50</b>	<b>\$106,717.25</b>	<b>2,766.32</b>	<b>\$214.60</b>	<b>\$269.09</b>

Source: FDOE, 2021 EFAA Reports (Education Funding Accountability Act).

**Subtask 4.2 Conclusion:** The Information Technology Department did not have any measures to evaluate performance, nor were there any measures in the District's contract with the IT provider. Consequently, the District did not meet this subtask.

**Subtask 4.2 Recommendation:** MGT recommends that the District establish measures that will assess program progress towards meeting its stated goals and objectives, once those goals and objectives are established. MGT also recommend that the agreement with the third party be updated to include clearly stated, measurable goals and objectives so that the District can evaluate program performance.

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—Partially Met.

**Subtask 4.3 Discussion:**

The District has a clear policy on procurement. However, project management and project tracking procedures are not documented at the program level. The program administrators manage the projects for the program by close observation. Those processes were described by staff but are not documented. Based on MGT's review of the relevant internal controls in place for the Information Technology program, it appears that internal controls, including policies and procedures, provide a reasonable assurance that District policies and procedures are being followed. The management and monitoring activities at the program level lack specificity and documentation.

**Subtask 4.3 Conclusion:** Due to the Information Technology program not having goals or objectives but having reasonable controls and policies and procedures in place, the District has partially met this subtask.

**Subtask 4.3 Recommendation:** MGT recommends that the District review and revise, as necessary, its current internal controls to ensure that the goals and objectives in its revised strategic plan will be met.

## RESEARCH TASK 5: ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS

**Finding:** Overall, the District's Information Technology program did not meet expectations for this research task.

The District does not have processes in place governing the types of information that should be included on each Department's web page or how to verify the accuracy of the information. Specifically, the District does not publish any information related to the cost or performance of the IT program on its website. The District also does not have procedures addressing the correction of data previously made publicly available. See Facilities and Operations Research Task 5 for a full description of the District processes which apply to all Departments.

MGT recommends the District develop procedures which provide guidelines on the type of information that should be included on the website, along with a process for verifying the accuracy of financial and nonfinancial information, and documenting that verification, prior to publishing information. The District should also establish procedures for correcting published data and notifying the public of those corrections.

## 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—Did Not Meet.

### **Subtask 5.1 Discussion:**

As discussed in subtask 5.1 in the Facilities and Operations chapter of this report, District processes for ensuring that systems are in place to provide useful, timely, and accurate information to the public need improvement. Specifically, for the IT Department, the District does not publish any information regarding IT on its website. The Council of Great City Schools published a list of metrics that could be used to provide cost and performance data for IT. Those measures include the average age of computers, devices per student, and IT spending per student. Please refer to subtask 5.1 in the Facilities and Operations chapter for additional information regarding MGT's analysis of this subtask.

**Subtask 5.1 Conclusion:** MGT's evaluation of the systems and documents utilized to provide information to the public disclosed that the District could improve its processes to further ensure the usefulness of information made available to the public. This subtask is not met.

**Subtask 5.1 Recommendation:** MGT recommends that the District develop procedures which provide guidelines on the type of information that should be included on the website.

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 District related to the program—Did Not Meet.

### **Subtask 5.2 Discussion:**

Based on MGT's inquiries with District staff and review of documents and the website, there were no relevant internal or external reports that evaluated the accuracy or adequacy of public documents, reports, and requests prepared by the District related to the programs.

**Subtask 5.2 Conclusion:** The District did not meet this subtask.

**Subtask 5.2 Recommendation:** MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

Subtask 5.3 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate—Did Not Meet.

### **Subtask 5.3 Discussion:**

As discussed in subtask 5.3 in the Facilities and Operations chapter, MGT's analysis found that the District does not include sufficient financial and non-financial information on the website. Specifically, Information Technology does not include Department-level cost information or sufficient performance information, as detailed in subtask 5.1 above. Please see subtask 5.3 in the Facilities and Operations chapter for additional analysis of District processes for compiling, reviewing, and releasing public records.

**Subtask 5.3 Conclusion:** Financial and nonfinancial information is not sufficiently detailed to allow for an evaluation of the Information Technology Department. However, the District's process for disseminating information as a result of public records requests appears appropriate to ensure the information provided is accurate and complete. The District did not meet this subtask.

**Subtask 5.3 Recommendation:** MGT recommends that the District ensure that sufficient financial and nonfinancial information is provided on the website to allow for an evaluation of Department performance and cost.

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—Did Not Meet.

**Subtask 5.4 Discussion:**

As discussed in subtask 5.4 of the Facilities and Operations chapter, MGT found that the District does not have policies and procedures in place to ensure the accuracy of financial or nonfinancial information prior to publishing the information on the website. Please see subtask 5.4 in the Facilities and Operations chapter for additional analysis of District processes for ensuring the accuracy and completeness of information provided to the public.

**Subtask 5.4 Conclusion:** The District does not have procedures in place to ensure the accuracy of financial and nonfinancial information. While there is a process in place to ensure the accuracy of financial information provided to the public; the review of the information is not documented in writing. This subtask is not met.

**Subtask 5.4 Recommendation:** MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.

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 District and that these procedures provide for adequate public notice of such corrections—Partially Met.

**Subtask 5.5 Discussion:**

As discussed in subtask 5.5 of the Facilities and Operations chapter, MGT found that the District does not have written policies and procedures in place to correct any errors included in public documents, reports, and other materials or notify the public of such corrections. Please see subtask 5.5 in the Facilities and Operations chapter for additional analysis of District processes for correcting data and providing public notice of such corrections.

**Subtask 5.5 Conclusion:** Based on the information provided, the District has a process for correcting erroneous or incomplete information; however, it has no written procedures detailing this process. Accordingly, this subtask is partially met.

**Subtask 5.5 Recommendation:** The District should establish procedures for correcting published data and notifying the public of those corrections.

## RESEARCH TASK 6: COMPLIANCE WITH APPROPRIATE POLICIES, RULES, AND LAWS

**Finding:** Overall, the District's Information Technology program met expectations for this research task.

Franklin County School District has an appropriate process to assess, and internal controls appeared sufficient, to ensure compliance with applicable federal, state, and local laws, rules, and regulations. Program administrators had taken reasonable and timely actions to address noted instances of noncompliance. Program administrators had also properly assessed whether planned uses of the surtax complied with state laws, rules, and regulations and have a process in place to distribute funds and mechanisms for charter schools to report how the funds are used.

### 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—Met.

Due to the nature of subtasks 6.1 and 6.2 and the procedures performed by MGT to assess these subtasks, MGT has determined to assess them together. See below for the team's analysis of these subtasks.

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—Met.

#### **Subtasks 6.1 and 6.2 Discussion:**

As discussed in the Facilities and Operations chapter of this report, MGT interviewed the District's Chief Financial Officer, Director of Human Resources, the Board Attorney, and special counsel hired by the District to address the planned uses of the surtax funds. For more detail, please refer to the analysis documented in the Facilities and Operations chapter in subtasks 6.1 and 6.2.

**Subtask 6.1 and 6.2 Conclusion:** The District has the internal controls and process in place 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. The District has met both subtask 6.1 and 6.2.

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 – Met.

#### **Subtask 6.3 Discussion:**

As discussed in subtask 6.3 in the Facilities and Operations chapter, MGT reviewed three reports that addressed noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. For more on MGT's analysis of this subtask, refer to subtask 6.3 in the Facilities and Operations chapter.

There were two findings in the Operational Audit that noted the District's noncompliance with state laws. Finding #1 was related to security while finding #2 was related to debt service. Finding #1 has been addressed in subtasks 1.3 and 1.4 in the Security chapter and finding #2 has been addressed in subtasks 1.3 and 1.4 in the Debt Service chapter.

**Subtask 6.3 Conclusion:** As discussed in subtasks 1.3 and 1.4 in the Security and Debt Service chapters of this report, the District took timely and reasonable actions to address the noncompliance issues noted in the 2020 Operational Audit report. This District has met this subtask.

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—Met.

**Subtask 6.4 Discussion:**

As discussed in subtask 6.4 in the Facilities and Operations chapter, MGT noted the District has engaged additional outside counsel, with surtax compliance specialization, in January 2020, to assist with compliance. For more on MGT's analysis of this subtask, refer to subtask 6.4 in the Facilities and Operations chapter.

**Subtask 6.4 Conclusion:** Based on MGT's analysis, it appears the District took timely and reasonable actions to determine whether planned uses of the surtax comply with applicable state laws, rules and regulations. The District has met this subtask.

Subtask 6.5 – Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used—Met.

**Subtask 6.5 Discussion:**

As discussed in subtask 6.5 in the Facilities and Operations Chapter, MGT noted the District currently has a process in place to distribute and monitor funds sent to the chapter school related to the .5 mill operating referendum the District has in place. This process involves a spreadsheet that is maintained by the District's Chief Financial Officer and is used to calculate the funds to be sent to the charter school and also used to report the charter school's uses of the funds. All information is documented and detailed within the District's maintained spreadsheet. The Chief Financial Officer indicated the process would be the same for the funds received from the surtax.

**Subtask 6.5 Conclusion:** Based on the MGT's inquiries and review of the .5 mill operating referendum spreadsheet, it appears the District has a process to distribute funds to the district charter schools and mechanisms for the charter school to report how the funds are used. The District has met this subtask.

# CHAPTER 4: TRANSPORTATION

## RESEARCH TASK 1: ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM

**Finding:** Overall, the District's Transportation program partially met expectations for this research task.

MGT made inquiries with Transportation program administrators and examined records and reports to assess the programs' procedures for evaluating the performance and cost. These reports appear to have adequate information and are periodically used to assess the program's performance and cost. However, we noted the District's Transportation program costs are within range of the peer districts, they are 20% above average per mile and 16% above average on a per student basis.

Also, the District has established a written policy that allow the District to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. Additionally, the team's review of procurement documentation indicated that the procedures were generally followed; however, MGT was unable to quantify any savings realized by the department's volume discounts, special pricing agreement and competitive procurements.

MGT recommends the Transportation program continue to assess its program performance and cost and use the reports it has to compare its performance to its peers to potentially find ways of utilizing resources more efficiently.

### 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  
— Met.

#### **Subtask 1.1 Discussion:**

To gain an understanding of the reports and data used by the program administrator to monitor program performance and cost, MGT interviewed the District's Transportation Manager. It was noted during the interview that the Transportation Manager uses several reports to monitor program performance and cost. Some of the reports used are:

- Daily driver reports
- Weekly fuel reports
- Annual inventory reporting to the FDOE
- Periodic routing reports
- Monthly transportation manager reports

MGT was able to obtain and review the annual report submitted to the FDOE and a sample of the monthly transportation manager reports. The FDOE report will detail the transportation programs annual costs, total number of buses, total number of miles, number of stops, and costs per rider, among other metrics.

The monthly transportation manager reports give the program administrator an opportunity to assess the program's needs, performance, and costs.

**Subtask 1.1 Conclusion:** Based on the analysis performed, the reports and data used by the Transportation program to regularly monitor program performance and cost appear adequate to assess the program. The District has met this subtask.

Subtask 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost - Met.

**Subtask 1.2 Discussion:**

As discussed in subtask 1.1 above, the Transportation program uses several reports to monitor the program's performance and cost. These reports are evaluated weekly, monthly, annually, and some periodically throughout the year based on need. All the reports listed in subtask 1.1 above provide program administrators will reasonable information and are reviewed regularly to assess program performance and cost.

**Subtask 1.2 Conclusion:** Based on the analysis performed, the information used by program administrators to periodically evaluate program performance and cost appear to provide adequate and reasonable information. The District has met this subtask.

Subtask 1.3 – Review findings and recommendations included in any relevant internal or external reports on program performance and cost – Met.

Due to the requirements of 1.3 and 1.4, MGT has determined to assess them together. Please see below for the team's analysis of subtasks 1.3 and 1.4.

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. – Not Applicable.

**Subtasks 1.3 and 1.4 Discussion:**

MGT interviewed the District's Chief Financial Officer and requested access to all reports, either internal or external, that may contain findings and/or recommendations related to the Transportation program. MGT reviewed the District's Financial and Single Audit Reports for the Fiscal Years Ending June 30, 2020, and June 30, 2021. MGT also reviewed the District's 2020 Operational Audit. MGT inquired of any other reports that may be relevant to the Transportation program and the Chief Financial Officer confirmed there were no others.

During the review of the two financial reports, MGT noted no material weaknesses or significant deficiencies were included in either report. During the review of the operational audit, MGT noted four findings. Of the four findings, none of them are related to the Transportation program. These findings will be addressed in other sections of this report.

**Subtasks 1.3 and 1.4 Conclusions:** Based on MGT's review of the relevant internal and external reports, there were no findings related to the facilities and operations program. Subtask 1.3 has been met and Subtask 1.4 has been determined as not applicable.

Subtask 1.5 – Evaluate program performance and cost based on reasonable measures, including best practices – Partially Met.

**Subtask 1.5 Discussion:**

MGT analyzed peer data to evaluate transportation costs for reasonableness. Data is reported to FDOE, compiled, and published annually. A variety of metrics are available to District staff to begin this analysis to track program performance. The table below displays the cost per mile, cost per equivalent full-time student (EFTS) as well as measure on bus occupancy percentage, number of buses in service and total number of daily buses. Although the District's costs are within range, they are 20% above average per mile and 16% above average on a per student basis. Data and comparisons are detailed in Exhibit 4.1.1 below.

**Exhibit 4.1.1 Review of Peer Districts Transportation Data & Costs**

School District	Transportation Cost per Mile	Transportation Cost per Student	Average Bus Occupancy %	Total Buses in Service	Daily Buses
Franklin	\$4.89	\$618.07	40.50	17	12
Jackson	\$3.50	\$458.02	41.60	90	65
Liberty	\$4.25	\$477.33	45.75	17	9
Washington	\$3.69	\$575.76	48.37	49	40
Average	\$4.08	\$532.30	44.06	43	32

Source: FDOE, Florida School District 2020-21 Transportation Profiles.

**Subtask 1.5 Conclusion:** Based on the analysis performed, the District's transportation costs appear reasonable overall but are generally higher than its peers. There may be efficiencies and cost savings options available to the District. There may be some efficiencies to be gained by the District as it has the same number of buses in service as a district with more students (Liberty). The District has partially met this subtask.

**Subtask 1.5 Recommendation:** MGT recommends that the Transportation program set clear goals and objectives with respect to these measurable statistics. MGT also recommends that the District examine bus occupancy, routes, and other efficiencies to ensure that it can serve its students better by utilizing resources more effectively and efficiently.

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 – Not Applicable.

**Subtask 1.6 Conclusion:** The Transportation program has not purchased or leased a new bus or has had any projects related to transportation services during the audit period. MGT confirmed no new buses had been purchased by reviewing the District's transportation profile, which is reported to the FDOE annually. This subtask is not applicable.

Subtask 1.7 – Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements—Met.

**Subtask 1.7 Discussion:**

As discussed in subtask 1.7 in the Facilities and Operations chapter of this report, the District has multiple vendor agreements in place to purchase supplies needed to maintain daily operations. The District also has blanket purchase orders in place with vendors to take advantage of discounts. The program uses state contracts through the FDOE and the Panhandle Area Educational Consortium to make purchases of products that are already negotiated to the lowest price. In addition, the District has a set policy in place that requires the program to obtain quotes or bids depending on the cost of the product or service. Please refer to subtask 1.7 in the Facilities and Operations chapter for MGT's analysis of this subtask.

**Subtask 1.7 Conclusion:** The District has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements. This subtask is met.

**RESEARCH TASK 2: STRUCTURE OR DESIGN OF THE PROGRAM**

**Finding:** Overall, the District's Transportation program partially met expectations for this research task.

Organizational structure is the method by which work flows through an organization, such as a school district. It allows groups to work together within their individual functions to manage tasks. Five elements create an organizational structure: job design, departmentation, delegation, span of control, and chain of command. Departmentation refers to the way the organization structures its jobs to coordinate work and span of control means the number of individuals who report to a manager.

Franklin County School District has a program organizational structure with clearly defined units, minimal overlapping functions, and administrative layers that minimize costs. The span of control for the Transportation program's managerial positions appeared appropriate and the District's overall cost for administrative and managerial staff was less than comparable districts. The District currently has 12 daily buses, along with work required by field trips and extracurricular activities. Given the District's workload, the current staffing level of 14 bus drivers appears reasonable.

The District assesses staffing as duties and responsibilities change. According to the HR Director, if responsibilities are added due to changes in statutory requirements or Board policy, the applicable Department manager will determine if an additional position is needed to keep up with the workload. If the manager determines that an additional position is needed, the District's management team will discuss it with the Superintendent during their weekly meetings. As the District is relatively small, the process is informal with no written documentation.

## 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—Met.

### **Subtask 2.1 Discussion:**

As discussed in subtask 2.1 in the Facilities and Operations chapter of this report, the District's organizational structure has clearly defined units and lines of authority and no overlapping functions. The Transportation Department's mission is to provide safe, efficient, and professional transportation services to District students and to maintain a safe and efficient fleet while complying with applicable federal, state, and local regulations. The Transportation Department consists of 17 positions, the Transportation Manager, 2 mechanics, and 14 bus drivers.

MGT compared the District's organizational span of control of within the Transportation Department with Society of Human Resource Management (SHRM) guidelines. MGT's analysis found that the program's span of control falls within the benchmarks published by the SHRM. The Transportation Manager supervises 16 employees, which falls between the median and 75<sup>th</sup> percentile for middle management positions.

**Subtask 2.1 Conclusion:** This subtask has been met.

Subtask 2.2 – Assess the reasonableness of current program staffing levels given the nature of the services provided and program workload—Partially Met.

### **Subtask 2.2 Discussion:**

As discussed in subtask 2.2 in the Facilities and Operations chapter of this report, the District has a process in place to assess the need for additional positions. Please refer to subtask 2.2 in the Facilities and Operations chapter for MGT's analysis of this subtask. Additionally, the District adjusts staffing levels each year given the number of bus routes. As noted in subtask 1.5, the District currently has 12 daily buses, along with work required by field trips and extracurricular activities. Given the District's workload, the current staffing level of 14 bus drivers appears reasonable.

MGT also obtained the Transportation Department's overtime payrolls, along with their regular payrolls, to determine whether overtime costs were indicative of unreasonable staffing as detailed in Exhibit 4.2.1. MGT's examination of the payroll records indicated that while the overtime percentage is high for transportation, the majority represents pay for drivers on field trip and extracurricular activities.

### **Exhibit 4.2.1 Analysis of Transportation Overtime**

	2020-21 FY Totals	7/1/21 – 5/31/22 Totals
Regular Payroll – Transportation	\$317,214.64	\$237,241.87
Overtime Payroll - Transportation	79,951.12	66,194.24
Overtime as a % of Regular Payroll	25.20%	27.90%

**Subtask 2.2 Conclusion:** Although the District has a process in place to assess the need for additional positions, the process is not formally documented. This subtask is partially met.

**Subtask 2.2 Recommendation:** MGT recommends the District document its process for adding new staff when necessary.

### RESEARCH TASK 3: ALTERNATIVE METHODS OF PROVIDING PROGRAM SERVICES

**Finding:** Overall, the District's Transportation program partially met expectations for this research task.

As discussed in other chapters of this report, the District is limited in the service delivery methods it can use due to its union agreement. The Transportation program does well despite this limitation. The Transportation Manager can outsource work that cannot be performed by in-house staff, such as major bus repairs, but all other tasks are performed in-house. The Transportation Manager is also actively looking to improve the program's in-house service methods through consistent monitoring of program performance and cost.

#### Research Subtask Analysis and Conclusions

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 – Did Not Meet.

##### **Subtask 3.1 Discussion:**

To gain an understanding of the transportation program's existing in-house services, MGT interviewed the District's Transportation Manager. During the team's discussions with the Transportation Manager, it was noted that the District's Transportation program performs almost all services in-house. Union positions are protected by the District's union agreement as described in subtask 3.1 in the Facilities and Operations chapter.

The only opportunities the Transportation program can outsource any services are when the current staff is unable to provide the service required. This is most easily recognized with maintenance on buses that current employees are unable to do and the District has to hire an outside mechanic to perform the repair.

**Subtask 3.1 Conclusion:** Due to the prohibition clause in the District's union agreement, the District is very limited in its opportunities to look for outsourced contracting or privatization. The clause may be restricting the District's opportunities to seek ways to better use its limited resources. The District did not meet this subtask.

**Subtask 3.1 Recommendation:** MGT recommends the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District to seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.

Subtask 3.2 – Determine whether program administrators have assessed any contracted and/or privatized services to very effectiveness and cost savings achieved and determine the reasonableness of their conclusions – Not Applicable.

**Subtask 3.2 Discussion:**

As discussed above in subtask 3.1, the District is limited to its opportunities contract or privatized services in the transportation program. Currently, the District does not have any contracted and/or privatized services within the transportation program. This subtask is not applicable.

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 – Partially Met.

**Subtask 3.3 Discussion:**

As noted in subtask 3.1 above, the District's union agreement limits the District's ability to contract out services and contemplate all alternatives. Based on MGT's interview with the Transportation Manager, the District has evaluated its in-house services and have been looking for ways to become more efficient and effective with the resources the program has. Using reports as described in subtask 1.1 and 1.2 of this chapter, the Transportation Manager can regularly evaluate the program and look to make changes in its services such as adjusting bus routes or reducing the number of daily buses in operation.

**Subtask 3.3 Conclusion:** Based on the analysis, the District is limited in the service delivery methods it can use, but the Transportation program is actively evaluating the program to make changes in in-house services that reduce program cost without significantly affecting the quality of services. The District has partially met this subtask.

**Subtask 3.3 Recommendation:** MGT recommends the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.

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 – Partially Met.

**Subtask 3.4 Discussion:**

MGT reviewed the programs in peer Districts to identify possible opportunities for alternative service delivery methods. The team's review disclosed the District may have opportunities for alternative service delivery methods. The number of buses seemed high given the number of students enrolled at Franklin County School District. When looking at peers, it had the same number of buses as larger districts. **Exhibit 4.3.1** details peer metrics for daily number of buses, cost per mile and buses in service compared to similar districts: Liberty, Washington and Jackson. Most other districts had 0.9 buses per employee, Franklin has 1.2 buses per employee.

Exhibit 4.3.1 Review of Peer Districts Transportation Data & Costs							
School District	Transportation Cost per Mile	Transportation Cost per Student	Average Bus Occupancy %	Total Buses in Service	Daily Buses	Transportation Employees	Employees per bus
Franklin	\$4.89	\$618.07	40.50	17	12	21	1.2
Jackson	\$3.50	\$458.02	41.60	90	65	83	0.9
Liberty	\$4.25	\$477.33	45.75	17	9	10	0.6
Washington	\$3.69	\$575.76	48.37	49	40	43	0.9
Average	\$4.08	\$532.30	44.06	43	32	39	0.9

Source: Florida School District 2020-21 Transportation Profiles

**Subtask 3.4 Conclusion:** Based on peer comparisons, the District may be able to provide services with fewer buses. The District did not buy any buses during the audit period. Cost per mile is within range of peers but the District appears to have more buses than other similar districts. The District has partially met this subtask.

**Subtask 3.4 Recommendation:** MGT recommends that the District analyze route timing, bell schedules, release times or route changes that would enable the program to operate with less buses without impacting quality of service or drastically increasing ride times of student. MGT realizes that with only one school, the District's options may be limited.

## RESEARCH TASK 4: GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

**Finding:** Overall, the District's Transportation program partially met expectations for this research task.

Much like the other programs being reviewed in this report, the Transportation program lacks any written goals and objectives for the program to strive towards. The District does have a strategic plan in place, which was established in 2019, but it does not include any goals for the Transportation program. Also, like the other programs, the Transportations program does have good internal controls and policies and procedures in place.

### 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 county's strategic plan—Did Not Meet.

#### **Subtask 4.1 Discussion:**

As discussed in detail in the Facilities and Operations chapter under subtask 4.1, the District has a strategic plan which was adopted by its Board in 2019. The District's strategic plan has no goals that directly relate to the District's Transportation program. MGT also found no other goals or objectives in writing for the Transportation program. The lack of goals and objectives for District's Transportation program makes it difficult to track the program's success.

**Subtask 4.1 Conclusion:**

Due to the Transportation Department not having any written goals and objectives, the District did not meet this subtask.

**Subtask 4.1 Recommendation:** MGT recommends that District management continue its efforts to develop more specificity and details in its strategic plan. As part of those efforts, the District should establish goals and objectives which are clearly stated, measurable, and achievable within budget. Because the Transportation program has existing State-required reporting on metrics of its programs and services, the District could establish goals and objectives based on cost per student, cost per mile, or percentage of bus occupancy.

Subtask 4.2 – Assess the measures, if any, the county uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives—Did Not Meet.

**Subtask 4.2 Discussion:**

As discussed in subtasks 1.1 and 1.2 of this chapter, the Transportation program has many reports and measures to evaluate program performance. However, the program does not have established goals and objectives, thus the measures cannot be determined if they are sufficient enough to assess program progress towards goals and objectives.

Most District programs and departments had no established measures to evaluate program performance or determine if state goals and objectives were being met. As mentioned in the discussion related to subtask 4.2 in the Facilities and Operations, in many instances, the District reports metrics to the FDOE, which the District could use to set clear program expectations so that they can be tracked against goals and objectives.

**Subtask 4.2 Conclusion:** The Transportation program did not have written goals and objectives; consequently, the District did not meet this subtask.

**Subtask 4.2 Recommendation:** MGT recommends that the District establish performance measures and targets that will enable it to assess program progress towards meeting its stated goals and objectives, once those goals and objectives are established.

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 – Partially Met.

**Subtask 4.3 Discussion:**

MGT interviewed the Transportation Manager to gain an understanding of the internal controls for the District's Transportation program. MGT also reviewed the Transportation policy to assess if the District's internal controls to provide reasonable assurance that program goals and objectives will be met. However, the Transportation does not have clearly stated goals and objectives for the program. Internal controls review at both the District and program levels were satisfactory and MGT was reasonably assured that District policies and procedures are followed, but programs goals and cannot be evaluated without clear goals and objectives.

**Subtask 4.3 Conclusion:** Due to the Transportation program not having goals or objectives but having reasonable controls and policies and procedures in place, the District has partially met this subtask.

**Subtask 4.3 Recommendation:** MGT recommends that the District review and revise, as necessary, its current internal controls to ensure that the goals and objectives in its revised strategic plan will be met.

## RESEARCH TASK 5: ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS

**Finding:** Overall, the District's Transportation program partially met expectations for this research task.

The District does not have processes in place governing the types of information that should be included on each Department's web page or how to verify the accuracy of the information. Specifically, for the Transportation program, while the District includes non-financial information on its website, including information valuable to students and parents on bus routes and code of conduct; there is no transportation-specific financial information on the website. The District also does not have procedures addressing the correction of data previously made publicly available. See Facilities and Operations Research Task 5 for a full description of the District processes which apply to all Departments.

MGT recommends the District develop procedures which provide guidelines on the type of information that should be included on the website, along with a process for verifying the accuracy of financial and nonfinancial information, and documenting that verification, prior to publishing information. The District should also establish procedures for correcting published data and notifying the public of those corrections.

### 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—Partially Met.

#### **Subtask 5.1 Discussion:**

See Facilities and Operations Subtask 5.1 for the detailed information on the District processes for ensuring that systems are in place to provide useful, timely, and accurate information to the public. Specifically, for the Transportation Department, the Department includes the information listed in Exhibit 4.5.1 on the website.

#### **Exhibit 4.5.1 Publicly Available Information**

Transportation Information

Board Approved Bus Routes

Transportation Policies and Guidelines

Student Code of Conduct

2020-21 Transportation Policy and Bus Driver Handbook

While the District includes non-financial information on its website for transportation, including information valuable to students and parents on bus routes and code of conduct; there is no

transportation-specific financial information on the website. Metrics suggested by the Council of Great City Schools for transportation include average age of the bus fleet, cost per mile operated, and on-time performance.

**Subtask 5.1 Conclusion:** MGT's evaluation of the systems and documents utilized to provide information to the public disclosed that the District could improve its processes to further ensure the usefulness of information made available to the public. This subtask is partially met.

**Subtask 5.1 Recommendation:** MGT recommends that the District develop procedures which provide guidelines on the type of information that should be included on the website.

Subtask 5.2 – Review available documents, including relevant internal and external reports, which evaluate the accuracy or adequacy of public documents, reports, and requests prepared by the District related to the program – Did Not Meet.

**Subtask 5.2 Discussion:**

Based on MGT's inquiries with District staff and review of documents and the website, there were no relevant internal or external reports that evaluated the accuracy or adequacy of public documents, reports, and requests prepared by the District related to the programs.

**Subtask 5.2 Conclusion:** The District did not meet this subtask.

**Subtask 5.2 Recommendation:** MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

Subtask 5.3 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate – Partially Met.

**Subtask 5.3 Discussion:**

As similarly discussed in subtask 5.3 in the Facilities and Operations chapter, MGT's analysis found that the District does not include sufficient financial and non-financial information on the website. Specifically, Transportation does not include Department-level cost information or sufficient performance information, as detailed in subtask 5.1 above. Please see subtask 5.3 in the Facilities and Operations chapter for additional analysis of District processes for compiling, reviewing, and releasing public records.

**Subtask 5.3 Conclusion:** Financial and nonfinancial information is not sufficiently detailed to allow for an evaluation of the Security Department. However, the District's process for disseminating information as a result of public records requests appears appropriate to ensure the information provided is accurate and complete. This subtask is partially met.

**Subtask 5.3 Recommendation:** MGT recommends that the District ensure that sufficient financial and nonfinancial information is provided on the website to allow for an evaluation of Department performance and cost.

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 – Partially Met.

**Subtask 5.4 Discussion:**

As discussed in subtask 5.4 of the Facilities and Operations chapter, MGT found that the District does not have policies and procedures in place to ensure the accuracy of financial or nonfinancial information prior to publishing the information on the website. Please see subtask 5.4 in the Facilities and Operations chapter for additional analysis of District processes for ensuring the accuracy and completeness of information provided to the public.

**Subtask 5.4 Conclusion:** The District does not have procedures in place to ensure the accuracy of financial and nonfinancial information. While there is a process in place to ensure the accuracy of financial information provided to the public; the review of the information is not documented in writing. This subtask is partially met.

**Subtask 5.4 Recommendation:** MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.

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 District and that these procedures provide for adequate public notice of such corrections – Partially Met.

**Subtask 5.5 Discussion:**

As discussed in subtask 5.5 of the Facilities and Operations chapter, MGT found that the District does not have written policies and procedures in place to correct any errors included in public documents, reports, and other materials or notify the public of such corrections. Please see subtask 5.5 in the Facilities and Operations chapter for additional analysis of District processes for correcting data and providing public notice of such corrections.

**Subtask 5.5 Conclusion:** Based on the information provided, the District has a process for correcting erroneous or incomplete information; however, it has no written procedures detailing this process. Accordingly, this subtask is partially met.

**Subtask 5.5 Recommendation:** The District should establish procedures for correcting published data and notifying the public of those corrections.

**RESEARCH TASK 6: COMPLIANCE WITH APPROPRIATE POLICIES, RULES, AND LAWS**

**Finding:** Overall, the District's Transportation program met expectations for this research task.

Franklin County School District has an appropriate process to assess, and internal controls appeared sufficient, to ensure compliance with applicable federal, state, and local laws, rules, and regulations. Program administrators had taken reasonable and timely actions to address noted instances of noncompliance. Program administrators had also properly assessed whether planned uses of the surtax complied with state laws, rules, and regulations and have a process in place to distribute funds and mechanisms for charter schools to report how the funds are used.

## 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—Met.

Due to the nature of subtasks 6.1 and 6.2 and the procedures performed by MGT to assess these subtasks, MGT has determined to assess them together. See below for the team's analysis of these subtasks.

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—Met.

### **Subtasks 6.1 and 6.2 Discussion:**

As discussed in the Facilities and Operations chapter of this report, MGT interviewed the District's Chief Financial Officer, Director of Human Resources, the Board Attorney, and special counsel hired by the District to address the planned uses of the surtax funds. For more detail, please refer to the analysis documented in the Facilities and Operations chapter in subtasks 6.1 and 6.2.

### **Subtasks 6.1 and 6.2 Conclusion:**

The District has the internal controls and process in place 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. The District has met both subtask 6.1 and 6.2.

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—Met.

### **Subtask 6.3 Discussion:**

As discussed in subtask 6.3 in the Facilities and Operations chapter, MGT reviewed three reports that addressed noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. For more on MGT's analysis of this subtask, refer to subtask 6.3 in the Facilities and Operations chapter.

There were two findings in the Operational Audit that noted the District's noncompliance with state laws. Finding #1 was related to security while finding #2 was related to debt service. Finding #1 has been addressed in subtasks 1.3 and 1.4 in the Security chapter and finding #2 has been addressed in subtasks 1.3 and 1.4 in the Debt Service chapter.

### **Subtask 6.3 Conclusion:**

As discussed in subtasks 1.3 and 1.4 in the Security and Debt Service chapters of this report, the District took timely and reasonable actions to address the noncompliance issues noted in the 2020 Operational Audit report. This District has met this subtask.

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—Met.

**Subtask 6.4 Discussion:**

As discussed in subtask 6.4 in the Facilities and Operations chapter, MGT noted the District has engaged additional outside counsel, with surtax compliance specialization, in January 2022, to assist with compliance. For more on MGT's analysis of this subtask, refer to subtask 6.4 in the Facilities and Operations chapter.

**Subtask 6.4 Conclusion:**

Based on MGT's analysis, it appears the District took timely and reasonable actions to determine whether planned uses of the surtax comply with applicable state laws, rules and regulations. The District has met this subtask.

Subtask 6.5 – Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used—Met.

**Subtask 6.5 Discussion:**

As discussed in subtask 6.5 in the Facilities and Operations Chapter, MGT noted the District currently has a process in place to distribute and monitor funds sent to the chapter school related to the .5 mill operating referendum the District has in place. This process involves a spreadsheet that is maintained by the District's Chief Financial Officer and is used to calculate the funds to be sent to the charter school and also used to report the charter school's uses of the funds. All information is documented and detailed within the District's maintained spreadsheet. The Chief Financial Officer indicated the process would be the same for the funds received from the surtax.

**Subtask 6.5 Conclusion:**

Based on the MGT's inquiries and review of the .5 mill operating referendum spreadsheet, it appears the District has a process to distribute funds to the district charter schools and mechanisms for the charter school to report how the funds are used. The District has met this subtask.

# **CHAPTER 5: DEBT SERVICE**

Debt Service is a function not a program. Debt payments are based on a predetermined debt schedule. As such, MGT determined that certain research tasks and subtasks are not applicable to Debt Service. The following pages present MGT's conclusions for each of the research tasks and subtasks that MGT determined to be applicable to Debt Service.

## **RESEARCH TASK 1: ECONOMY, EFFICIENCY, OR EFFECTIVENESS OF THE PROGRAM**

**Finding:** Overall, the District's Debt Service function met expectations for this research task.

The District regularly makes debt payments for one capital lease and two note payables. The total debt related to the capital lease and two note payables is approximately \$3.1 million as of June 30, 2021, which includes approximately \$2.9 million in principal payments and approximately \$202k in interest payments. According to the District's debt schedules, these debts will be paid off by the end of fiscal year 2023. Based on the analysis performed by MGT, the District has the appropriate reporting and oversight in place to ensure the Debt Service function will be able to operate efficiently and effectively in order to pay off the District's remaining debt timely.

### **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—Met.

**Subtask 1.1 Discussion:**

To gain an understanding of the reports and data used by program administrators to monitor the function's performance and cost, MGT interviewed the District's Chief Financial Officer and reviewed internal controls and policies and procedures. The Debt Service function's performance is based on the District's ability to make timely payments and function cost are based on a predetermined and agreed to schedule.

The reports and data used by program administrators to monitor the function's performance and cost are as follows:

- Internal calendars set to the predetermined debt schedules
- Monthly reporting to the School Board
- Annual financial report

**Subtask 1.1 Conclusion:** Based on the analysis performed, the reports and data used by program administrators to monitor the function's performance and cost on a regular basis appear to provide the District with adequate information. The District has met this subtask.



Subtask 1.2 – Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost—Met.

**Subtask 1.2 Discussion:**

To gain an understanding of the process used by program administrators to evaluate performance and cost, MGT interviewed the District's Chief Financial Officer and reviewed internal controls and policies and procedures. The Debt Service function's performance is based on the District's ability to make timely payments and program cost are based on a predetermined and agreed to schedule. MGT reviewed School Board Policy – 6145 Borrowing.

As mentioned in subtask 1.1 of this chapter, the District uses internal calendars and monthly reporting to the School Board to assess program performance and cost. The District also reports debt service performance and cost in its annual financial statements.

**Subtask 1.2 Conclusion:**

Based on the analysis performance, program administrators periodically evaluate the function's performance and cost using internal calendars, monthly reporting, and annual financial reports. The District has met this subtask.

Subtask 1.3 – Review findings and recommendations included in any relevant internal or external reports on program performance and cost—Met.

Due to the requirements of 1.3 and 1.4, MGT has determined to assess them together. Please see below for the team's analysis of subtasks 1.3 and 1.4.

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.—Met.

**Subtasks 1.3 and 1.4 Discussion:**

MGT inquired of the District's Chief Financial Officer for access of all reports, either internal or external, that are related to the Debt Service function that may contain findings and/or recommendations. MGT reviewed the District's Financial and Single Audit Reports for the Fiscal Years Ending June 30, 2020, and June 30, 2021. MGT also reviewed the District's 2020 Operational Audit. MGT inquired of any other reports that may be relevant to the Debt Service function and the Chief Financial Officer confirmed there were no others.

During the review of the two financial reports, MGT noted no material weaknesses or significant deficiencies were included in either report. During the review of the operational audit, MGT noted four findings. Of the four findings, one of them is related to the Debt Service function. The other three findings have been addressed in other chapters of this report.

The summary of the finding for Debt Service is as follows: "As of April 2020, the District had not complied with State law by posting on its Web site the required graphical representations of summary financial efficiency data and fiscal trend information."

## CHAPTER 5: DEBT SERVICE

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MGT inquired of the District's Chief Financial Officer of the steps taken to address this finding. The Chief Financial Officer noted the District's website was updated after the District was made aware of this finding. Exhibit 5.1.1 shows the current District's website with the required information posted for the public to review.

### Exhibit 5.1.1: Franklin County School District Website – Financial Publications

The screenshot shows the Franklin County School District website with a red header bar containing navigation links: Our District, Schools, Parents/Students, Student Services, Departments, Employment, and Media. Below the header is the school district logo and tagline "Guiding students toward a brighter tomorrow". A search bar and a "DISTRICT HOME" button are also present. The main content area has a breadcrumb trail: Home > Departments > Business Services > Finance. On the left, a sidebar titled "Business Services" lists links for Home, Budget, Finance (Internal Accounts, Payroll, Purchasing, Staff Directory, Submit Your Feedback), and a "I want to learn more about..." dropdown. The main content area is titled "Financial Publications" and includes sections for "School District Fiscal Transparency" (links to Florida Value Added Model (VAM) and 2020-21 Financial Transparency by District/School), "Fiscal Transparency Graphs" (links to various Franklin County programs like APALACHICOLA BAY CHARTER SCHOOL and FRANKLIN COUNTY VIRTUAL COURSE PROGRAM), "Annual Financial Reports" (links to financial audit reports from 2016-17 to 2020-21), "Expenditures Per Full-Time Equivalent (FTE) Student" (links to expenditure reports from 2016-17 to 2020-21), "Educational Funding Accountability Act" (link to 2020-21 Expenditure Reporting Requirements), and "District and State Per-pupil Expenditures - Every Student Succeeds Act (ESSA)" (link to District and State Per-Pupil Expenditures). To the right, a "Related Links" column lists Transparency Florida, Office of Funding and Financial Reporting, Florida Administrative Code, Small School District Council Consortium, and State of Florida Auditor General.

#### **Subtasks 1.3 and 1.4 Conclusions:**

MGT's analysis of the actions taken by program administrators to address the findings indicated that program administrators took reasonable and timely actions to address the finding noted in the 2020 Operational Audit. The District has met these subtasks.

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

This subtask is not applicable to the debt service function.

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.

This subtask is not applicable to the debt service function.

Subtask 1.7 – Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.

This subtask is not applicable to the debt service function.

## RESEARCH TASK 2: STRUCTURE OR DESIGN OF THE PROGRAM

**Finding:** MGT determined that this research task does not apply to the District's Debt Service Program.

## RESEARCH TASK 3: ALTERNATIVE METHODS OF PROVIDING PROGRAM SERVICES

**Finding:** MGT determined that this research task does not apply to the District's Debt Service Program.

## RESEARCH TASK 4: GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

**Finding:** Overall, the District's Debt Service function met expectations for this research task.

The District has a goal and objective for its Debt Service function that is clearly stated, measurable, can be achieved within budget, and are consistent with the District's strategic plan. The District has appropriate controls in place to ensure that the Debt Service function operates efficiently in order to meet its goal and objective.

### 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 District's strategic plan – Met.

#### Subtask 4.1 Discussion

To gain an understanding of the Debt Service function's goals and objectives, MGT interviewed the District's Chief Financial Officer. The Chief Financial Officer described the debt service's sole goal is to

make timely payments on the District's outstanding debt. Although this goal is not in writing, it is a fundamental goal of any debt service function and necessary to prevent a potential downgrade in the District's bond rating and MGT believes it is not necessary to have such goal in writing.

The District is able to measure its progress towards this goal using its internal calendar, School Board oversight and tracking payments against debt schedules. The District budgets debt payments yearly based on its debt schedules and the timely payment of debt is in line with the District's fourth goal of its strategic plan which is to ensure financial health including ensuring the sustainability of local capital funding sources. Other strategies related to this goal include maintaining adequate fund balances within the District's funds and proactively monitoring and analyzing District-wide resources to ensure appropriate usage of funds.

**Subtask 4.1 Conclusion:** Based on the analysis performed, the Debt Service Function's goal and objective is clearly stated, measurable, can be achieved within budget, and is consistent with the County's strategic plan. The District has met this subtask.

Subtask 4.2 – Assess the measures, if any, the school district uses to evaluate program performance and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives – Met.

**Subtask 4.2 Discussion:**

To gain an understanding of the Debt Service function's measures to evaluate program performance, MGT interviewed the District's Chief Financial Officer. As discussed above and in subtask 1.1 and 1.2 in this chapter, the District uses internal calendars, debt schedules, and reporting to the School Board to keep track of the District's debt and debt payments.

To measure the Debt Service function's goal and objective of timely payments, the District uses its internal calendars and monthly reporting to maintain and track its progress towards the timely payment of debt and eventually completely payoff of debt. Based on MGT's analysis, MGT did not note any untimely payments made by the District.

**Subtask 4.2 Conclusion:** Based on the analysis performed, the Debt Service function has sufficient measures to evaluate the function performance towards meeting its stated goal and objective. The District has met this subtask.

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—Met.

**Subtask 4.3 Discussion:**

To gain an understand of the internal controls, including policies and procedures, in place to ensure the program's goals and objectives would be met, MGT interviewed the District's Chief Financial Officer and reviewed the District's internal controls and policies and procedures. The Debt Service function's goal and objective is to make timely payments based on the predetermined debt schedule.

As discussed in subtasks 1.1 and 1.2 of this chapter, the District uses internal calendars and monthly reporting to the School Board to monitor the programs performance and cost. These internal controls also help ensure the program is meeting its overall goal and objective of making timely payments.

**Subtask 4.3 Conclusion:** Based on the analysis performed, it appears the District has internal controls, including policies and procedures, in place that reasonable assure the function will meet its goal and objective. The District has met this subtask.

## RESEARCH TASK 5: ACCURACY OR ADEQUACY OF PUBLIC DOCUMENTS, REPORTS, AND REQUESTS

**Finding:** Overall, the District's Debt Service function partially met expectations for this research task.

The District ensured that, for the Debt Service function, information provided was complete and accurate to assess the function's costs. Additionally, the District has a process for correcting erroneous or incomplete information; however, there are no written procedures detailing this process.

The District should establish procedures for correcting published data and notifying the public of those corrections.

### 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—Met.

#### **Subtask 5.1 Discussion:**

See subtask 5.1 of the Facilities and Operations chapter for the detailed information on the District processes for ensuring that systems are in place to provide useful, timely, and accurate information to the public. Specifically, the District includes relevant long-term debt information by revenue and appropriations type, including total estimated revenue, appropriations for the year, and required principal and interest payment for the year on its website. The Chief Financial Officer reviews all information before it is published on the District's website.

**Subtask 5.1 Conclusion:** Based on MGT's analysis, it appears the program has appropriate systems in place to provide useful, timely, and accurate information on debt service to the public. This subtask was met.

Subtask 5.2 – Review available documents, including relevant internal and external reports, which evaluate the accuracy or adequacy of public documents, reports, and requests prepared by the District related to the program – Did Not Meet.

#### **Subtask 5.2 Discussion:**

There were no relevant internal or external reports that evaluated the accuracy or adequacy of public documents, reports, and requests prepared by the District related to the programs.

**Subtask 5.2 Conclusion:** The District did not meet this subtask.

**Subtask 5.2 Recommendation:** MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.



Subtask 5.3 – Determine whether the public has access to program performance and cost information that is readily available and easy to locate—Met.

**Subtask 5.3 Discussion:**

MGT reviewed the District's website to identify the information available for Debt service and, as described in Subtask 5.1, the District publishes sufficient information related to Debt Service. MGT also reviewed the District's Public Records policies and procedures and the process for making public records requests.

**Subtask 5.3 Conclusion:** Based on MGT's analysis, it appears that the public has appropriate access to information on debt service performance and cost information. This subtask was 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 - Met.

**Subtask 5.4 Discussion:**

The District includes relevant long-term debt information by revenue and appropriations type, including total estimated revenue, appropriations for the year, and required principal and interest payment for the year on its website. The Chief Financial Officer reviews all information before it is published on the District's website.

**Subtask 5.4 Conclusion:** Based on MGT's analysis, it appears the program has appropriate processes in place to ensure the accuracy and completeness of information on debt service to the public. This subtask was 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 District and that these procedures provide for adequate public notice of such corrections – Partially Met.

**Subtask 5.5 Discussion:**

As discussed in subtask 5.5 of the Facilities and Operations chapter, MGT found that the District does not have written policies and procedures in place to correct any errors included in public documents, reports, and other materials or notify the public of such corrections. Please see subtask 5.5 in the Facilities and Operations chapter for additional analysis of District processes for correcting data and providing public notice of such corrections.

**Subtask 5.5 Conclusion:** Based on the information provided, the District has a process for correcting erroneous or incomplete information; however, it has no written procedures detailing this process. Accordingly, this subtask is partially met.

**Subtask 5.5 Recommendation:** The District should establish procedures for correcting published data and notifying the public of those corrections.

## RESEARCH TASK 6: COMPLIANCE WITH APPROPRIATE POLICIES, RULES, AND LAWS

**Finding:** Overall, the District's Debt Service function met expectations for this research task.

As noted in the other chapters of this report, the District has taken the appropriate steps to ensure it stays compliant with federal, state, and local laws, rules, and regulations. The District has also hired special counsel to ensure the planned uses of the surtax funds are in compliance with the regulations.

### 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—Met.

Due to the nature of subtasks 6.1 and 6.2 and the procedures performed by MGT to assess these subtasks, MGT has determined to assess them together. See below for the team's analysis of these subtasks.

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—Met.

#### **Subtasks 6.1 and 6.2 Discussion:**

As discussed in the Facilities and Operations chapter of this report, MGT interviewed the District's Chief Financial Officer, Director of Human Resources, the Board Attorney, and special counsel hired by the District to address the planned uses of the surtax funds. For more detail, please refer to the analysis documented in the Facilities and Operations chapter in subtasks 6.1 and 6.2.

#### **Subtasks 6.1 and 6.2 Conclusion:**

The District has the internal controls and process in place 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. The District has met both subtask 6.1 and 6.2.

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—Met.

#### **Subtask 6.3 Discussion:**

As discussed in subtask 6.3 in the Facilities and Operations chapter, MGT reviewed three reports that addressed noncompliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures. For more on MGT's analysis of this subtask, refer to subtask 6.3 in the Facilities and Operations chapter.

There were two findings in the Operational Audit that noted the District's noncompliance with state laws. Finding #1 was related to security while finding #2 was related to debt service. Finding #1 has been

addressed in subtasks 1.3 and 1.4 of the Security chapter and finding #2 has been addressed in subtasks 1.3 and 1.4 in this chapter.

**Subtask 6.3 Conclusion:**

As discussed in subtasks 1.3 and 1.4 in this chapter and the Security chapter of this report, the District took timely and reasonable actions to address the noncompliance issues noted in the 2020 Operational Audit report. This District has met this subtask.

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—Met.

**Subtask 6.4 Discussion:**

As discussed in subtask 6.4 in the Facilities and Operations chapter, MGT noted the District has engaged additional outside counsel, with surtax compliance specialization, in January 2022, to assist with compliance. For more on MGT's analysis of this subtask, refer to subtask 6.4 in the Facilities and Operations chapter.

**Subtask 6.4 Conclusion:**

Based on MGT's analysis, it appears the District took timely and reasonable actions to determine whether planned uses of the surtax comply with applicable state laws, rules and regulations. The District has met this subtask.

Subtask 6.5 – Determine whether the school district has processes to distribute funds to district charter schools and mechanisms for charter schools to report how the funds are used—Met.

**Subtask 6.5 Discussion:**

As discussed in subtask 6.5 in the Facilities and Operations Chapter, MGT noted the District currently has a process in place to distribute and monitor funds sent to the chapter school related to the .5 mill operating referendum the District has in place. This process involves a spreadsheet that is maintained by the District's Chief Financial Officer and is used to calculate the funds to be sent to the charter school and also used to report the charter school's uses of the funds. All information is documented and detailed within the District's maintained spreadsheet. The Chief Financial Officer indicated the process would be the same for the funds received from the surtax.

**Subtask 6.5 Conclusion:**

Based on the MGT's inquiries and review of the .5 mill operating referendum spreadsheet, it appears the District has a process to distribute funds to the district charter schools and mechanisms for the charter school to report how the funds are used. The District has met this subtask.

# MANAGEMENT'S RESPONSE



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August 29, 2022

MGT Consulting Group  
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Tampa, FL 33609

RE: Management's Response to the Performance Audit Report – Franklin County Public Schools

Our response to the findings contained in the final draft performance audit report of Franklin County Public Schools is listed herein.

Franklin County Public School District has suffered from employee turnover in the areas of Facilities, Operations, Transportation, and School Safety for several years. This has prevented the District from formulating comprehensive procedures from the sales surtax the District will be able to proactively plan for and address short-and long-term.

## **FACILITIES AND OPERATIONS**

### Subtask 1.6

MGT recommends that the IT program enhance its project tracking procedures to ensure they can track and maintain documentation related to ongoing and completed projects.

#### District Response

The District will establish a system to properly track and document the progress of projects.

#### Subtask 3.1, 3.4

MGT recommends the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District to seek opportunities that

The Franklin County School District does not discriminate on the basis of race, color, national origin, gender, age, disability, pregnancy or marital status in its educational programs, services or activities, or in its hiring or employment practices. The district also provides equal access to its facilities to the Boy Scouts and other patriotic youth groups, as required by the Boy Scouts of America Equal Access Act. Questions, complaints or request for additional information regarding discrimination or harassment may be sent to: Karen Peddie, Director of Human Resources, 85 School Road, Eastpoint, Florida 32328 850-670-2810 X 4101. [kpeddie@franklincountyschools.org](mailto:kpeddie@franklincountyschools.org)

would be more advantageous to and enable the District to better utilize its limited resources.

**District Response**

The District will review the possibility of removing the prohibition clause in the collective bargaining agreement for contracting and subcontracting public works services.

**Subtask 4.2**

MGT recommends the District establish measures that will assess program progress towards meeting its stated goals and objectives once those goals and objectives are established.

**District Response**

The District is in the process of revising its strategic plan to include measurements that will access program progress towards meeting established goals and objectives.

**Subtask 5.2**

MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

**District Response**

The District will establish a review process to document the review of documents, reports, and requests made publicly available and available upon request.

**SAFETY AND SECURITY**

**Subtask 1.6**

MGT recommends the Security program enhance its recordkeeping of projects within the program. Document relevant information such as project cost to budget, completion date, and setbacks noted during a project.

**District Response**

The District will establish a more efficient system to properly track and document the progress of projects.

**Subtask 4.2**

MGT recommends that the Safety and Security Department implements performance measures that are sufficient to assess the Department's progress meeting its stated goals and objectives established as a result of recommendation 4.1.

**District Response**

The District is in the process of revising its strategic plan to include measurements that will access program progress towards meeting established goals and objectives.

**Subtask 5.2**

MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

**District Response**

The District will establish a review process to document the review of documents, reports, and requests made publicly available and available upon request.

**INFORMATION TECHNOLOGY**

**Subtask 1.6**

MGT recommends that the IT program enhance its project tracking procedures to ensure they can track and maintain documentation related to ongoing and completed projects.

**District Response**

The district will establish a system to properly track and document the progress of projects.

**Subtask 4.1**

MGT recommends that District management develop more specificity and detail in its strategic plan. As part of those efforts, the District should establish goals and objectives which are clearly stated, measurable, and achievable within budget.

**District Response**

The District is in the process of revising its strategic plan to include measurements that will access program progress towards meeting established goals and objectives.

**Subtask 4.2**

MGT recommends that the District establish measures that will assess program progress towards meeting its stated goals and objectives, once those goals and objectives are established. MGT also recommends that the agreement with the third party be updated to include clearly stated, measurable goals and objectives so that the District can evaluate program performance.

**District Response**

The District is in the process of revising its strategic plan to include measurements that will access program progress towards meeting established goals and objectives. In addition, the District will consider revising its agreement with the third party to include clearly stated, measurable goals, and objectives.

**Subtask 5.1**

MGT recommends that the District develop procedures which provide guidelines on the type of information that should be included on the website.

**District Response**

The District will develop guidelines for the type of information that should be included on the website.

**Subtask 5.2**

MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

**District Response**

The District will establish a process to document the review of documents, reports, and requests made publicly available and available upon request.

**Subtask 5.3**

MGT recommends that the District ensure that sufficient financial and nonfinancial information is provided on the website to allow for an evaluation of Department performance and cost.

**District Response**

The District will consider providing financial and nonfinancial information on the website for the Department evaluation.

**Subtask 5.4**

MGT recommends that the District implement a process to ensure that the review of publicly available performance and cost information is documented in writing before the information is made publicly available.

**District Response**

The District will establish a review process to document the review of documents, reports, and requests made publicly available.

**TRANSPORTATION**

**Subtask 3.1**

MGT recommends that the District review the possibility of negotiating the prohibition clause out of its union agreement to allow the District to seek opportunities that would be more advantageous to and enable the District to better utilize its limited resources.

District Response

The District will review the possibility of removing the prohibition clause in the collective bargaining agreement for contracting and subcontracting public works services.

Subtask 4.1

MGT recommends that District management continue its efforts to develop more specificity and details in its strategic plan. As part of those efforts, the District should establish goals and objectives which are clearly stated, measurable, and achievable within budget. Because the Transportation program has existing State-required reporting on metrics of its programs and services, the District could establish goals and objectives based on cost per student, cost per mile, or percentage of bus occupancy.

District Response

The District is in the process of revising its strategic plan to include measurements that will access program progress towards meeting established goals and objectives.

Subtask 4.2

MGT recommends that the District establish performance measures and targets that will enable it to assess program progress towards meeting its stated goals and objectives once those goals and objectives are established.

District Response

The District is in the process of revising its strategic plan to include measurements that will access program progress towards meeting established goals and objectives.

Subtask 5.2

MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

District Response

MGT Consulting Group  
August 29, 2022  
Page 7

The District will establish a review process to document the review of documents, reports, and requests made publicly available and available upon request.

**DEBT SERVICE**

Subtask 5.2

MGT recommends that District management ensure that the review of documents, reports, and requests made publicly available be appropriately documented.

District Response

The District will establish a review process to document the review of documents, reports, and requests made publicly available and available upon request.

Sincerely,



Steve Lanier  
Superintendent

SL:psw