Performance Audit of

GADSDEN COUNTY SCHOOL DISTRICT

FINAL REPORT

June 13, 2024

RESSEL & ASSOCIATES, LLC

Overview of Performance Audit Findings

Gadsden County School District
June 13, 2024

Overall, the District Partially Met Expectations in Five Areas, and Did Not Meet Expectations in One Area Examined

Issue Area (Number of Subtasks Examined)	Overall Conclusion	Did the District Meet Subtask Expectations?		
		Yes	Partially	No
Economy, efficiency, or effectiveness of the program (6)	Partially Met	0	4	2
Structure or design of the program (2)	Partially Met	1	1	0
Alternative methods of providing program services or products (3)	Partially Met	1	2	0
Goals, objectives, and performance measures (4)	Did Not Meet	0	1	3
Accuracy or adequacy of public documents, reports, and requests prepared by the school district (5)	Partially Met	1	3	1
Compliance with appropriate policies, rules, and laws (5)	Partially Met	1	4	0
All Subtasks (25)		4	15	6

In accordance with s. 212.055(11), F.S., and Government Auditing Standards, Ressel & Associates, LLC conducted a performance audit of the Gadsden County School District programs within the administrative unit(s) that will receive funds through the referendum approved by Resolution adopted by the Gadsden County School Board on October 24, 2023. These programs are Facilities Planning and Construction; Instructional Technology; School Safety and Security; and Servicing of Bonded Indebtedness. For each program, the performance audit included an examination of the six 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 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 Gadsden County School District partially met expectations in five areas and did not meet expectations in one area.

Of the 25 total subtasks, the audit determined that the District met four, partially met fifteen, and did not meet six. A summary of audit findings by issue area is presented below.

Findings by Issue Area

Economy, Efficiency, or Effectiveness of the Program

Overall, the Gadsden County School District partially met expectations in this area. Ressel & Associates found few management reports are prepared or provided to the Board by the program areas under review; the information that is prepared and provided is inadequate to monitor program performance and cost. Neither the Board nor administration are periodically evaluating the program areas under review using performance information and other reasonable criteria to assess program performance and cost. Ressel & Associates recommends a rotating schedule of departmental reports containing performance data, updates, and challenges.

Program administrators have acknowledged identified deficiencies and have taken action to address the immediate problem in most cases but have not always put processes and procedures in place to prevent future recurrences. Staff are beginning to create administrative procedures for key functions, but many remain in draft form. Ressel & Associates recommends the creation of a School Board Audit Committee to monitor audit deficiencies to final resolution, including the creation of appropriate administrative procedures.

The program areas under review provide important services in support of staff and students but have no metrics to evaluate efficiency and effectiveness. The District's overall financial performance, however, has deteriorated in recent years, resulting in a need for improved management practices and additional monitoring, potentially with assistance from an outside consultant with prior school district experience.

Based on Ressel & Associates' review of available documentation, GCSD's original cost estimates appeared to be reasonable, but GCSD was unable to complete two of the three projects in a timely manner due to a lack of planning and funding. The Ressel team recommends that additional advance planning be undertaken before initiating future projects to mitigate the need to halt projects prior to completion.

GCSD's purchasing process is partially decentralized with departments and schools having significant responsibility in the process. Control over the competitive procurement process is centralized and functioning effectively. Purchasing policies exist, however there are no purchasing procedures to guide departmental or school users. Although the Skyward system has the capability of providing a strong system of control over the procurement and receiving processes, the District has not yet taken full advantage of those controls. The Ressel team recommends that GCSD create user procedures and implement the Skyward controls to improve the efficiency of the procurement function.

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

Overall, the Gadsden County School District partially met expectations in this area. The Ressel team found the organizational structure at the districtwide level and in the technology and safety and security program areas are appropriately aligned with few overlapping functions. The Facilities and Maintenance Department currently has unclear lines of authority as the new Director focuses his attention on Construction Management. The Business and Finance Department has experienced turnover which has left the Department fragmented. Ressel & Associates recommends a reorganization of these two departments to ensure clearly defined units and lines of authority.

Staffing levels appear to be in line with industry standards and best practices in the program areas under review. GCSD uses contract services effectively to supplement staffing when the program areas need additional expertise.

Alternative methods of providing services or products

Overall, the Gadsden County School District partially met expectations in this area. The Ressel team found that although program administrators have not documented their evaluations of in-house versus contracted services, there was evidence in the program areas under review of a number of undocumented evaluations where outside contracting services were found to supplement departmental expertise and improve performance levels. Likewise, the review team found evidence that program administrators have assessed contracted services and have identified cost saving alternatives, when appropriate, but the assessments are not documented. Ressel & Associates recommends that GCSD document future rationale used when making decisions to contract for external services or remain with in-house staff as a way to justify the decision and provide a historic record of the decision-making process for future administrations.

The review team also identified opportunities for alternative delivery methods or program level enhancements in several areas. Ressel & Associates recommends a full evaluation of the potential for savings or improvements in the quality of service in each of the program areas.

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

Overall, the Gadsden County School District did not meet expectations in this area. The Ressel team found that the District's Strategic Continuous Improvement Plan-2023-2027 (Strategic Plan) contains clear and measurable goals for the program areas under review. The Media and Technology Department has a plan with clearly stated, measurable goals and objects, however the Facilities and Maintenance Department has no long-range plans, Safety and Security has plans but no program level goals and objectives, and the District has no goals or objective relating to bond indebtedness or long-term debt.

Media & Technology's long-range plan is linked to the previous Strategic Plan, but there were no links to the Strategic Plan found in any of the planning documents in the other program areas under review.

The review team found no evidence to suggest that the District is using the stated measures and standards in the Strategic Plan, or the program area plans or any other key performance measures to evaluate program performance in the program areas under review.

Although Board Policies are current, the review team found no policies, procedures or internal controls that provide reasonable assurance that program goals and objectives will be met.

Ressel & Associates recommends that the District implement a system where all program areas are required to create and report on key performance measures on an ongoing basis, and further recommends that a process be implemented to ensure regular and consistent monitoring, tracking, and reporting of progress toward implementation of the Strategic Plan.

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

Overall, the Gadsden County School District partially met expectations in this area. The Ressel team found GCSD has information systems to support districtwide administrative and support functions, but the District is not fully utilizing the system capabilities; training is ongoing on the system capabilities for staff in some of the program areas under review. Ressel & Associates recommends that GCSD maximize the use of its Skyward system and the work order system in Facilities and Maintenance.

GCSD's Open Records function provides the public access to information following a Board-approved policy and administrative procedure that serve as the guidelines for the handling of open record requests. The public's access to program performance and cost information is

limited to budgets, Annual Financial Reports and Open Record's requests. The District's Website contains limited information pertaining to the program areas under review, none of which contained program performance and cost information.

GCSD administrators review documents for accuracy and completeness prior to submitting the documents to the Board and public during Board meetings, but there are no safeguards relating to items posted on the District's Website. In addition, GCSD has failed to consistently post State-required Financial Transparency data on the Website in a timely manner. Ressel & Associates recommends that the District Website be updated to provide the public greater access to departmental and districtwide information, and processes put in place to ensure the accuracy and completeness of the information provided.

At the districtwide level, there are processes and procedures in place to ensure reasonable and timely actions are taken to correct any erroneous and/or incomplete program information included in public documents, reports, and other materials. The program areas produce only a limited number of documents; likewise, the review team found no evidence of erroneous or incomplete reports for which a retraction or error correction was needed. Ressel & Associates recommends that GCSD immediately implement a documented procedure for the retraction, correction, and dissemination of corrections to data or reports.

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

Overall, the Gadsden County School District partially met expectations in this area. The Ressel team found GCSD has up-to-date policies but few administrative procedures or handbooks to ensure user compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies relating to the program areas under review. Construction management and contract oversight and the safety and security functions have internal controls however, internal controls districtwide are lacking overall. Although the District takes action to address identified areas of non-compliance, repeat findings indicate that the District has not always implemented processes and procedures to prevent recurrences. Ressel & Associates recommends immediate action to document administrative procedures and monitoring activities to ensure that controls are working as intended.

GCSD sought legal counsel to advise them on the planned uses of the surtax and the appropriate resolution and ballot language.

GCSD is distributing funds to the charter school following State guidelines at this time and plans to use a similar system for the distribution of surtax funds. The administration is working with the charter school to define the mechanisms for reporting and monitoring the surtax funds, however, this process is not yet documented. Ressel & Associates recommends documenting the reporting and monitoring process now, which could reduce the likelihood of misunderstandings or non-compliance in the future.

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BACKGROUND AND INTRODUCTION

BACKGROUND AND INTRODUCTION

In January 2024, Ressel & Associates, LLC responded to an Invitation to Negotiate (ITN) issued from the Florida Office of Program Policy Analysis and Government Accountability (OPPAGA) for a performance audit of the Gadsden County School District (GCSD). OPPAGA awarded Ressel & Associates the contract and the audit team immediately began work.

As stated in the ITN, Ressel's proposed work plan addressed the requirements of Ch. 2018-118, *Laws of Florida*, subsequently amended and codified in s. 212.055(11), *Florida Statutes*. The relevant portion states:

> *212.055 Discretionary sales surtaxes; legislative intent; authorization and use of proceeds. —It is the legislative intent that any authorization for imposition of a discretionary sales surtax shall be published in the Florida Statutes as a subsection of this section, irrespective of the duration of the levy. Each enactment shall specify the types of counties authorized to levy; the rate or rates which may be imposed; the maximum length of time the surtax may be imposed, if any; the procedure which must be followed to secure voter approval, if required; the purpose for which the proceeds may be expended; and such other requirements as the Legislature may provide. Taxable transactions and administrative procedures shall be as provided in s.212.054. (11)*
>
> *PERFORMANCE AUDIT. —*
>
> *(a) To adopt a discretionary sales surtax under this section, an independent certified public accountant licensed pursuant to chapter 473 shall conduct a performance audit of the program associated with the proposed surtax.*
>
> *(b) 1. At least 180 days before the referendum is held, the county or school district shall provide a copy of the final resolution or ordinance to the Office of Program Policy Analysis and Government Accountability.*
>
> *2. Within 60 days after receiving the final resolution or ordinance, the Office of Program Policy Analysis and Government Accountability shall procure the certified public accountant and may use carryforward funds to pay for the services of the certified public accountant.*
>
> *3. At least 60 days before the referendum is held, the performance audit must be completed and the audit report, including any findings, recommendations, or other accompanying documents, must be made available on the official website of the county or school district.*
>
> *4. The county or school district shall keep the information on its website for 2 years from the date it was posted.*

> *5. The failure to comply with the requirements under subparagraph 1. or subparagraph 3. renders any referendum held to adopt a discretionary sales surtax void.*
>
> *(c) For purposes of this subsection, the term "performance audit" means an examination of the program conducted according to applicable government auditing standards or auditing and evaluation standards of other appropriate authoritative bodies.*

Statutory Charge In accordance with s. 212.055(11), Florida Statutes, and *Government Auditing Standards* (2024 Revision) issued by the Comptroller General of the United States, the certified public accountant must conduct a performance audit of Gadsden County School District program areas within the administrative unit(s) which will receive funds through the referenda approved in the attached final resolution.

The performance audit must evaluate the District administrative unit(s) related to the following programs:

- Facilities Planning and Construction (including renovating, repairing, remodeling, upgrading, and modernizing schools and district facilities; acquiring land; reducing portable classrooms as appropriate to improve school facilities; and enhancing athletic fields, including but not limited to addressing handicap accessibility and safety),
- Instructional Technology,
- School Safety and Security, and
- Bond Indebtedness.

This performance audit is organized in the following six chapters:

- Chapter 1 - Program Economy, Efficiency, and Effectiveness
- Chapter 2 - Program Design and Structure
- Chapter 3 - Alternative Delivery Methods
- Chapter 4 - Goals, Objectives, and Performance Measures
- Chapter 5 - Reporting Accuracy and Adequacy
- Chapter 6 - Program Compliance

METHODOLOGY

Ressel & Associates began the audit by conducting a virtual kick-off meeting on February 13, 2024, with Gadsden County School District (GCSD) administrators. During this initial Zoom meeting with the Superintendent, School Board Chair and key administrators, Ressel & Associates shared the process as detailed in the work plan, timelines, and a preliminary data request list with the leadership team. Following this meeting, staff began the process of gathering data on the preliminary data request list and saving the documents to a shared file created by the District.

During this same visit, administrators and Ressel & Associates discussed the need for a list of peer school districts to use for comparison purposes based on their size and/or proximity to

GCSD. Based on the District's selection, the Ressel team began gathering peer data from the Florida Department of Education and directly from the following peer school districts:

- Jackson County School District
- Jefferson County School District
- Suwannee County School District
- Taylor County School District
- Wakulla County School District

While the Ressel team did not use comparison data to evaluate GCSD, the information, when analyzed along with the data gathered from the District, provided valuable insights into the challenges and opportunities that may exist in the Gadsden County School District.

Beginning on February 22, 2024, the Ressel team conducted virtual diagnostic interviews and focus group sessions with key staff and Board members to obtain an understanding of the organizational culture, as well as the challenges and opportunities facing GCSD.

On March 12-15, 2024, the Ressel team conducted an onsite visit primarily to tour the facilities, observe operations and physically examine files and documents relating to the program areas under review. While onsite, the Ressel team visited multiple school and administrative sites in the District, accompanied by the members of the leadership team.

In addition, the Ressel team conducted case studies of three major capital outlay projects:

- Havanna Magnet Door Replacement
- Stewart Street Elementary School HVAC Renovation
- Facilities Maintenance Renovation

The case studies examine the projects from start to finish, identify lessons learned, if any, and how GCSD responded. **Chapter 1** of this report provides detail on the case studies.

During the subsequent weeks, the team reviewed a wide array of policy and program documents, conducted additional telephone interviews and email exchanges as needed to ensure that all relevant data were collected, validated, and recorded.

On May 16, 2024, the Ressel team provided a full draft of the final report to GCSD's leadership to review and validate the final report findings. On May 29, 2024, the review team held a virtual meeting with District leadership to discuss the District's comments and corrections to the final draft report; the review team made corrections based on documented evidence supporting any changes. Following the review, a final report was prepared and issued to the District on June 13, 2024, with the Superintendent's response provided as an addendum to this final report.

PEER COMPARISON DATA

Students

As shown in **Exhibit 1**, the second quarter student enrollment counts are down in GCSD in all but one of the peer districts. Enrollment declines in 2021 attributed to COVID impacting the Gadsden, Jackson, and Jefferson County School District, while the Suwannee, Taylor and Wakulla County School Districts continued to see enrollment increases. It is important to note that the counts exclude charter schools in the districts.

Exhibit 1
Change in Student Enrollment
2019-20 to 2023-24 School Years

District	2019-20	2020-21	2021-22	2022-23	2023-24	% Change
Gadsden CSD	4,636	4,363	4,159	4,063	4,169	-10.1%
Jackson CSD	6,390	6,248	6,033	6,076	6,094	-4.6%
Jefferson CSD	758	705	692	730	705	-7.0%
Suwannee CSD	5,933	5,708	5,864	5,935	5,968	0.6%
Taylor CSD	2,806	2,731	2,752	2,783	2,720	-3.1%
Wakulla CSD	4,955	4,790	4,905	4,987	4,969	0.3%
Average w/o Gadsden	**4,168**	**4,036**	**4,049**	**4,102**	**4,091**	**-1.9%**

Source: FL Department of Education, Survey 2, March 2024.

As shown in **Exhibit 2**, GCSD has the highest percent of minority and economically disadvantaged students of its peers, the second highest percent of English as a Second Language students, but a lower percent of students with disabilities than the peer average.

Exhibit 2
Student Service Categories
2023-24 School Year

School District	Percent Minority	Percent Economically Disadvantaged	% English as a Second Language	Percent w/Disabilities
Gadsden CSD	96.2%	85.7%	7.2%	15.1%
Jackson CSD	45.0%	57.8%	1.3%	18.8%
Jefferson CSD	82.0%	61.8%	8.1%	19.6%
Suwannee CSD	40.9%	67.0%	3.5%	16.7%
Taylor CSD	36.4%	78.9%	0.0%	21.0%
Wakulla CSD	21.9%	38.9%	0.3%	21.9%
Average w/o Gadsden	**45.2%**	**60.9%**	**2.6%**	**19.6%**

Source: FL Department of Education, Survey 2, March 2024.

Exhibit 3 breaks out the student ethnicity by district. As shown, GCSD has the lowest number and percent of non-minority students of its peers.

Exhibit 3
Enrollment by Ethnicity
2023-24 School Year

School District	Total Enrollment	White		Black or African American		Hispanic/Latino		Asian		Native Hawaiian or Other Pacific Islander		American Indian or Alaska Native		Two or More Races	
		#	%	#	%	#	%	#	%	#	%	#	%	#	%
Gadsden CSD	4,705	177	3.8%	3,334	70.9%	1,081	23.0%	5	0.1%	15	0.3%	43	0.9%	50	1.1%
Jackson CSD	6,094	3,351	55.0%	1,881	30.9%	353	5.8%	30	0.5%	3	0.0%	15	0.2%	461	7.6%
Jefferson CSD	705	127	18.0%	439	62.3%	120	17.0%	2	0.3%	0	0.0%	0	0.0%	17	2.4%
Suwannee CSD	5,968	3,527	59.1%	735	12.3%	1,356	22.7%	53	0.9%	0	0.0%	5	0.1%	292	4.9%
Taylor CSD	2,720	1,729	63.6%	690	25.4%	91	3.3%	19	0.7%	5	0.2%	7	0.3%	179	6.6%
Wakulla CSD	5,134	4,011	78.1%	551	10.7%	209	4.1%	28	0.5%	9	0.2%	9	0.2%	317	6.2%
Average w/o Gadsden	**4,124.2**	**2549**	**54.8%**	**859.2**	**28.3%**	**425.8**	**10.6%**	**26.4**	**0.6%**	**3.4**	**0.1%**	**7.2**	**0.2%**	**253.2**	**5.5%**

Source: FL Department of Education, Survey 2, March 2024.

Finance

Exhibit 4 shows that GCSD, like the peer organizations, is heavily reliant on State funds with 75.66 percent of GCSD's revenues coming from the State.

Exhibit 4
Actual Revenue Sources
FY 2022-23

School District	Total Federal Direct	Total Federal Through State and Local	Total Federal	Federal % Total Revenues	State	State % Total Revenues	Local	Local % Total Revenues	Total Revenues
Gadsden CSD	$25,781	$185,343	$211,124	0.55%	$29,168,427	75.66%	$8,961,232	23.24%	$38,551,906
Jackson CSD	$0	$179,941	$179,941	0.34%	$42,246,154	80.50%	$9,870,924	18.81%	$52,476,960
Jefferson CSD	$54,925	$0	$54,925	0.56%	$5,988,302	60.65%	$3,776,001	38.24%	$9,874,153
Suwannee CSD	$86,848	$143,350	$230,197	0.47%	$37,447,826	75.66%	$11,584,442	23.41%	$49,492,662
Taylor CSD	$40,014	$2,072,367	$2,112,381	6.90%	$17,252,178	56.35%	$9,138,860	29.85%	$30,615,800
Wakulla CSD	$111,946	$380,545	$492,491	1.12%	$32,984,281	75.08%	$9,961,529	22.68%	$43,930,793
Average w/o Gadsden	**$58,747**	**$555,241**	**$613,987**	**1.65%**	**$27,183,748**	**72.92%**	**$8,866,351**	**23.78%**	**$37,278,074**

Source: FL Department of Education, Annual Financial Reports, March 2024.

Exhibit 5 tracks the GCSD's overall funding trends by category over the last three years. State and federal revenues have decreased, and local revenues have increased. Total revenues have decreased by 1.85 percent.

Exhibit 5
GCSD Revenue Source Trends
FY 2020-21 to FY 2023

Revenue Source	2022-23	2021-22	2020-21	Percent Change
Federal Direct	$25,781	$27,772	$57,184	-54.92%
Federal Through State and Local	$185,343	$457,251	$184,297	0.57%
Federal Total	**$211,124**	**$485,024**	**$241,481**	**-12.57%**
State	$29,168,427	$27,755,711	$30,670,938	-4.90%
Local	$8,961,232	$8,577,801	$8,153,542	9.91%
Total	**$38,340,782**	**$36,818,536**	**$39,065,961**	**-1.86%**

Source: FL Department of Education, Annual Financial Reports, March 2024.

Exhibit 6 indicates that GCSD's General spending per pupil is above peer averages in all but the Debt Service categories.

Exhibit 6
Annual Financial Report Expenditures
Per Unweighted Full-Time Equivalent (UFTE) Students
FY 2022-23

School District	General	Special Revenue	Debt Service	Capital Projects	Total
Gadsden CSD	$10,451	$5,585	$0	$128	$16,164
Jackson CSD	$10,398	$3,325	$198	$447	$14,368
Jefferson CSD	$11,228	$6,895	$0	$60	$18,183
Suwannee CSD	$8,841	$3,087	$21	$307	$12,256
Taylor CSD	$11,188	$4,247	$0	$565	$16,000
Wakulla CSD	$9,128	$1,934	$0	$406	$11,468
Average w/o Gadsden	**$10,157**	**$3,898**	**$44**	**$357**	**$14,455**

Source: FL Department of Education, March 2024.

Exhibit 7 examines spending by function over the last three years. Spending has increased by 0.42 percent over the three-year period and the overall per pupil expenditure rose by 7.83 percent.

Exhibit 7
General Fund Expenditures
FY 2020-21 to FY 2023

Expenditures	2022-23	2021-22	2020-21	% Change
Instruction	$21,993,561	$21,974,081	$21,775,319	1.00%
Student Support Services	$2,067,959	$1,764,452	$1,634,426	26.53%
Instructional Media Services	$316,685	$377,315	$369,427	-14.28%
Instruction and Curriculum Dev. Services	$871,724	$793,461	$1,059,577	-17.73%
Instructional Staff Training Services	$37,817	$69,522	$267,418	-85.86%
Instruction-Related Technology	$290,627	$259,070	$252,017	15.32%
Board	$1,236,847	$1,142,730	$631,150	95.97%
General Administration	$660,231	$642,198	$473,306	39.49%
School Administration	$3,222,454	$3,265,436	$3,168,825	1.69%
Facilities Acquisition and Construction	$665,798	$1,007,026	$427,422	55.77%
Fiscal Services	$535,233	$515,978	$641,314	-16.54%
Food Services	$35,568	$37,209	$36,462	-2.45%
Central Services	$485,619	$429,546	$355,732	36.51%
Student Transportation Services	$3,568,468	$3,982,513	$3,231,557	10.43%
Operation of Plant	$5,975,672	$4,651,236	$5,485,187	8.94%
Maintenance of Plant	$1,183,513	$1,481,270	$3,274,265	-63.85%
Administrative Technology Services	$730,144	$776,149	$867,428	-15.83%
Community Services	$0	$0	$0	0.00%
CAPITAL OUTLAY: Facilities Acquisition and Construction	$0	$0	$312,282	0.00%
Other Capital Outlay	$870,266	$70,362	$299,887	190.20%
DEBT SERVICE: (Function 9200) Redemption of Principal	$0	$0	$0	0.00%
Interest	$0	$0	$0	0.00%
TOTAL EXPENDITURES	**$44,748,187**	**$43,239,554**	**$44,563,001**	**0.42%**
Excess (Deficiency) of Revenues Over Expenditures	($6,407,404)	($6,421,019)	($5,497,040)	16.56%
Student FTE Count	**4,063**	**4,159**	**4,363**	**-6.88%**
Per Pupil Expenditures	**$11,014**	**$10,397**	**$10,214**	**7.83%**

Source: FLDOE Annual Financial Rports for FY 2021, FY 2022, and FY 2023.

Technology

Exhibit 8 explores expenditures for Instruction-Related Technology and Administrative Technology Services for the last three years. As shown, expenditures for Instructional Technology have increased by 15.3 percent while Administrative Technology expenditures have decreased by 15.8 percent.

Exhibit 8
GCSD Actual General Fund Expenditures
Instructional and Administrative Technology
FY 2021 through FY 2023

Expenditure Categories	FY 2021		FY 2022		FY 2023		% Change	
	Instruct.	Admin.	Instruct.	Admin.	Instruct.	Admin.	Instruct.	Admin.
Salaries	$180,431	$313,906	$196,230	$310,077	$192,170	$310,889	6.5%	-1.0%
Employee Benefits	$55,013	$87,049	$60,654	$83,899	$60,874	$94,447	10.7%	8.5%
Purchased Services	$9,128	$387,782	$915	$369,501	$37,583	$316,609	311.7%	-18.4%
Materials and Supplies	$1,846	$78,541	$1,271	$10,099	$0	$7,303	-100.0%	-90.7%
Capital Outlay	$5,600	$0	$0	$2,277	$0	$0	-100.0%	0.0%
Other	$0	$150	$0	$297	$0	$897	0.0%	498.0%
Total	**$252,017**	**$867,428**	**$259,070**	**$776,149**	**$290,627**	**$730,144**	**15.3%**	**-15.8%**

Source: FLDOE Annual Financial Rports for FY 2021, FY 2022, and FY 2023.

Exhibit 9 compares GCSD's total and per pupil Instructional and Administrative Technology expenditures to its peers. As shown, GCSD's per pupil expenditures are higher than its peers.

Exhibit 9
Comparative General Fund Expenditures
Instructional and Administrative Technology
FY 2023

School District/ Expenditures	Gadsden	Jackson	Jefferson	Suwannee	Taylor	Wakulla	Avg w/o Gadsden
Instruction-Related Technology	$290,627	$355,429	$102,147	$673,778	$294,162	$285,212	$342,146
Administrative Technology Services	$730,144	$1,034,690	$22,750	$502,173	$392,371	$540,019	$498,401
Total Expenditures	**$1,020,771**	**$1,390,119**	**$124,897**	**$1,175,951**	**$686,533**	**$825,231**	**$840,546**
Student FTE Count	**4,063**	**6,076**	**730**	**5,935**	**2,783**	**4,987**	**4,102**
Per Pupil Expenditures	$251.24	$228.79	$171.09	$198.14	$246.69	$165.48	$204.90

Source: FLDOE Annual Financial Rports for FY 2021, FY 2022, and FY 2023.

Facilities

Exhibit 10 provides a three-year trend analysis of GCSD's Facilities Acquisitions and Construction, Plant Maintenance and Plant Operations General Fund expenditures.

Exhibit 10
GCSD General Fund Expenditures
Facilities Acquisitions and Construction, Plant Maintenance and Plant Operations
FY 2021 through FY 2023

	Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	Total
FY 2021								
Facilities Acquisition & Construction	$72,672	$18,630	$0	$0	$0	$0	$336,121	**$427,422**
Plant Operations	$1,414,332	$557,266	$1,921,996	$1,383,616	$172,073	$0	$35,904	**$5,485,187**
Plant Maintenance	$410,778	$114,444	$2,550,309	$0	$195,860	$2,874	$0	**$3,274,265**
Total FY 2021	**$1,897,782**	**$690,339**	**$4,472,305**	**$1,383,616**	**$367,933**	**$2,874**	**$372,025**	**$9,186,874**
FY 2022								
Facilities Acquisition & Construction	$72,672	$19,558	$0	$0	$0	$559,549	$355,248	**$1,007,026**
Plant Operations	$1,106,634	$397,046	$1,821,571	$1,258,357	$57,254	$4,909	$5,465	**$4,651,236**
Plant Maintenance	$332,323	$104,343	$487,096	$0	$289,582	$267,926	$0	**$1,481,270**
Total FY 2022	**$1,511,629**	**$520,947**	**$2,308,667**	**$1,258,357**	**$346,836**	**$832,384**	**$360,713**	**$7,139,532**
FY 2023								
Facilities Acquisition & Construction	$42,089	$12,001	$260,577	$0	$0	$8,039	$343,092	**$665,798**
Plant Operations	$1,981,732	$709,847	$1,385,315	$1,799,155	$87,075	$0	$12,548	**$5,975,672**
Plant Maintenance	$407,881	$136,301	$356,387	$0	$282,945	$0	$0	**$1,183,513**
Total FY 2023	**$2,431,702**	**$858,148**	**$2,002,279**	**$1,799,155**	**$370,020**	**$8,039**	**$355,640**	**$7,824,983**
% Change								
Facilities Acquisition & Construction	-42.1%	-35.6%	100.0%	0.0%	0.0%	100.0%	2.1%	**55.8%**
Plant Operations	40.1%	27.4%	-27.9%	30.0%	-49.4%	0.0%	-65.1%	**8.9%**
Plant Maintenance	-0.7%	19.1%	-86.0%	-100.0%	44.5%	-100.0%	0.0%	**-63.9%**
Total	**28.1%**	**24.3%**	**-55.2%**	**30.0%**	**0.6%**	**179.7%**	**-4.4%**	**-14.8%**

Source: FLDOE Annual Financial Rports for FY 2021, FY 2022, and FY 2023.

As shown, Facilities Acquisition and Construction costs rose by 55.8 percent, while Plant Maintenance expenditure declined by 63.9 percent. Overall expenditures over the three years dropped by 14.8 percent.

Exhibit 11 compares GCSD's total and per pupil Facilities Acquisition and Construction, Plant Maintenance and Plant Operations expenditures to its peers. As shown, GCSD's per pupil expenditures are higher than the peer average and are third in rank order, with the Jefferson and Taylor County School District spending more on a per pupil basis.

Exhibit 11
Comparative General Fund Expenditures
Facilities Acquisitions and Construction, Plant Maintenance and Plant Operations
FY 2022-23

School District/Expenditures	Gadsden	Jackson	Jefferson	Suwannee	Taylor	Wakulla	Avg w/o Gadsden
Facilities Acquisition and Construction	$665,798	$196,808	$200,212	$175,102	$1,833,408	$348,275	$550,761
Operation of Plant	$5,975,672	$7,008,005	$1,354,529	$1,461,987	$3,333,007	$5,814,621	$3,794,430
Maintenance of Plant	$1,183,513	$2,644,020	$285,482	$676,038	$334,572	$1,255,338	**$1,039,090**
Total General Fund	**$7,824,983**	**$9,848,834**	**$1,840,223**	**$2,313,127**	**$5,500,987**	**$7,418,233**	**$5,384,281**
Student FTE Count	**4,063**	**6,076**	**730**	**5,935**	**2,783**	**4,987**	**4,102**
Per Pupil Expenditures	**$1,926**	**$1,621**	**$2,521**	**$390**	**$1,977**	**$1,488**	**$1,313**

Source: FLDOE Annual Financial Rports for FY 2021, FY 2022, and FY 2023.

Exhibit 12 shows total annual energy costs by category. The cost per square foot for all energy costs and electricity alone are higher in GCSD than all of its peers except the Suwannee County School District.

Exhibit 12
Annual Energy Cost Information
FY 2022-23

District	Natural Gas	Bottled Gas	Electricity	Heating Oil	Total Energy costs	Total Square footage	Square Foot Cost	
							All Energy	Elec Only
Gadsden CSD	$46,727	$15,184	$1,734,804	$0	$1,796,715	$1,283,988	$1.40	$1.35
Jackson CSD	$13,494	$11,609	$2,025,224	$0	$2,050,327	$1,672,528	$1.23	$1.21
Jefferson CSD	$0	$118	$341,658	$0	$341,776	$544,779	$0.63	$0.63
Suwannee CSD	$48,159	$11,837	$1,495,500	$0	$1,555,495	$1,093,669	$1.42	$1.37
Taylor CSD	$29,568	$0	$727,262	$0	$756,830	$754,204	$1.00	$0.96
Wakulla CSD	$0	$23,708	$1,506,323	$0	$1,530,031	$1,125,687	$1.36	$1.34
Average w/o Gadsden	**$18,244**	**$9,454**	**$1,219,193**	**$0**	**$1,246,892**	**$1,038,173**	**$1.13**	**$1.10**

Source: Florida Department of Education, Florida School District Annual Energy Report, May 2024.

Exhibit 13 shows the number of permanent classrooms in GCSD and its peers. GCSD has more satisfactory total core and non-core classrooms than all of the peers except the Jackson County School District.

Exhibit 13
Satisfactory Permanent Classrooms
FY 2024

District	K-3 Core ClsRms	4-8 Core ClsRms	9-12 Core ClsRms	ESE Core ClsRms	Total Core ClsRms	Total NonCore ClsRms	Total ClsRms
Gadsden CSD	128	158	60	21	367	70	437
Jackson CSD	197	178	92	35	502	86	588
Jefferson CSD	18	16	22	3	59	18	77
Suwannee CSD	112	107	73	27	319	54	373
Taylor CSD	121	61	25	19	226	47	273
Wakulla CSD	110	80	43	40	273	31	304
Average w/o Gadsden	**112**	**88**	**51**	**25**	**276**	**47**	**323**

Source: District FISH data reported as satisfactory on January 2024

Exhibit 14 compares the net square footage of instructional facilities, all permanent facilities and all relocatable facilities and provides information to the total Capital Outlay FTEs. As shown, GCSD has more net square footage in all categories than the peer average.

Exhibit 14
Total Net Square Footage and Capital Outlay FTE
FY 2024

District	Total Instructional NSF	Total All Permanent NSF	Total All Relocatable NSF	Total Capital Outlay FTE
Gadsden CSD	358,784	1,113,267	52,694	3,744
Jackson CSD	78,650	321,876	13,820	702
Jefferson CSD	74,215	237,062	3,585	1,080
Suwannee CSD	361,851	996,193	30,777	5,593
Taylor CSD	257,731	685,454	7,250	2,531
Wakulla CSD	323,104	1,016,618	23,916	4,871
Average w/o Gadsden	**219,110**	**651,441**	**15,870**	**2,955**

Source: District FISH data reported as satisfactory on January 2024

Exhibit 15 shows that the average age of the GCSD facilities is higher than that of all its peers, with 47.0 percent of all facilities in the over 50 years of age category.

Exhibit 15
Age of Permanent Facilities
FY 2024

District	Total NSF	SQFT 1-10 Yrs. Old	SQFT 11-20 Yrs. Old	SQFT 21-30 Yrs. Old	SQFT 31-40 Yrs. Old	SFT 41-50 Yrs. Old	SQFT >50 Yrs. Old	Avg Age
Gadsden CSD	1,113,267	3.0%	11.2%	21.5%	12.6%	4.7%	47.0%	**45**
Jackson CSD	1,423,200	22.7%	4.5%	24.0%	6.0%	18.3%	24.6%	**36**
Jefferson CSD	321,876	0.0%	0.1%	45.6%	13.0%	23.4%	17.8%	**44**
Suwannee CSD	996,193	2.4%	11.0%	14.2%	19.4%	13.2%	39.7%	**41**
Taylor CSD	685,454	15.1%	2.7%	17.3%	17.9%	10.8%	36.3%	**40**
Wakulla CSD	1,016,618	1.2%	10.1%	41.0%	9.7%	12.1%	25.9%	**37**
Average w/o Gadsden	**888,668**	**8.3%**	**5.7%**	**28.4%**	**13.2%**	**15.5%**	**28.8%**	**39.6**

Source: Florida Inventory of School Houses, Florida Department of Education, reported as satisfactory on January 2024

Staffing

As shown below (**Exhibit 16**), GCSD's teacher salaries are below the peer average, and GCSD's teachers have fewer years of experience than any of their peers.

Exhibit 16
Average Teacher Salary and Years of Experience
FY 2022-23

School District	Average Teacher Salary	Avg Years of Experience
Gadsden CSD	$43,612.52	4.7
Jackson CSD	$45,974.93	12.3
Jefferson CSD	$55,412.24	8.0
Suwannee CSD	$54,637.33	8.8
Taylor CSD	$47,463.98	9.3
Wakulla CSD	$46,910.75	5.4
Average w/o Gadsden	**$50,079.85**	**8.76**

Source: FL Department of Education, March 2024.

Exhibit 17 focuses on GCSD's total staffing trends over the last three years. As shown, the student to staff ratios have shifted by category while total student to staff ratios remained unchanged.

Exhibit 17
GCSD Staffing Trends
FY 2022 through FY 2024

	2021-22	2022-23	2023-24	Change	% Change
Student Enrollment From FLDOE	**4,159**	**4,063**	**4,169**	**10**	**0.2%**
OFFICIALS, ADMINISTRATORS AND MANAGERS					
Officials, Administrators and Managers-Instructional	12	14	17	5	41.7%
Officials, Administrators and Managers-Non-Instructional	9	11	12	3	33.3%
Total Officials, Administrators, Managers	**21**	**25**	**29**	**8**	**38.1%**
Consultants, Supervisors of Instruction	6	6	7	1	16.7%
Principal	11	10	10	-1	-9.1%
Assistant Principals	17	13	12	-5	-29.4%
Deans, Curriculum Coordinators		0	0	0	0.0%
Community Education Coordinators		0	0	0	0.0%
Total Administrative Staff	**55**	**54**	**58**	**3**	**5.5%**
Student to Administrative Staff Ratio	**75.6**	**75.2**	**71.9**		
SUPPORT STAFF					
Other Professional Staff Noninstructional	38	40	39	1	2.6%
Paraprofessionals	81	79	84	3	3.7%
Technicians	7	8	8	1	14.3%
Administrative Support Workers	47	44	51	4	8.5%
Service Workers	156	162	164	8	5.1%
Skilled Crafts Workers	11	11	10	-1	-9.1%
Unskilled Laborers	5	4	8	3	60.0%
Total Support Staff	**345**	**348**	**364**	**19**	**5.5%**
Student to Support Staff Ratio	**12.1**	**11.7**	**11.5**		
INSTRUCTIONAL STAFF					
Elementary Teachers (PK-6)	128	140	134	6	4.7%
Secondary Teachers (7-12)	122	106	107	-15	-12.3%
Exceptional Education Teachers	45	48	44	-1	-2.2%
Other Teachers	14	12	26	12	85.7%
Total Teachers	**309**	**306**	**311**	**2**	**0.6%**
Student to Teacher Ratio	**13.5**	**13.3**	**13.4**		
School Counselor	16	15	14	-2	-12.5%
Visiting Teachers/Social Workers	7	8	7	0	0.0%
School Psychologists	4	3	3	-1	-25.0%
Librarians/Audio Visual Workers	6	6	8	2	33.3%
Other Professional Instructional Staff	29	37	32	3	10.3%
Total Instructional Staff	**371**	**375**	**375**	**4**	**1.1%**
Student to Instructional Staff Ratio	**11.2**	**10.8**	**11.1**		
Total Full-Time Staff	**771**	**777**	**797**	**26**	**3.4%**
Student to Full-Time Staff Ratio	**5.4**	**5.2**	**5.2**		

Source: FL Department of Education, March 2024.

Exhibit 18 compares GCSD's total staffing to that of its peers.

In comparison to its peers, GCSD's student to staff ratios varies by category and in total are lower than the peer averages, indicating that GCSD has more staff per student than its peers.

Exhibit 18
Staffing Peer Comparison
FY 2023-24

	Gadsden	Jackson	Jefferson	Suwannee	Taylor	Wakulla	Avg. w/o Gadsden
Student Enrollment w/o Charter Schools	4,169	6,094	705	5,968	2,720	4,969	4,091
OFFICIALS, ADMINISTRATORS AND MANAGERS							
Officials, Administrators and Managers-Instructional	17	7	3	13	4	7	7
Officials, Administrators and Managers-Non-Instructional	12	7	1	9	7	10	7
Total Officials, Administrators, Mgrs.	**29**	**14**	**4**	**22**	**11**	**17**	**14**
Consultants, Supervisors of Instruction	7	3	1	6	1	1	2
Principal	10	13	1	8	6	9	7
Assistant Principals	12	12	2	12	1	11	8
Deans, Curriculum Coordinators	0	0	2	12	8	5	5
Community Education Coordinators	0	0	0	0	0	0	0
Total Administrative Staff	**58**	**42**	**10**	**60**	**27**	**43**	**36**
Student to Administrative Staff Ratio	**71.9**	**145.1**	**70.5**	**99.5**	**100.7**	**115.6**	**112.4**
SUPPORT STAFF							
Other Professional Staff Noninstructional	39	5	5	18	12	4	9
Paraprofessionals	84	201	17	110	67	104	100
Technicians	8	4	0	7	5	6	4
Administrative Support Workers	51	73	7	61	28	52	44
Service Workers	164	87	22	121	89	97	83
Skilled Crafts Workers	10	15	1	6	3	4	6
Unskilled Laborers	8	20	5	13	1	0	8
Total Support Staff	**364**	**405**	**57**	**336**	**205**	**267**	**254**
Student to Support Staff Ratio	**11.5**	**15.0**	**12.4**	**17.8**	**13.3**	**18.6**	**16.1**
INSTRUCTIONAL STAFF							
Elementary Teachers (PK-6)	134	192	21	169	68	127	115
Secondary Teachers (7-12)	107	171	20	143	68	125	105
Exceptional Education Teachers	44	63	6	42	21	62	39
Other Teachers	26	31	2	15	1	1	10
Total Teachers	**311**	**457**	**49**	**369**	**158**	**315**	**270**
Student to Teacher Ratio	**13.4**	**13.3**	**14.4**	**16.2**	**17.2**	**15.8**	**15.2**
School Counselor	14	25	0	17	4	2	10
Visiting Teachers/Social Workers	7	0	1	1	2	5	2
School Psychologists	3	0	0	1	0	0	0
Librarians/Audio Visual Workers	8	10	1	7	4	7	6
Other Professional Instructional Staff	32	25	6	11	20	20	16
Total Instructional Staff	**375**	**517**	**57**	**406**	**188**	**349**	**303**
Student to Instructional Staff Ratio	**11.1**	**11.8**	**12.4**	**14.7**	**14.5**	**14.2**	**13.5**
Total Full-Time Staff	**797**	**964**	**124**	**802**	**420**	**659**	**594**
Student to Total Staff Ratio	**5.2**	**6.3**	**5.7**	**7.4**	**6.5**	**7.5**	**6.9**

Source: FL Department of Education, March 2024.

CHAPTER 1: PROGRAM ECONOMY, EFFICIENCY, AND EFFECTIVENESS

1.0 PROGRAM ECONOMY, EFFICIENCY, AND EFFECTIVENESS

Chapter 1 presents audit findings related to the economy, efficiency, and effectiveness of the program areas under review. As part of field work, Ressel & Associates examined the District's internal monitoring structure including management reporting and the results of internal and external audits and operational performance reviews. In addition, Ressel & Associates evaluated program performance and costs and thoroughly researched the strengths and weaknesses associated with past projects of similar size and complexity.

The specific audit evaluation tasks include:

1.1 ***Management Reports*** *- 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;*

1.2 ***Performance Evaluation Criteria*** *- Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost;*

1.3 ***Findings and Recommendations*** *- 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, internal and external reviews, audits, etc.;*

1.4 ***Program Performance*** *- Evaluate program performance and cost based on reasonable measures, including accepted industry standards and best practices, when available;*

1.5 ***Case Studies of Past Projects*** *- 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; and*

1.6 ***Competitive Procurement*** *- Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements.*

Finding on program economy, efficiency, and effectiveness: Partially Meets

Few management reports are prepared or provided to the Board by the program areas under review; the information that is prepared and provided is inadequate to monitor program performance and cost. Neither the Board nor administration are periodically evaluating the program areas under review using performance information and other reasonable criteria to assess program performance and cost. Ressel & Associates recommends a rotating schedule of departmental reports containing performance data, updates, and challenges.

Program administrators have acknowledged identified deficiencies and have taken action to address the immediate problem in most cases, but have not always put processes and procedures in place, to prevent future recurrences. Staff are beginning to create administrative procedures for key functions, but many remain in draft form. Ressel & Associates recommends the creation of a School Board Audit Committee to monitor audit deficiencies to final resolution, including the creation of appropriate administrative procedures.

The program areas under review are providing important services in support of staff and students but have no metrics to evaluate efficiency and effectiveness.. The District's overall financial performance, however, has deteriorated in recent years, resulting in a need for improved management practices and additional monitoring, potentially with assistance from an outside consultant with prior school district experience.

Based on the sample of projects examined and presented later in this chapter, the review team found the original cost estimates to be reasonable but GCSD was unable to complete two of the three projects in a timely manner due to a lack of funding. The Ressel team recommends that additional advance planning be undertaken before initiating future projects to mitigate the need to halt projects prior to completion.

The purchasing process is partially decentralized with departments and schools having significant responsibility in the process. Control over the competitive procurement process is centralized and functioning effectively. Purchasing policies exist, however there are no purchasing procedures to guide departmental or school users. Although the Skyward system has the capability of providing a strong system of control over the procurement and receiving processes, the District has not yet taken full advantage of those controls. The Ressel team recommends that GCSD create user procedures and implement the Skyward controls to improve the efficiency of the procurement function.

Findings by Research Subtask:

- Subtask 1.1 - *Management Reports – Does Not Meet*
- Subtask 1.2 - *Performance Evaluation Criteria – Does Not Meet*
- Subtask 1.3 - *Findings and Recommendations – Partially Meets*
- Subtask 1.4 - *Program Performance – Partially Meets*
- Subtask 1.5 - *Case Studies of Past Projects – Partially Meets*
- Subtask 1.6 - *Competitive Procurement – Partially Meets*

1.1 MANAGEMENT REPORTS

Subtask 1-1: Management Reports - 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. – Overall conclusion (Does Not Meet)

1.1.1 District Support for Areas Under Review

OBSERVATION: The Board receives management reports from the program areas under review; not all of which are written.

Department heads in the program areas under review present a select number of special reports and presentations to the Board as required in State Statute, to support a request for additional funding, or permission to enter into a contract or lease, etc. These are available on the District's Website. Examples include the financial reports, the five-year facilities survey required by the State, and the Surtax Resolution.

A review of the past three years of Board agendas finds the sample reports to be sufficiently detailed and accurate; however, most reports for the program areas under review did not contain specific performance-related data or information relating to the achievement or progress toward goals such as those found in the District's Strategic Continuous Improvement Plan -2023-2027 (Strategic Plan). In addition to the written reports, leadership said they provide oral reports on the program areas to the Board, but the review team was unable to verify this information.

A number of districts reviewed by Ressel & Associates over the years have established a rotating schedule of management reporting to the Board, whereby each of the major program areas present information relating to achievements since the last report, current challenges and opportunities, and plans for the long- and short-term that will benefit the District as a whole.

This process provides the Board with an opportunity to better understand the role and importance of each program area, and how each program area contributes to the success of the overall educational system.

RECOMMENDATION

Recommendation 1-1: Establish a rotating schedule for major programs, including those in the program areas under review, for department heads to provide written Board updates relating to performance, challenges, and opportunities in each operational area.

OBSERVATION: The Chief Finance Officer (CFO) provides financial reports to the School Board at each monthly workshop and meeting, but the reports do not contain adequate information to monitor financial performance.

Section 6A-1.008 Financial Statements of the Florida Administrative Code states:

> *At least monthly the superintendent of schools shall submit, for use and consideration of the school board, a financial statement in a form prescribed by the school board.*

The review team examined the financial reports presented at Board Workshops from October 2023 through January 2024. The reports indicate that the CFO generates the financial reports through Skyward, showing expenditure data only. The report contains one line item per fund showing the original and amended budget, activity to date, encumbrances, and current unencumbered totals by fund. The two-page report lists the General Fund, Food Service Fund, Contracted Projects Fund, ESSER Cares, Other Cares Act Relief, CRRSA Act ESSER II, and ARP Act.

The last page of the report contains the current balances in each bank account. The reports contain no detail below the totals for each fund. The report also had no information showing the current fund balances.

The Adopted 2023-24 Budget posted on the website detailed revenue expenditure estimates for the year, but no comparative information from prior years to show the Board or public how and where the requested budget varied from the prior years.

The two primary duties of a School Board are to establish policies and approve and monitor the budget. Approving transactions is a control that prevents payments to unauthorized vendors for unauthorized purposes. Without budget to actual data, the Board cannot determine how the expenditures they are authorizing will impact the financial condition of the District. Board members also have no trend data for the year that would alert them if one or more budget categories are spending at a faster pace than anticipated. For example, if the budget for electricity is $1.2 million for the year, and after four months the District has spent $500,000, some analysis may be needed to determine if rates, usage, or a sudden heat wave are causing the higher than anticipated costs.

Financial information is one of the most critical tools for performance evaluation and in the absence of this information, the Board nor the public can fully comprehend the current financial condition of the District, which could be a major contributing factor in terms of the declining fund balance.

RECOMMENDATION

Recommendation 1-2: Provide the Board monthly financial reports with additional details to allow the Board to reasonably assess the District's financial performance.

1.1.2 Facilities Planning and Construction

OBSERVATION: There are no written facilities-related management reports prepared or received by the Director of Facilities.

The Director of Facilities lacks a guiding document to manage the facilities. The Board and the Superintendent have not requested facilities management reports from the Director. The 2022-23 state-required five-year work plan is the only report that the Director provided to the review team. Management does not use it as a management tool.

Exhibit 1-1 provides the highlights from the work plan. The work plan's "Summary of revenues/expenditures available for new construction and remodeling projects only" cites $0 in all the fields.

Exhibit 1-1
GCSD Facilities Work Plan (Excerpt)
Summary of Revenue/Expenditures Available for New Construction and Remodeling Projects
2022-23 through 2026-27

Category	2022-23	2023-24	2024-25	2025-26	2026-27
Total Revenues	$0	$0	$0	$0	$0
Total Project Costs	$0	$0	$0	$0	$0
Difference (Remaining Funds)	$0	$0	$0	$0	$0

Source: GCSD Work Plan, 2022-23.

The work plan contains a list of buildings demonstrating needs for the same expenditure category. For example, the "Expenditure for Maintenance, Repair and Renovation" section lists expenditure categories where GCSD cited the same dollar amount for each year and for each campus. Using a generic dollar amount for maintaining, repairing, or renovating all campuses is not a uniquely developed management report based on the needs of the building.

The buildings included in this "Expenditure for Maintenance, Repair and Renovation" section include:

- Carter-Parramore Alternative School
- Chattahoochee Elementary
- Gadsden County High School
- Gadsden Elementary Magnet School (Old)
- Gadsden Technical Institute
- George W Munroe Elementary
- Greensboro Elementary School (New)
- Havana Pk-08 School
- James A Shanks Middle School
- M D Walker Administrative Center
- Stewart Street Elementary
- Transportation Center
- West Gadsden Middle School

Exhibit 1-2 provides the highlights from the work plan that demonstrates the lack of clarity.

Exhibit 1-2
GCSD Facilities Work Plan (Excerpt)
Expenditures for Maintenance, Repair and Renovation
2022-23 through 2026-27

Category	2022-23 Actual Budget	2023-24 Projected	2024-25 Projected	2025-26 Projected	2026-27 Projected
HVAC	$300,000	$300,000	$300,000	$300,000	$300,000
Flooring	$70,000	$70,000	$70,000	$70,000	$70,000
Roofing	$150,000	$150,000	$150,000	$150,000	$150,000
Electrical	$25,000	$25,000	$25,000	$25,000	$25,000
Telephone/Intercom System	$30,000	$30,000	$30,000	$30,000	$30,000

Source: GCSD Work Plan, 2022-23.

Furthermore, GCSD does not have regular written management reports that provide the Superintendent and the Board with a systematic method to know the status of the Facilities and Maintenance program, and for the Department to regularly inform the leadership and the Board about future issues.

Effective organizations require written management reports with operational and financial information, including relevant key performance indicators, for the Facilities and Maintenance function so the Department can inform decision makers. For example, many school districts prepare a monthly update regarding progress on projects, and the details regarding efforts to reduce deferred maintenance needs and suggestions for addressing those issues in the short and long term.

RECOMMENDATION

Recommendation 1-3: Prepare regular written Facilities and Maintenance Department management reports for leadership and the School Board.

1.1.3 Instructional Technology

OBSERVATION: The Media & Technology Department does not provide regular written reports to the Board or administration.

Although the Director provides verbal updates to the Superintendent during leadership meetings or as requested, the review team found no evidence or documented reports to the Board or administration regarding the Department's performance or its progress toward meeting the goals outlined in the 2021-2025 Technology Plan.

Board minutes and agendas indicate that the Department makes presentations to the Board regarding major purchases; a representative is generally available at those meetings to answer questions from the Board should they arise. Consequently, the Department only approaches the Board when the Department has a need.

Effective school districts continuously assess program performance—effective districts use key performance indicators (KPIs). Once district or department identify the measures and initially assess the results, creating a monthly or quarterly report helps the Board and administration to not only appreciate

how much work is being accomplished but also better understand the reasoning and justification for needs as they arise. Some basic examples of technology-related KPIs are as follows:

- Total vs. Open Tickets*: Do you measure the ticket churn over time?*
- Projects Delivered on Budget*: Can you keep your budget within limits?*
- Internet Speed and Availability Rates by Location: *What is an adequate measure of service?*
- Server Downtime*: Do you know why and when downtime happens?*
- Backup Frequency*: How frequently do you back up your data?*
- Number of Intrusion Attempts*: What frequency & type of threats do you face?*
- IT Support Employees per End Users*: Do you have enough IT support?*
- IT Support Employees per Device: *Do you have the right type of IT support?*
- Team Attrition Rate*: Do you manage to keep talented employees?*

Some of the data required for this type of reporting is more difficult to obtain, however, in selecting the performance indicators, the Department should work with the Board to determine which of the measures would be the most meaningful to them.

RECOMMENDATION

Recommendation 1-4: Identify a series of key performance measures and provide Board written updates relating to performance, challenges and opportunities relating to technology.

1.1.4 School Safety and Security

OBSERVATION: The School Safety Specialist regularly receives and uses crisis response training reports, fire inspection reports, and information from threat assessment meetings to monitor performance; the information is adequate for performance monitoring, but the District cannot share all information publicly due to its confidential and sensitive nature.

The District provided teachers and administrators training on the Crisis Response Manual to prepare crisis response reports after each drill. The School Safety Specialist participates in the campus threat assessment meetings and takes needed actions.

The School Safety Specialist receives the Crisis Response Training Report for each school. The Ressel team examined the Reports; results are not provided here for the safety of GCSD students. The Report includes the date, time, and the elapsed time to complete the evacuation of all buildings for fire alarm training, tornado watch/warning training, active shooter training, including code red lock downs, bomb threat evacuation training, including code red lock downs. The Report also includes an equipment check to confirm that the following items are in place and working properly, including:

- Two or more crisis response plan flip charts
- Handheld two-way radios
- One weather band radio
- One power megaphone

- Two 6-volt lanterns
- One umbrella

The fire inspection reports often contain safety and security-related topics. The School Safety Specialist coordinates with the Director of Facilities to implement the needed corrections.

The School Safety Specialist reports to and coordinates with District administration to ensure the District addresses the issues to ensure the continued safety of the students. The distinct types of reports are adequate for managing the program.

1.1.5 Servicing Bond Indebtedness

OBSERVATION: Budget reports and budget presentations to the Board and the Annual Financial Reports contain adequate information relating to the District's bond indebtedness.

The budget reports separate principal and interest payments and shows the remaining balance owed on the current Bond. The AFRs contain more detailed information on the source of the debt, maturity date and the revenues used to pay that debt.

1.2 PERFORMANCE EVALUATION CRITERIA

Subtask 1-2: Determine whether the program is periodically evaluated using performance information and other reasonable criteria to assess program performance and cost – Overall conclusion (Does Not Meet)

1.2.1 District Support for Areas Under Review

OBSERVATION: Performance evaluations of programs under review do not exist; where performance evaluation criteria exist, there is no evidence that the Board or administration use the criteria to evaluate performance.

The School Board of Gadsden County receives plans from the administration for input and approval. However, the review found no evidence of an evaluation to determine how successful the implementation of these plans has been.

Some department-level plans contain evaluation criteria that the Board or administration could use to monitor performance in the program areas under review; the criteria are not currently used for that purpose. The current Strategic Plan has goals and objectives for the program areas under review; however, many of these goals and objectives are not supported by performance criteria.

In the absence of performance or progress reports, the Board and public have only limited knowledge about how well management is doing.

Effective school districts continuously assess performance in both academic and non-academic areas. In the absence of measurable criteria for assessing performance, the District lacks emphasis on performance.

RECOMMENDATION

Recommendation 1-5: Prepare management reports for the School Board based on specified performance-related criteria as those contained in the Strategic Plan, as well as formal reports providing sufficient detail pertaining to emerging issues, so the Board and general public have a mechanism for obtaining factual data about the performance of programs and projects under review.

OBSERVATION: The Board is not effectively monitoring financial performance.

The School Board participates in budget workshops and sets the annual budget according to law, but has not adequately monitored spending throughout the year, which has resulted in the overspending of budgets and a deteriorating fund balance.

The Auditor General has issued audit reports over the last five years containing material weaknesses and significant deficiencies. A review of Board meeting and workshop minutes found no reference to the deficiencies or weaknesses.

The Board approved contracts that overspent the budget without making budget amendments to recognize the overspending, which resulted in two years of audit deficiencies.

Overspending has resulted in the Undesignated General Fund Balance falling to 3.2 percent of revenue, which is dangerously close to the levels stated in s, 1011.05a, F.S.

> ***Guidelines for general funds.***—*The district school board shall maintain a general fund ending fund balance that is sufficient to address normal contingencies.*
>
> *(1) If at any time the portion of the general fund's ending fund balance not classified as restricted, committed, or nonspendable in the district's approved operating budget is projected to fall below 3 percent of projected general fund revenues during the current fiscal year, the superintendent shall provide written notification to the district school board and the Commissioner of Education. If such financial condition exists for 2 consecutive fiscal years, the superintendent shall reduce the district's administration expenditures reported pursuant to s. 1010.215(4)(a) in proportion to the reduction in the general fund's ending balance or the reduction in student enrollment, whichever is greater.*
>
> *(2)(a) If at any time the portion of the general fund's ending fund balance not classified as restricted, committed, or nonspendable in the district's approved operating budget is projected to fall below 2 percent of projected general fund revenues during the current fiscal year, the superintendent shall provide written notification to the district school board and the Commissioner of Education. Within 14 days after receiving such notification, if the commissioner determines that the district does not have a plan that is reasonably anticipated to avoid a financial emergency as determined pursuant to s. 218.503, the commissioner shall appoint a financial emergency board that shall operate under the requirements, powers, and duties specified in s. 218.503(3)(g).*
>
> *(b) If any of the conditions identified in s. 218.503(1) existed in the 2015-2016 school year or thereafter, the department shall contract with an independent third party to conduct an*

investigation of all accounts and records to determine the cause of the deficit; what efforts, if any, were made to avoid the deficit; and whether any of the conditions identified in s. 1011.10 have occurred. The investigation must include a detailed review and analysis of documents and records, including, but not limited to, budget reports, journal entries, budget methodologies, staff emails, hard copy records, monthly financial statements, quarterly revenue and expenditure reports, finance staff job descriptions, and minutes from meetings. The results of the investigation must include recommendations for corrective action and controls to avoid a reoccurrence of a future budget shortfall. A final report shall be provided to the district school board, the department, the Legislative Auditing Committee, and the district's financial emergency board, if applicable.

Recently, the administration has been including a statement in the Board packets regarding the impact of each request/decision on the fund balance, but the statement does not include the cumulative impact of these decisions on the overall fund balance.

The financial reports provided to the School Board do not contain adequate information that would allow the Board to regularly monitor financial performance. In addition, during interviews, it appeared that some Board members were reluctant to ask questions about the financial performance of the District as this might cross the line into micromanagement.

The powers and duties of the School Board in regard to fiscal management are found in s. 1001.42(12), Florida Statute. The excerpt below highlights the categorical provisions in the law:

1001.42 Powers and duties of district school board.*—The district school board, acting as a board, shall exercise all powers and perform all duties listed below:*

(12) FINANCE.—Take steps to assure students adequate educational facilities through the financial procedure authorized in chapters 1010 and 1011 and as prescribed below:

(a) Provide for all schools to operate 180 days…

(b) Annual budget.—

1. Cause to be prepared, adopt, and have submitted to the Department of Education as required by law and rules of the State Board of Education, the annual school budget...

2. An individual school board member may request and shall receive any proposed, tentative, and official budget documents, including all supporting and background information.

(c) Tax levies.—Adopt and spread on its minutes a resolution fixing the district school tax levy…

(d) School funds.—Require that an accurate account is kept of all funds that should be transmitted to the district school board for school purposes at various periods during the year from all sources ...

(e) Borrow money…

(f) Financial records and accounts.—Provide for keeping of accurate records of all financial transactions.

(g) Approval and payment of accounts.—Implement a system of accounting and budgetary control to ensure that payments do not exceed amounts budgeted…

(h) Bonds of employees.—Fix and prescribe the bonds

(i) Contracts for materials, supplies, and services…

(j) Purchasing regulations to be secured from Department of Management Services.—Secure purchasing regulations and amendments and changes thereto from the Department of Management Services and prior to any purchase have reported to it by its staff, and give consideration to the lowest price available to it under such regulations…

(k) Protection against loss.—Provide for adequate protection against any loss or damage to school property …

(l) Internal auditor.—May or, in the case of a school district receiving annual federal, state, and local funds in excess of $500 million, shall employ an internal auditor.

(m) Financial and performance audits.—In addition to the audits required by ss. 11.45 and 218.39, may contract with an independent certified public accountant to conduct a financial or performance audit of its accounts and records …

As shown, the monitoring of financial performance is a distinct role and responsibility of the School Board.

RECOMMENDATION

Recommendation 1-6: Establish the required data and financial performance measures to be gathered and reported to the Board in their monthly financial statements; require detailed documentation for any expenditures being brought to the Board for approval, showing that the expenditure is within budget and the impact of each expenditure on the undesignated fund balance.

1.2.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department has no established performance metrics by which the program could be periodically evaluated.

The facilities program includes new construction, renovations, and ongoing maintenance. The District does not have a process, tools, strategies, or measures to evaluate the performance of the Facilities and Maintenance function. The Department also has not established regular internal performance or productivity measures as a way to identify trends and improve efficiency.

The Maintenance function uses a reactive approach to managing the workload. Maintenance staff respond to work order requests as they arrive through the Maintenance work order system, or through phone calls, emails, or text messages. The Department tracks insufficient information in the work order system, making any monitoring of staff productivity, trend analysis, costs and labor hours per job type or other performance metrics impossible.

Effective school districts continuously assess program performance—many through the use of key performance indicators (KPIs). Based on these measures, the department creates a monthly or quarterly report to help the Board and administration understand the volume and quality of the work performed as well as the reasoning and justification for needs as they arise.

Some basic examples of maintenance-related KPIs include:

- Overall work order completion times

- Work order completion times by trade and category
- Labor hours to complete work orders by trade and category
- Cost to complete work orders by trade and category
- Equipment failure rates
- Percent and number of complete/incomplete work order by time period, trade, and category
- Customer satisfaction rates

Tracking key performance indicators allows facilities managers to:

- Evaluate current processes
- Develop effective preventive maintenance schedules
- Avoid equipment failures long before they occur
- Improve maintenance performance
- Reduce unplanned downtime

RECOMMENDATION

Recommendation 1-7: Develop Facilities and Maintenance Department program performance evaluation metrics.

1.2.3 Instructional Technology

OBSERVATION: Neither the Media & Technology Department nor the administration regularly evaluate the Department's performance and/or cost.

Based on interviews and observations, the Media & Technology Department is providing the schools and departments with dependable and responsive services. Users complained about spotty connectivity and slow internet services related to the rural setting, but most individuals felt the Department was doing what they could with the resources at hand.

Yet, neither the Department nor the administration regularly examine empirical evidence of performance or costs; data the Department could use to target and potentially remedy specific areas of concern. For example, because of the rural setting, the District has multiple providers throughout the County. Gathering and reporting downtimes, and trouble calls by provider could be used when working with the providers on solutions, or when selecting providers when options exist.

Cost data is available to evaluate performance. In comparison to its peer districts, GCSD spent more per student on total technology in FY 2023. However, as shown in **Exhibit 1-3**, GCSD spent below the peer average on Instructional Technology and above the peer average on Administrative Technology.

Exhibit 1-3
Peer Comparison of
Technology-Related General Fund Expenditures

General Fund	Gadsden	Jackson	Jefferson	Suwannee	Taylor	Wakulla	Avg w/o Gadsden
Instruction-Related Technology	$290,627	$355,429	$102,147	$673,778	$294,162	$285,212	**$342,146**
Administrative Technology Services	$730,144	$1,034,690	$22,750	$502,173	$392,371	$540,019	**$498,401**
Total	**$1,020,771**	**$1,390,119**	**$124,897**	**$1,175,951**	**$686,533**	**$825,231**	**$840,546**
Student Enrollment SY 2022-23	4,063	6,076	730	5,935	2,783	4,987	**4,102**
Instructional Tech to Student Ratio	$71.53	$58.50	$139.93	$113.53	$105.70	$57.19	**$83.41**
Administrative Tech to Student Ratio	$179.71	$170.29	$31.16	$84.61	$140.99	$108.29	**$121.50**
Total Tech to Student Ratio	**$251.24**	**$228.79**	**$171.09**	**$198.14**	**$246.69**	**$165.48**	**$204.90**

Source: FLDOE AFRs for FY 2023; ratios calculated by Ressel & Associates, April 2024.

A single year's comparison may not be indicative of a spending trend as large purchases of infrastructure in a single year could skew the results. However, since FY 2021, GCSD's ratio of instructional technology to administrative technology has averaged 25 percent instructional to 75 percent administrative, whereas the peer average is closer to 41 percent instructional to 59 percent administrative. This anomaly could also be the result of how expenditures are being accounted for by the administration. Tracking this type of cost information and researching the reasons for the differences could be useful in terms of improving performance and costs.

RECOMMENDATION

Recommendation 1-8: Establish standard operating procedures and a tracking system for gathering and using empirical data to evaluate the Media & Technology Department's performance and costs.

1.2.4 School Safety and Security

OBSERVATION: The Gadsden County Sheriff's Office regularly evaluates the District's Safety performance during its annual school security and risk assessment of each campus.

In August 2023, the Sheriff's Office conducted 11 school security and risk assessments and produced reports. The Sheriff's Office conducts inspections based on the components required by the Florida Department of Education Office of Safe Schools (FLDOE OSS).

The Ressel team examined the school security and risk assessment reports, but for safety of GCSD students, the results of the assessment are excluded from reporting. **Exhibit 1-4** provides examples of the areas the Sheriff's Office evaluated.

Exhibit 1-4
School Security and Risk Assessment Report Areas Evaluated
2023-24

Areas Evaluated		
School Grounds	Parking Lot	Intercom System
Evacuation Routes	Reunification Sites	Classroom Windows/Blinds
Classroom Doors	Halls/Corridors	Cafeterias
Gymnasiums	Surveillance	Athletic Field/Playground
Safety Drills	Active Shooter Drills	Single Point of Entry
Threat Assessment	Crisis Response Team	Hard Corners
Keys	Communication (Two-Way Radios & Telephones)	Warning Signs

Source: Gadsden County Sheriff's Office & Gadsden County Public Schools School Security & Risk Assessment, 2023-24.

The Sheriff's Office provides the reports to the School Safety Specialist and the Superintendent. The Superintendent informs the Board that the Sheriff's Office has conducted the assessments.

1.2.5 Servicing Bond Indebtedness

OBSERVATION: The administration has not conducted an analysis of the amount of outstanding bonded indebtedness or provided related information to the Board.

All information reported to the Board in the budgets, financial statements and audit financial reports is stated in terms of actual dollar amounts of debt outstanding and the dollar amount of payments. The reports provide no analysis of the debt that would give the Board or public an understanding of whether this amount of debt is high, moderate, or low for a district of this size.

The National Center on Education Statistics (US Department of Education) (NCES) explains why financial performance ratios are a useful tool:

> *Analysis of a school district's financial condition is generally based on data elements used to construct a series of ratios that depict the short- and long-term district financial situation. These ratios aid in the interpretation of finance data and are used in financial statements and reports to compare the relationship between financial elements… Most financial statement analysis is directed at the financial soundness of the district through its ability to provide services in relation to the tax structure, tax base, state and local economic climate, supply and cost of staff and resources, enrollment, and demand for services. Reviewing current and past financial indicators in the context of these outside variables can provide some insight into the management decision-making process to maintain the solvency of the district.*

While the NCES report contains many useful ratios, the Debt-to-Asset Ratio is specifically used to evaluate the degree to which a school district has resources necessary to repay its debt. A similar calculation is provided in **Section 4.4.5** of this report.

RECOMMENDATION

Recommendation 1-9: Conduct Debt-to-Asset ratio analysis as a way to evaluate current performance and estimate the impact of future debt on the District's financial position.

1.3 FINDINGS AND RECOMMENDATIONS

Subtask 1-3: 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, internal and external reviews, audits, etc. – Overall conclusion: (Partially Meets)

1.3.1 District Support for Areas Under Review

OBSERVATION: GCSD has not taken timely action to address Auditor General (AG) findings of material weakness and significant deficiencies in the Audited Financial Reports (AFR).

Exhibit 1-5 provides a summary of the Auditor General's FY 2019 through FY 2023 AFRs, with a listing of the findings of material weaknesses and significant deficiencies.

As shown, there are a number of repeat findings highlighted in red. Over budget spending was cited in fiscal year (FY) 2021's AFR (amounts in 10 functional categories of $19,298 to $2,116,809, or a total of $5,597,459 for the General Fund) and again in FY 2022 (in 11 functional categories of $746 to $1,874,044, and the Board did not amend the budget at a subsequent meeting to authorize the over-expended amounts totaling $5,717,150). The CFO said this overspending resulted due to timing of insurance reimbursements – procedurally he said he is asking the Board for budget amendments more frequently. The Ressel team was not able to confirm this through a review of Board minutes.

Another material weakness cited in FY 2022 was the fact that GCSD did not send the required AFR data to the Florida Department of Education or the Auditor General's Office in a timely manner. GCSD did not timely provide the required FY 2023 AFR data, and at this time, the AG's office said they will be unable to complete their audit until the end of May 2024 due to the delay.

The AG cited untimely bank reconciliations as a Significant Deficiency in FY 2021 and FY 2022. During interviews, the CFO said the Superintendent assigned the Assistant Finance Director to complete all FY 2023 bank reconciliation by April 2024; the Ressel team confirmed that the Assistant Director made progress but did not complete the FY 2023 bank reconciliation by April 2024. The CFO stated that the goal is to complete the reconciliations by the end of May 2024.

GCSD's School Board does not appear to have a role in holding the administration accountable for taking corrective actions in a timely manner. Failing to address material weaknesses and significant

deficiencies in a timely manner can erode the public trust in a school district's ability to manage its funds.

RECOMMENDATION

Recommendation 1-10: Establish an Audit Committee of the Board to critically review the Auditor General's audit findings, to hold the administration accountable for taking corrective actions, and establish processes and procedures to prevent recurrences.

Exhibit 1-5
Gadsden County School District
Financial and Federal Single Audit Results
FY 2019 through FY 2022

	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19
Auditor General Report/ Independent Auditor	Auditor General	Auditor General	Auditor General	Auditor General
Type of Auditor's Report Issued – Financial Statements	Unmodified, except for the qualified opinion on the aggregate remaining fund information.	Unmodified	Unmodified	Unmodified
Material Weaknesses –Financial Reporting	Yes	No	No	No
Significant Deficiency – Financial Reporting	Yes	None Reported	None Reported	Yes
Material Non-Compliance – Financial Statements	No	No	No	No
Material Weaknesses – Federal Awards	Yes	No	No	No
Significant Deficiency – Federal Awards	None Reported	None Reported	None Reported	None Reported
Type of auditor's report issued on compliance for major programs	Unmodified for the Head Start Cluster and qualified for the Emergency Connectivity Fund Program (ALN 32.009) and the Education Stabilization Fund (ALN 84.425).	Unmodified	Unmodified	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? (formerly Section 510(a) of OMB Circular A-133)?	Yes	No	No	No

Exhibit 1-5 (Continued)
Gadsden County School District
Financial and Federal Single Audit Results
FY 2019 through FY 2022

Significant Deficiency - Finding No. 2018-001 (2019-001): District controls over cash continue to be deficient as reconciliations of District bank account balances to general ledger account balances were not always performed.

Significant Deficiency - Finding No. 2018-002 (2019-002): Four employees and three contracted consultants had full update access privileges to information technology (IT) applications or components that allowed them to perform functions incompatible or inconsistent with their assigned job responsibilities.

Finding No. AM 2021-001: District procedures did not always limit expenditures to budgeted amounts, contrary to State law, State Board of Education (SBE) rules, and Board policies. As of June 30, 2021, General Fund expenditures exceeded the budgeted amounts in 10 functional categories by $19,298 to $2,116,809, or a total of $5,597,459 for the General Fund.

Material Weakness - Finding No, 2022-001: District procedures could be improved to ensure that the required audit reports of the District school internal funds and DPCU are promptly issued and considered in completing the District financial statements and related audit.

Significant Deficiency – Finding No. 2022-002: District procedures did not always provide for timely bank account reconciliations and postings of corrections to general ledger cash accounts.

Significant Deficiency – Finding No. 2022-003: Two employees had full update access privileges to information technology (IT) applications or components that allowed them to perform functions incompatible with their assigned job responsibilities.

Opinion Qualification, Noncompliance, and Material Weakness – Finding No. 2022-004: The District did not comply with Federal regulations by maintaining inventory records to identify the location of 333 laptops, resulting in Emergency Connectivity Fund program questioned costs of $132,527.

Opinion Qualification, Noncompliance, and Material Weakness – Finding No. 2022-005: The District did not always comply with Federal regulations by maintaining inventory records to identify the location of certain equipment, resulting in ESSER Fund questioned costs totaling $1,565,006.14.

Finding No. AM 2022-001: District financial procedures need improvement to ensure that all components of the annual financial report (AFR) are timely submitted to the FDOE

Finding No. AM 2022-002: District procedures did not always limit expenditures to budgeted amounts, contrary to State law, SBE rules, and Board policies. As of June 30, 2022, General Fund expenditures exceeded the budgeted amounts in 11 functional categories by $746 to $1,874,044, and the Board did not amend the budget at a subsequent meeting to authorize the over-expended amounts totaling $5,717,150.

Red text indicates a repeat finding

Source: GCSD's Audited Financial Reports for Fiscal Years 2022, 2021, 2020 and 2019.

OBSERVATION: GCSD has not taken timely action to address some Auditor General (AG) findings of material weakness and significant deficiencies in the Audited Financial Reports (AFR).

The 2022 AG Operational Audit has the same finding as the previous October 2019 AG Operational Audit regarding the posting of budget information on the District's Website to comply with Florida statutes. In 2024, the District has yet to comply. The Ressel Team found that some administrative procedures were currently being written.

In 2022, the AG report dealt with lack of control over credit cards; in April 2023, the District provided copies of a related administrative procedure regarding credit cards; **Section 1.6** below discusses this issue in greater detail.

The March 2023 AG report includes issues related to several fiscal concerns (e.g., audits, cash balances, bank accounts). The District's response was that they would develop administrative procedures. At the end of March 2024, the administration has not completed the development of those procedures.

As noted above in the Observation relating to the AG findings in the AFRs, GCSD's School Board does not appear to have a role in holding the administration accountable for taking corrective actions in a timely manner. Although the findings in the AG's Operational Audits may not immediately impact the accuracy of the District's financial reports, failing to address the findings in a timely manner can result in lost revenues and further erode the public trust in a school district's ability to manage its funds.

RECOMMENDATION

Recommendation 1-11: Ensure that the District promptly addresses all findings in the AG Operational Audits.

1.3.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department staff regularly receive and resolve externally issued inspection reports.

The types of inspection reports received include fire, alarm, and health. The Department receives the inspections, logs the findings into the work order system, and assigns the issues to the appropriate maintenance trade staff. The maintenance staff prioritize the inspection reports to quickly resolve the issues, or contract with vendors if they cannot solve the issue.

For example, with the fire inspections, the vendor, Fire Prevention Specialists, Inc., conducts the inspections and provides various types of information to GCSD with its reports, including the following:

- Number of Serious Fire Safety Violations
- Number of Non-Serious Fire Safety Violations

- Deficiency Location, including the building number and the room number
- Monthly Fire Drills completed to the date of inspection (Yes or No)
- Statement regarding whether GCSD has met the Fire Safety Code requirements (Yes or No)

Having an independent process ensures the results are reliable. Requiring the resolution of the deficiencies results in safe buildings. The Manual for Public School Facility Fire and Building Safety Inspections from the University of the State of New York, State Education Department Office of Facilities Planning provides multiple resources and best practices for implementing an effective fire and safety program.

RECOMMENDATION

Recommendation 1-12: Continue to incorporate the results of all types of inspection reports into the work order system to resolve the critical issues.

1.3.3 Instructional Technology

OBSERVATION: The Media & Technology Services Department has addressed a repeat Significant Deficiency in the FY 2018 and FY 2021 AFRs, however, the Department has not updated procedures for granting accesses or reviewing access profiles to prevent future recurrences.

The Media & Technology Services Department corrected a repeat Significant Deficiency in the FY 2018 and FY 2021 AFRs regarding there being a limited number of employees with full access privileges to information technology applications or components that allowed them to perform functions incompatible or inconsistent with their assigned job responsibilities. The circumstances that led to the deficiencies were similar. Due to the limited number of staff in Human Resources and Finance, several employees in each department had full access privileges to Human Resources data in Skyward to provide backup when someone was absent or overloaded. The Department granted access at the request of the directors at the time.

As a result, the District circumvented internal controls that would prevent payroll fraud.

The process for granting access to student and academic information systems is well documented and requires appropriate justification and signatures on a form before granting access; the procedure for granting administrative accesses has not changed substantially as a result of the findings. Changes to administrative accesses do not require a form and are generally the result of an email from a director. The Department has also not updated administrative access profiles since the District implemented Skyward in 2018-19.

Best practices include requiring documented and signed requests for new or changed accesses that include a statement of need and conducting annual user access and profile reviews,

Documented and Signed Requests – The requestor should complete and sign a standard form requesting access or changes to accesses; the next level of management should sign off on the

request. The form should also require the requestor to provide justifications for higher levels of access.

User Access Reviews - User access review ensures that each user's access rights to an organization's data and systems are appropriate for their role and tasks — and to prevent access to any sensitive data that is not meant for their role. Supervisors should review the accesses of all of their direct reports and verify that the employee continues to need the same level of access, alert the Department when an employee has changed assignments and requires an adjustment to the level of access, etc.

Profile Reviews – A user profile establishes a standard list of system, program, or application accesses for a category of users. For some employee categories the user may have read only access, whereas another category can edit. For example, all teachers need access to specific applications and programs. If the teacher is a special education teacher, the list of applications and programs may be somewhat different, and this category may have need for specific edit access. Because programs and applications change over time, reviewing the standard list (the profile) is necessary to remove accesses that are no longer applicable or add newly required accesses.

Finally, successful districts document the process and procedure for processing the requests and conducting the annual reviews and distribute those procedures to the user community.

RECOMMENDATION

Recommendation 1-13: Document the procedure for requesting both administrative and academic access and establish an annual review procedure for all user accesses and profiles.

1.3.4 School Safety and Security

OBSERVATION: GCSD has taken reasonable and timely action to remedy the Auditor General safety and security-related findings; they have not, however, implemented a student crime watch program.

The District has implemented solutions to address the 2023 Auditor General findings related to compliance with drills and training requirements, mental health awareness training, and security awareness training. They have also addressed the 2020 AG findings about reporting the school security risk assessment results, and assignment of safe-school officers at each school.

For the 2023 AG findings, the campuses now maintain the crisis response training documentation for drills. The Sheriff's Office validates the completion of these drills through the annual school security and risk assessments. The District has provided the Guardians with training, including youth mental health awareness. The School Safety Specialist developed the crisis response plan related to security awareness, and trained principals. The School Safety Specialist also developed and trained staff regarding the District's reunification plan.

For the 2020 AG findings, GCSD now collaborates with the Gadsden County Sheriff's Office for the security risk assessment. The District now has either a Guardian or a Sheriff's Office School Resource Deputy assigned to each campus.

The District has not addressed the 2020 AG finding about implementing a student crime watch program. The School Safety Specialist said that the District has discussed it, but they do not have a plan to develop the program.

Failing to address AG findings in a timely manner can erode the public trust in a school district's ability to manage the safety of its students.

RECOMMENDATION

Recommendation 1-14: Ensure that the District promptly addresses all findings in the AG Operational Audits.

1.3.5 Servicing Bond Indebtedness

OBSERVATION: Not applicable - No deficiencies observed.

1.4 PROGRAM PERFORMANCE

Subtask 1-4: Evaluate program performance and cost based on reasonable measures, including accepted industry standards and best practices, when available – Overall conclusion: (Partially Meets)

1.4.1 District Support for Areas Under Review

OBSERVATION: Although GCSD evaluated program performance in the academic areas (school improvement plan, transformation plan), the administration gave no evaluation examples for the program areas under review.

The administration has not evaluated the section of the District's Strategic Continuous Improvement Plan -2023-2027 (Strategic Plan) which includes evaluation criteria for the program areas under review **(**see **Section 4.3.1)**, nor cost information obtained in this Strategic Plan.

Overall, the administration has not based performance evaluations for the program areas under review on industry standards and best practices **(**see **Section 1.2** above**)**.

RECOMMENDATION

Recommendation 1-15: Evaluate the program areas under review on a regular basis.

OBSERVATION: The District's financial performance is poor as evidenced by a deteriorating fund balance, late and/or inaccurate reporting to the Florida Department of Education and the Auditor General and inadequate oversight of basic financial functions such as bank reconciliations.

The Business and Finance Department has failed to timely and accurately provide the Annual Financial Report information to the Florida Department of Education and the Auditor General for the last three years.

The CFO said he knew what he needed to do, but due to staffing shortages was not able to take the required action. He has since assigned the task of keeping the Website updated with current budgets for transparency purposes, but the individual said she was not responsible for state reporting. The Superintendent and CFO contracted with a Certified Public Accountant (CPA) to help them pull the FY 2022 and FY 2023 AFRs together and advise the CFO and Superintendent on other financial matters at an annual cost of $25,013 and $21,660, respectively.

The fund balance has gone from 20.1 percent of total revenues in 2019-20, to 3.2 percent of revenues for FY 2024 based on unaudited data.

Further, the Department is not completing specific required fiscal management tasks such as bank reconciliations in a timely manner. The Superintendent has assigned the Assistant Finance Director responsibility for completing all of the FY 2023 bank reconciliations by the end of April. As of May 31, 2024, that task was not completed.

RECOMMENDATION

Recommendation 1-16: Enlist the assistance of an external expert (possibly a former School CFO) to identify the basic fiscal management weaknesses and create an action plan to correct the deficiencies in a systematic manner.

1.4.2 Facilities Planning and Construction

OBSERVATION: The District has not maximized the use of its classroom space.

For the campuses listed in the GCSD's workplan, the actual average FY 2023 classroom utilization is 53.4 percent with an average class size of 11 students. The FY 2023 actual average class size varies from a low of one student at Gadsden Technical Institute to a high of 15 students at Gadsden County High School.

The FY 2023 actual utilization varies from a low of 5 percent at Gadsden Technical Institute to a high of 70 percent at Havana Pre-K-8 School. Although there is capacity in the existing campuses, according to the Florida Inventory of School Houses (FISH) facility inventory report, the District also owns 46 relocatable units (portable classrooms). For example, despite its low classroom utilization of 62 percent, West Gadsden Middle School spent $600,000 on new portable classroom space for the campus to meet the needs of a particular program.

Exhibit 1-6 provides the FY 2023 actual average class size and actual FY 2023 utilization, sorted based on the utilization.

Exhibit 1-6
Capacity Tracking
2022-23

Category	Actual Average 2022-23 Class Size	Actual 2022-23 Utilization	Count of Relocatable Units
Buildings Listed in Capacity Tracking in Work Plan			
Gadsden Technical Institute	1	5%	4
Carter-Parramore Alternative School	3	14%	2
Chattahoochee Elementary	6	31%	1
James A Shanks Middle School	13	60%	0
West Gadsden Middle School	12	62%	6
Greensboro Elementary (New)	13	65%	10
Gadsden County High School	15	65%	0
Havana PK-08 School	13	70%	0
Average	**11**	**53.4%**	
Buildings Not Listed in Capacity Tracking in Work Plan			
George W Munroe Elementary			9
Gadsden Elementary Magnet School (Old)			2
Stewart Street Elementary			8
MD Walker Administrative Center			4
Total Relocatable Units			**46**

Source: GCSD Work Plan, 2022-23; Florida Inventory of School Houses Facility Inventory Report, February 2024.

Without managing and controlling the use of the classrooms and other spaces in the building, the District is not maximizing its space. Building space utilization includes evaluating data such as the total available square footage, the cost per square foot, the total number of staff and students, and the ideal space per staff and students. The Florida Department of Education Office of Educational Facilities released the "State Requirements for Educational Facilities" in 2014 that provides information regarding the building's space requirements.

RECOMMENDATION

Recommendation 1-17: Prior to purchasing additional portable classrooms, evaluate the availability of and maximize the use of existing classroom space.

1.4.3 Instructional Technology

OBSERVATION: GCSD's Media & Technology Department is accessing external resources and using those available resources effectively.

The District's aging facilities and rural setting impact the District's connectivity; improving connectivity is a priority need. The Department created a long-range plan that included hardware and infrastructure improvements at select schools with the greatest needs. To meet these needs, GCSD has aggressively sought grants and external funding for technology.

The District used the original CRRSA ESSER II technology monies of $740,700 to enhance technology throughout the District. When additional ESSER funding became available, the Department accessed the funds to address the goals in their long-range plan to replace switches and improve the connectivity throughout the District starting with the schools with the greatest needs. In all, GCSD dedicated $2.2 million in ESSER funds to address known technology needs that the District could not otherwise finance with existing resources.

As shown in **Exhibit 1-7**, the Department consistently applies for and receives approximately $450,000 annually in E-Rate funds in the following categories:

Category 1
- Internet usage
- WAN leasing

Category 2
- Hardware purchases (servers, switches, UPS)
- Managed services

Exhibit 1-7
GCSD History of E-Rate Requests and Commitments
FY 2021 through FY 2023

Provider	Category	2023		2022		2021	
		Original Request	Current Commitment	Original Request	Current Commitment	Original Request	Current Commitment
PC Solutions & Integration, Inc	Category 2					$174,624	$0
Comcast Business Communication	Category 1	$21,816	$21,816	$21,816	$21,816	$21,816	$21,816
Quincy Telephone Company, FL	Category 1	$8,586	$8,586	$8,586	$8,586	$8,586	$8,586
Quincy Telephone Company, FL	Category 1	$224,154	$224,154	$224,154	$224,154	$224,154	$224,154
Dell Marketing, LP	Category 2			$97,508	$97,508		
Applied Comtek, Inc	Category 2	$102,000	$102,000	$111,563	$111,563	$31,875	$31,875
Intratech Alliance Corp	Category 2	$71,400	$71,400	$11,050	$11,050	$11,390	$11,390
Total		**$427,956**	**$427,956**	**$474,676**	**$474,676**	**$472,445**	**$297,821**

Source: Media & Technology Department E-Rate Reports, 2021, 2022, and 2023.

Some of the E-Rate monies are being used to pay for a contractor to install the hardware purchased with ESSER funds. Overall, GCSD has aggressively sought external funding to meet the goals and objectives set out in the Department's long-range plan.

1.4.4 School Safety and Security

OBSERVATION: The District's safety performance is effective based on changes that the School Safety **Specialist has implemented. Of significance, the District has trained Guardian positions to ensure coverage at each campus.**

The District employs seven Guardians and contracts with the Sheriff's Office for three School Resource Deputies. An Auditor General finding reflected on the noncompliance of safe school

officer (Guardians) training. The School Safety Specialist is a certified Safe Schools trainer. She trained the Guardians.

In addition, the School Safety Specialist has managed the performance of the Safety and Security Department effectively by addressing the following requirements of the FLDOE OSS:

- Prepared the Florida Safe Schools Assessment Tool (FSSAT)
- Implemented a mobile panic alert system
- Established a threat management team at each campus
- Hired a trained School Safety Specialist for the District
- Developed School Board-adopted plans for assailant and family reunification
- Held regular emergency drills at each campus
- Conducted annual school and District risk assessments
- Reported safety incident data

OBSERVATION: The Safety and Security Department has a procedure for security-related Memorandums of Understanding (MOU) with other public entities to maximize the cost of these services.

In 2023, the Superintendent and the Mayor of the City of Gretna jointly signed an MOU for the City to provide sheltering and mass care facilities in the event of an evacuation of GCSD students and staff. The MOU establishes the terms of use of a specific city facility. For the safety of the students, the MOU provides that contact between the two entities is confidential and not subject to public disclosure. The MOU states that the District will not pay any operational or administrative fees to the City.

In 2023, the District formed an agreement with the Gadsden County Sheriff's Office to provide three deputy sheriffs to each serve as a School Resource Deputy (SRD) on the campuses. The agreement sets the hourly rate as well as the role of the SRD in the campuses.

Coordinating with public entities is a strategy employed to control the costs of services.

1.4.5 Servicing Bond Indebtedness

OBSERVATION: Based on approximately $1 million in current bond indebtedness, the District is within acceptable debt ratios.

On June 30, 2022, the District had total long-term debt outstanding of $1.17 million related to bonds payable with projected annual payments of $201,366 projected during FY 2023 through FY 2028.

This debt equates to 1.9 percent of total revenues (all funds) as compared to a Florida State standard/goal of 6 percent of total revenues.

See **Section 4.4.5** of this report for additional details on the calculations**.**

1.5 CASE STUDIES OF PAST PROJECTS

Subtask 1-5: 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 – Overall conclusion: (Partially Meets)

OBSERVATION: Two of the three projects examined are not complete due to inadequate advance planning and/or a lack of funding. Once projects begin, maintenance and construction oversight and management are effective. The Facilities and Maintenance Department also coordinates with the Finance Department for the procurement oversight of the projects.

Case Study 1

Havana Magnet Door Replacement

Project Description: The project was to remove the existing doors and replace them with a different type of door that had a magnet-style lock to ensure the doors would lock properly. The security of the campus was a concern that the District identified during safety walk-throughs.

In September 2022, the Finance Department issued a Request for Proposal (RFP) for the door replacement project. One vendor, Moore Doors & Specialties, Inc. responded with a proposal for $189,010. The Facilities and Finance Departments presented the results to the Board, who approved the project. The vendor successfully completed the project in November 2022 for the proposed $189,010. The result is a safer Havana Magnet School.

The District identified the campus safety issue in June 2021. They had planned to use one source of funds, but the initial cost estimates to replace the doors exceeded the amount of funding available. The District then put the project on hold until additional funding became available. Once the ESSER II Lump Sum funds were available in September 2022, the District then proceeded with the project. They identified and planned this critical facilities maintenance project, but the lack of funding resulted in the District being unable to implement the project as soon as it was needed.

Project Start Date: November 2022
Project End Date: September 2023
Projected Project Cost: $189,010
Final Actual Project Cost: $189,010
Project Cost Variance: $0
Location: 1210 Kemp Road Havana, FL 32333
Land Size: N/A
Building/Addition Size: N/A
Construction Type: Door Removal and Replacement
Funding Source(s): ESSER II Lump Sum

Case Study 2

Stewart Street Elementary School HVAC Renovation

Project Description: The project is to replace the old HVAC with a new type of HVAC system to improve the air quality for students and staff. The Facilities Department reported that parts to maintain the old HVAC were difficult to locate.

The project began in November 2023 and as of the Ressel team's onsite in March 2024, the project was ongoing. The Facilities Department has estimated October 2024 as the projected completion.

The District engaged an architect, Clemons, Rutherford & Associates, and engineer, Tomahawk Engineering & Consulting, Inc., through its continuing services contracts to develop a design for the new HVAC system.

The Finance Department posted an RFP in March 2023. The Department received a proposal from two vendors. The Board approved the selected vendor, Southland Contracting, Inc. and structured the contract to have the architect oversee the vendor as the construction manager. The project has an estimated cost of $3,825,683. To date, the District has paid the construction manager 6 percent of the project total, or $229,541.

The Facilities Department project planning did not fully consider all the factors to complete the project. The initial funding estimate did not consider the electrical upgrade that would also be needed to be able to complete the HVAC system upgrade. As a result, the District had to revise the project plan which the Board approved.

Designating an adequate funding plan for the project will ensure its timely completion and once completed, the appropriate funding to maintain the new HVAC system. The District should have developed the full cost of the project rather than attempting to complete it in stages with different vendors.

Project Start Date: November 2023
Expected Project End Date: October 2024
Projected Project Cost: $3,825,683
Final Actual Project Cost: To be determined
Project Cost Variance: Unknown at this time
Location: 749 South Stewart Street Quincy, FL 32351
Land Size: N/A
Building/Addition Size: N/A
Construction Type: HVAC Renovation
Funding Source(s): ESSER II

Case Study 3

Facilities Maintenance Renovation

Project Description: The project was to renovate the existing Facilities Department building that Hurricane Michael partially destroyed in 2018. In February 2023, the first phase of the project began. The first phase was to renovate the main office to ensure the staff have adequate and appropriate space. The District has completed Phase I and the staff are operating from the new space. Phase II of the project has begun, including asbestos testing as well as testing for wood destroying organisms. A component of Phase II includes razing a section of the building that cannot be repaired. As of the Ressel team's onsite in March 2024, the Phase II part of the project was ongoing.

The District submitted and received insurance proceeds, as well as FEMA funds of approximately $8million. The District used these funding sources to complete the first phase of the project at a cost of $880,168. The Facilities and Maintenance Department has paused the completion of Phase II as the available funds were needed to complete school repairs. Phase II will be undertaken when the District identifies additional funding. e.

In June 2022, the Finance Department issued an RFP for the first phase of the project. The evaluation committee included both Facilities and Finance Department staff. They evaluated the five proposals, recommended the selected vendor and the Board approved the contract.

The District can complete Phase II of the project once additional funding is identified.

Project Start Date: February 2023
Expected Project End Date: In Progress
Projected Project Cost: $880,168
Final Actual Project Cost: To be determined
Project Cost Variance: Unknown at this time
Location: 805 South Stewart Street Quincy, FL 32351
Land Size: N/A
Building/Addition Size: N/A
Construction Type: Renovation Maintenance
Funding Source(s): Hurricane Michael FEMA Insurance

Effective repair and renovation planning in schools includes:

- An assessment and prioritization of the critical needs for the project – giving priority to the health and safety components of a project – what must be done and what can be done later if necessary. Requests for Proposal and Quotations from professionals can assist the district in developing the most reasonable approach.
- A detailed budget plan that estimates the components required to complete the project – obtaining estimates and proposals for different approaches, materials and the like can significantly impact the budget. In addition, planning the project within the budgetary constraints requires prioritization of project components.

- An in-house risk assessment to identify possible risks and adopting plans for mitigating those risks Planning for contingencies to mitigate risks such as rising costs for materials and labor, identification of related project components that could prevent full implementation, change orders that could result in overbudget conditions, etc.

Advance planning can reduce the need to halt projects in mid-stream and mitigate health and safety concerns that may result when a project is halted mid-stream.

RECOMMENDATION

Recommendation 1-18: Conduct comprehensive project planning prior to undertaking a project including an analysis of the available funds, an assessment and prioritization of the most critical needs and a risk assessment to critically plan for contingencies such as those encountered with the HVAC replacement project.

1.6 COMPETITIVE PROCUREMENT

Subtask 1-6: Determine whether the program has established written policies and procedures to take maximum advantage of competitive procurement, volume discounts, and special pricing agreements – Overall conclusion: (Partially Meets)

OBSERVATION: Purchasing policies exist, however there are no documented procedures for departments or schools to use in making purchasing decisions.

District Policies #7.70 Purchasing and Bidding; and #7.71 Selecting Professional Services for Capital Outlay provide guidance on the competitive procurement processes. Although there is a Purchasing Agent in the Business and Finance Department who advertises competitive procurements and serves on the bid opening and evaluation teams, the departments and schools are responsible for obtaining quotes, creating the initial solicitation documents when applicable, etc.

According to the Purchasing Agent and CFO, they seldom consult legal counsel for assistance during the competitive procurement process; on large construction projects legal guidance is available and occasionally used. The CFO said he monitors and reviews competitive procurement documents and provides guidance when needed.

GCSD has limited documented procedures for the receipt of goods or services and the authorization to pay invoices, but GCSD has not fully implemented the receiving function in Skyward. As a result of the manual receiving and invoicing process, GCSD has paid invoices late; for example, a review of legal invoices revealed that some were paid two and three months late. According to staff, the CFO is asking that they fully implement the Skyward upgrade by the end of May. In the meantime, the receiving process is manual. This new procedure will require training and instruction for staff throughout the District.

Board policy documents purchasing thresholds, however the policy contains references to Florida Statutes and exceptions that are in some cases difficult for a lay reader to navigate. In the absence of

clearly documented procedures, the risk that schools or departments will unknowingly violate Board policy or state purchasing guidelines and laws increases.

Most districts with a decentralized or partially decentralized purchasing function have a simple to read purchasing manual, with illustrations to guide the user through the process. For example, **Exhibit 1-8** provides a general overview of the competitive procurement thresholds extracted from GCSD policy, a chart presentation that many districts use to guide department and school staff in the process.

RECOMMENDATION

Recommendation 1-19: Create a Purchasing User Guide with simple to read and understand instructions for department heads, bookkeepers, and general employees to use when initiating and receiving goods or services.

OBSERVATION: The District issues corporate credit cards to a limited number of staff and Board members, however the monitoring process lacks strong controls.

School Board Policy #7.361 authorizes corporate cards, which can be issued to Board members as well as staff. In March 2024, there were 13 outstanding credit cards issued to staff and Board members; each card has a $5,000 limit.

The District provided a copy of an administrative procedure for Corporate Credit Cards containing general statements about the use of the cards, with the following processing procedures:

- Retain all original receipts
- Prepare a procurement form within 48 hours of the original receipt
- Attach procurement form to original receipts
- Obtain the card holder signature on the procurement form
- Cardholder or designee must submit the procurement form and receipts to invoices@gcpsmail.com

During interviews, the assigned staff said the credit card bill is paid in full prior to an examination of the individual charges; if discrepancies are found in the bills or if unauthorized purchases appear on the bill, the assigned staff member reports the issue to the CFO who attempts to resolve the issue with the employee. While this is a common practice, as credit card companies are not concerned with internal procedures and expect prompt payment, effective districts document abuses, aggressively seek reimbursement from employees who make unauthorized purchases or do not provide the required documentation, and revoke privileges when appropriate. The Ressel team found no evidence of the administration taking corrective actions.

The Auditor General's 2023 Operational Audit contained a finding concerning credit card purchases; for the year reviewed, card holders made $174,000 in credit card purchases.

The audit identified:

- 22 transactions totaling $29,265 were unrelated to business travel and 10 of these transactions totaling $13,082 were not supported by credit card receipt (CCR) forms.
- Cardholders untimely submitted CCR forms supporting 12 credit card transactions totaling $12,670, ranging from 3 to 75 days late or an average of 24 days late.
- CCR forms were not provided for the remaining 19 transactions totaling $19,965.

The AG recommended that GCSD designate an employee to monitor credit cards, create a credit card agreement form, and write procedures to include specific control elements.

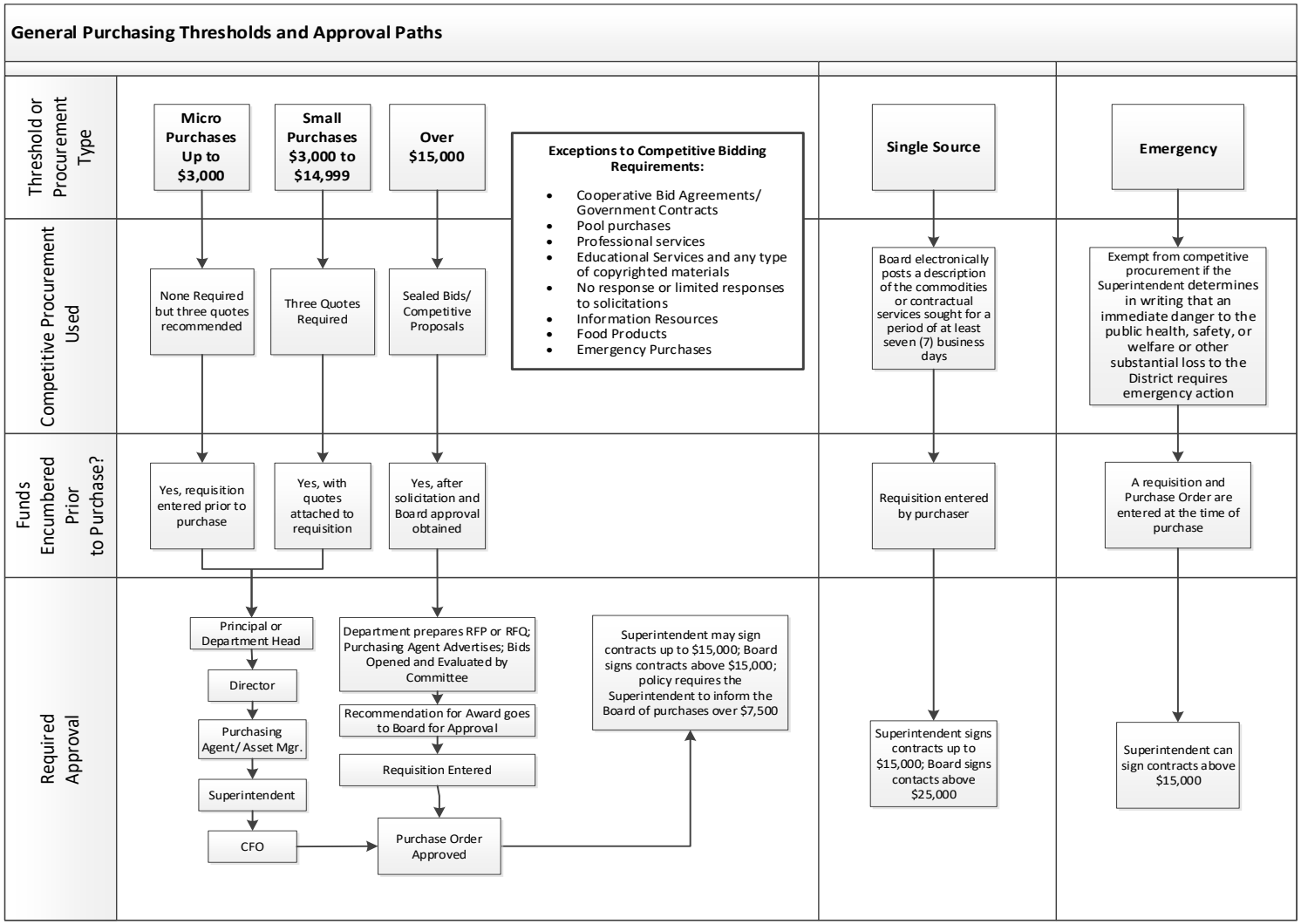
Although GCSD has made progress by assigning a staff member to review the credit card bills and has created an agreement form, the administrative procedures remain in draft and the monitoring process, which occurs after the bills are paid, is not clearly defined.

Many districts have a clearly defined process for obtaining reimbursements from card holders for ineligible purchases, or purchases where no documentation is provided. Further, many districts have a more stringent and well-defined corrective action path to deal with cardholders that misuse the cards. For example, a first offense may result in documentation of the event, a second or third offense would result in Superintendent involvement in a formal corrective action plan, and/or revocation of the card; egregious acts could result in employee termination.

RECOMMENDATION

Recommendation 1-20: Complete the administrative procedures to comply with AG recommendations, implement a more stringent monitoring process that includes documentation of discrepancies, and invoke disciplinary actions for repeat offenders.

Exhibit 1-8
GCSD General Purchasing Thresholds and Approval Paths



Source: Compiled by Ressel & Associates from Board Policy, April 2024.

OBSERVATION: The Purchasing Agent (Chief Accounting Clerk for Purchasing) controls the competitive procurement process from the time that a department or school identifies the need to make a purchase for $15,000 or more.

As shown in **Exhibit 1-8**, once the need for a competitive sealed bid is determined, the Purchasing Agent works directly with the department or school staff to gather information on the scope of work and other information that Purchasing Agent will need for the Request for Proposal (RFP) or the Request for Quotation (RFQ). Once the RFP or RFQ is drafted, the Purchasing Agent initiates the postings and advertising requirement required by law. RFPs and RFQs are put in the newspaper, on the District Website, and the Department has an email list of vendors who have expressed interest in bidding on certain Facility and Maintenance goods or services.

She is also responsible for receiving and opening sealed bids and working with the evaluation committees to ensure that the committee conducts and documents the evaluation process appropriately. Once the evaluation committee makes a recommendation, the Purchasing Agent places the item on the Board Agenda and prepares a packet of information containing the bid documents and the committee's evaluation and recommendation.

Finally, following the contract signing, the Purchasing Agent maintains the contract files and sends a copy to the department or school.

GCSD's centralized control of the competitive bidding process provides the District assurance that the legal requirements for the process are followed and reduces the risk of vendor disputes that can delay the issuance of a contract until the dispute is resolved.

OBSERVATION: The District uses blanket purchase orders for frequently purchased items that are not available on a state contract and has set up local vendor accounts when staff have repeated need of goods or services from these vendors.

If cumulative purchases from a vendor not on state contract exceed the $15,000 threshold, the Purchasing Agent indicated that they work through the competitive bidding process and issue a blanket purchase order. Some of the blanket purchase orders are issued for local vendors that are frequently used by staff for spot purchases; this is particularly true for Maintenance; however, school employees also make spot purchases at Staples and Office Depot for example.

By setting up these blanket purchase orders, the District remains in compliance with local policy and state purchasing guidelines, while easing some of the paperwork burden for staff.

OBSERVATION: The Facilities and Maintenance Department lacks procedures to ensure the District is maximizing the opportunity for fuel volume discounts as the Maintenance vehicles receive fuel from a different vendor.

For FY 2024, the District shifted its Maintenance vehicle fueling source from the District's Transportation facility to a private provider, Hinson Oil Company. Maintenance staff said the shift was due to an outdated Fuel Master system at the Transportation Department. As a result, the District could not identify the amount of fuel that either the Facilities and Maintenance Department

or the Transportation Department were using for each of its fleet. GCSD staff did not analyze the cost differences prior to shifting to the new provider. The Transportation Department budget includes the fuel expenditure for both departments. Since the on-site visit, the review team was told that the Master Fueling system has been repaired, however the Facilities and Maintenance Department continues to use the new provider. While no cost-benefit analysis has yet been done the assumption is that the District receives volume discounts for fuel when all fuel purchases are combined.

Effective organizations regularly conduct comprehensive cost-benefit analyses to ensure the Department procures the best price available.

RECOMMENDATION

Recommendation 1-21: Conduct a cost-benefit analysis to determine if the District is receiving the lowest price available for fuel used in its vehicle fleet.

OBSERVATION: The District shifted to a direct purchase method rather than through the contracted vendor resulting in a sales tax savings.

GCSD has an ongoing project to replace the Stewart Street Elementary HVAC. They engaged an architect, Clemons, Rutherford & Associates, and engineer, Tomahawk Engineering & Consulting, Inc., through its continuing services contracts to develop a design for the new HVAC system. The architect oversees the construction manager, Southland Contracting, Inc. The project has an estimated cost of more than $3.8 million.

In FY 2024, the Director of Facilities requested to revise the construction manager's contract to allow GCSD to directly purchase the Stewart Street Elementary HVAC unit rather than the construction manager purchasing the HVAC unit. With this method, GCSD would reduce the overall cost of the HVAC unit. Of the total project cost of more than $3.8 million, the estimated cost of the HVAC unit is $1.5 million and $112,500 (7.5 percent) is the projected sales tax. GCSD has not used this method on other large purchases and could potentially realize significant savings.

As a public entity, GCSD does not pay sales tax on its purchases. School districts who directly purchase items can reduce additional taxes imposed on private vendors, but not on public entities.

RECOMMENDATION

Recommendation 1-22: Where possible, directly purchase the large components of construction projects to reduce the overall project cost by not paying sales tax.

OBSERVATION: The approval paths for approving requisitions in Skyward are outdated and, in some instances, do not require approval by the correct departments or program areas.

Although Board Policy #4.22 Educational Media Materials Selection states, "*All technology software and equipment should be vetted through the media and technology department prior to purchase to ensure compatibility with system standards and infrastructure*", staff said that schools send less than 50 percent of the purchases to them for pre-approval.

Prior to entering purchases made with federal dollars and IT purchase requisitions into Skyward, staff obtain manual approval from their department heads or school principals; once they enter the requisition into Skyward, the department heads, directors, and others approve the requisition; the CFO and Superintendent make the final approval for all purchases. From the time staff enter the requisition, the approval process takes one to two weeks before approvals are complete and Skyward generates a purchase order.

Each of the approvers has an agenda related to their approval, such as verifying budget funds. The approvers, however, may not be determining whether the purchase meets the established operational criteria, as is the case for technology-related purchases and purchases made with certain Title funds. For example, the approval paths in Skyward are not set up to allow the Media & Technology Services Department to provide final approval for hardware and software prior to the issuance of a Purchase Order (PO).

Staff said the former administration set up the approval paths at the time they implemented Skyward.

Using the system controls in Skyward to route requisitions for preapproval is an effective way used by most districts to control the purchase of goods or services from given accounts.

RECOMMENDATION

Recommendation 1-23: Re-examine the purchasing approval paths in Skyward and modify the paths to eliminate the need for manual preapprovals; ensure that the appropriate individuals/departments examine and approve the purchases before the purchase order is issued; and reduce the approval time to days rather than weeks.

CHAPTER 2: PROGRAM DESIGN AND STRUCTURE

2.0 PROGRAM DESIGN AND STRUCTURE

Chapter 2 presents findings related to program design and structure. As part of the audit, Ressel & Associates examined the organization and management structure of the District as a whole and the component units within the organization that are now or will be responsible for the program areas identified in the Surtax Resolution including Facilities and Maintenance, Safety and Security and Technology. The examination included contracted and other external services that are now or will be used in the implementation of the projects outlined in the Resolution.

The specific audit evaluation tasks performed include.

2.1 ***Organization Structure*** *- 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; and*

2.2 ***Staffing Levels*** *- Assess the reasonableness of current program staffing levels given the nature of the services provided, program workload, and accepted industry standards and best practices.*

Finding on program design and structure: Partially Meets

The organizational structure at the districtwide level and in the technology and safety and security program areas are appropriately aligned with few overlapping functions. The Facilities and Maintenance Department currently has unclear lines of authority as the new Director focuses his attention on Construction Management. The Business and Finance Department has experienced turnover which has left the Department fragmented. Ressel & Associates recommends a reorganization of these two departments to ensure clearly defined units and lines of authority.

Staffing levels appear to be in line with industry standards in the program areas under review. GCSD uses contract services effectively to supplement staffing when the program areas need additional expertise.

Findings by Research Subtask:
Subtask 2.1 - *Organization Structure – Partially Meets*
Subtask 2.2 - *Staffing Levels – Meets*

2.1 ORGANIZATION STRUCTURE

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 – Overall conclusion: (Partially Meets)

2.1.1 District Support for Areas Under Review

OBSERVATION: The overall District organization structure appears to be appropriately aligned with few overlapping functions and a reasonable span of control.

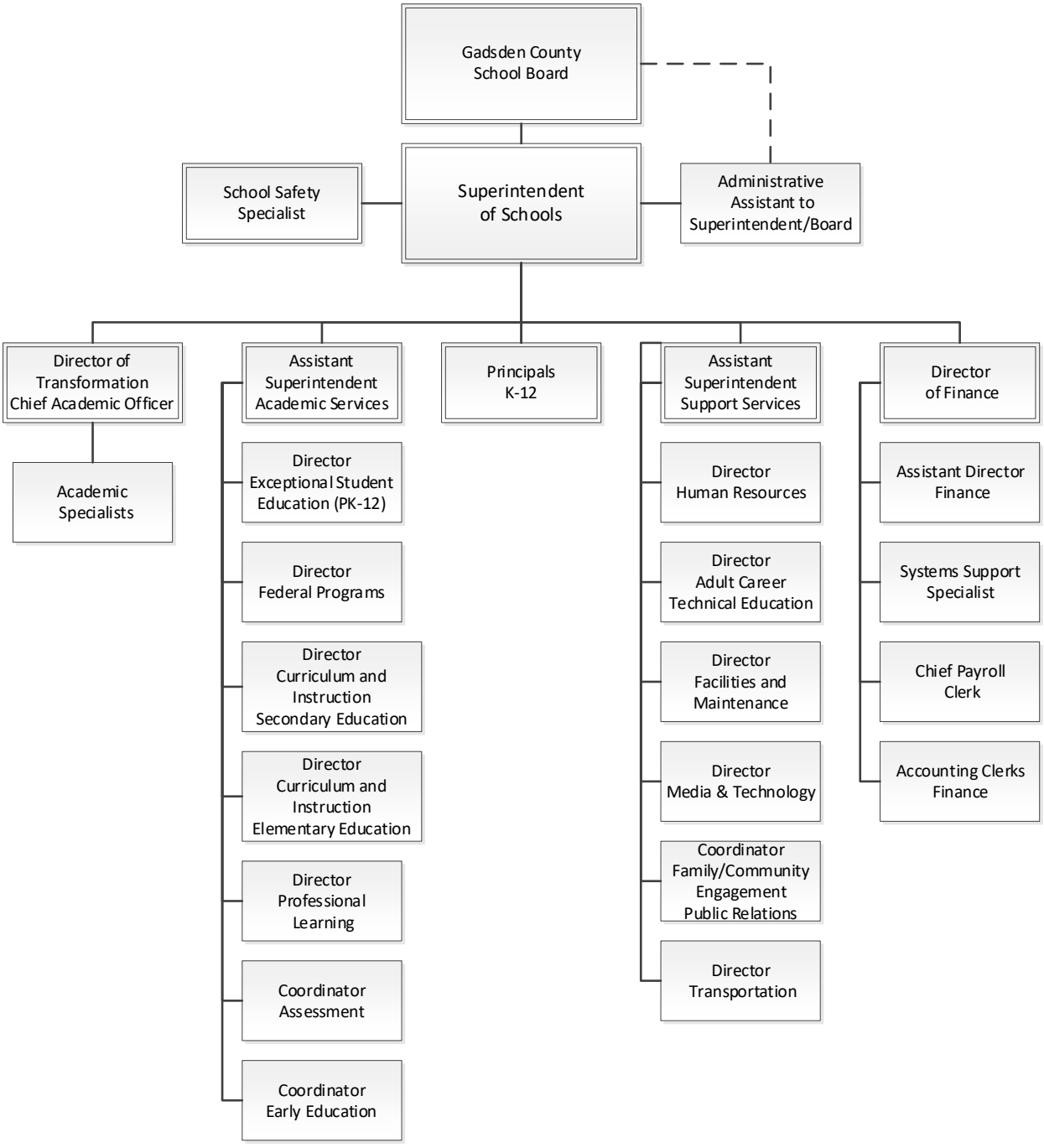
The School Superintendent in the Gadsden County School District is an elected position. The current GCSD Superintendent, Elijah Key, is nearing the end of his first four-year term.

As can be seen in **Exhibit 2-1,** the Superintendent has six direct reports in the central office and also principals at the schools. The two Assistant Superintendents separately oversee the operational and instructional functions.

- Each senior manager has a manageable number of direct reports. With the exception of the School Safety Specialist and Director of Transformation each have between four and seven direct reports.
- GCSD added two administrative positions in the past two years; each reporting to the Superintendent.
  - In 2023, as required by Florida statute, GCSD hired a School Safety Specialist.
  - In 2022-23, the Director of Transformation and the Office of Transformation was added. As a result, three of the five low-performing schools are now C schools or above.

Exhibit 2-1 shows the current districtwide organizational chart for the central office in the Gadsden County School District.

Exhibit 2-1
Gadsden County School District
Organizational Chart
2023-24 School Year



Source: Created by Ressel & Associates based on information from GCSD, 2024.

As shown, the GCSD organizational structure has no overlapping functions or excessive administrative layers; the structure is consistent with best practices seen in other small school districts.

OBSERVATION: The hourly cost of legal per hour services at $125 per hour is reasonable compared to an average of over $200 in other small districts.

The Board has the following three Board policies on legal services:

Policy 240 LEGAL COUNSEL – BOARD states:

> *The School Board shall obtain an attorney, from outside its own membership, who shall act as legal advisor to the Board and the Superintendent. The Board shall provide a written contract for its attorney which shall specify duties and responsibilities for the duration of the contract with renewal and termination provisions and compensation to be paid. Special counsel may be retained to assist the Board attorney in any litigation or other matter when specifically approved by the School Board.*

Policy 2.41 LEGAL COUNSEL – SUPERINTENDENT states:

> *The Superintendent shall have the authority to obtain, with Board approval and at its expense, an attorney to represent him/her in any legal matter regarding the performance of his/her duties when special counsel is needed beyond the service normally rendered by the School Board attorney,*

Policy 2.42 LEGAL SERVICES FOR EMPLOYEES states:

> *(1) The School Board shall provide legal services for any School Board member or employee who is sued for any action arising out of or in the course of employment by the District.*
>
> *(2) Legal services for School Board employees shall be provided only upon the Superintendent's and Board's determination that the employee was at the assigned place of duty and was not guilty of willful neglect of duty, gross negligence, or improper conduct.*

GCSD has received comprehensive legal services through the Ausley & McMullen Law Firm in Tallahassee since 1991. In some cases (for example, grievance and negotiations) the firm subcontracts with other law firms. Ausley and McMullen monitor and invoice each of these special legal contracts. The Superintendent approves all legal bills prior to payment.

In addition to the School Board attorney, the Panhandle Area Educational Consortium (PAEC) attorney provides legal support for Board policy revisions as part of the District's contract with PAEC.

The agreement/contract with the law firm states:

> *This agreement should remain in effect until such time as either of the parties serves written notice on the other party, terminating this agreement.*

The former administration signed the current agreement in 2008.

RECOMMENDATION

Recommendation 2-1: Review and update the current legal contract.

OBSERVATION: The financial management function is undergoing changes resulting from staffing turnovers and reassignments, which has led to a fragmentation in leadership oversight and the misalignment of some functions.

The Chief Financial Officer (CFO) has the final approval for almost all finance-related transactions including purchasing, issuance of checks for payroll and accounts payable, journal entries, revenue recognition, and movement of money between accounts.

The Business and Finance Department was managed for many years by a stable staff of employees. When the former Director of Finance retired in June 2021, the current CFO arrived in July 2021 as the Interim Finance Director and was named CFO in 2023. During this transition period, a number of staff left the District and new staff were hired. According to the CFO, in 2022 there were only four employees to run the entire department. As a result, he indicated that they were unable to meet the September 2022 due date and were unable to submit the Annual Financial Report until January 2023.

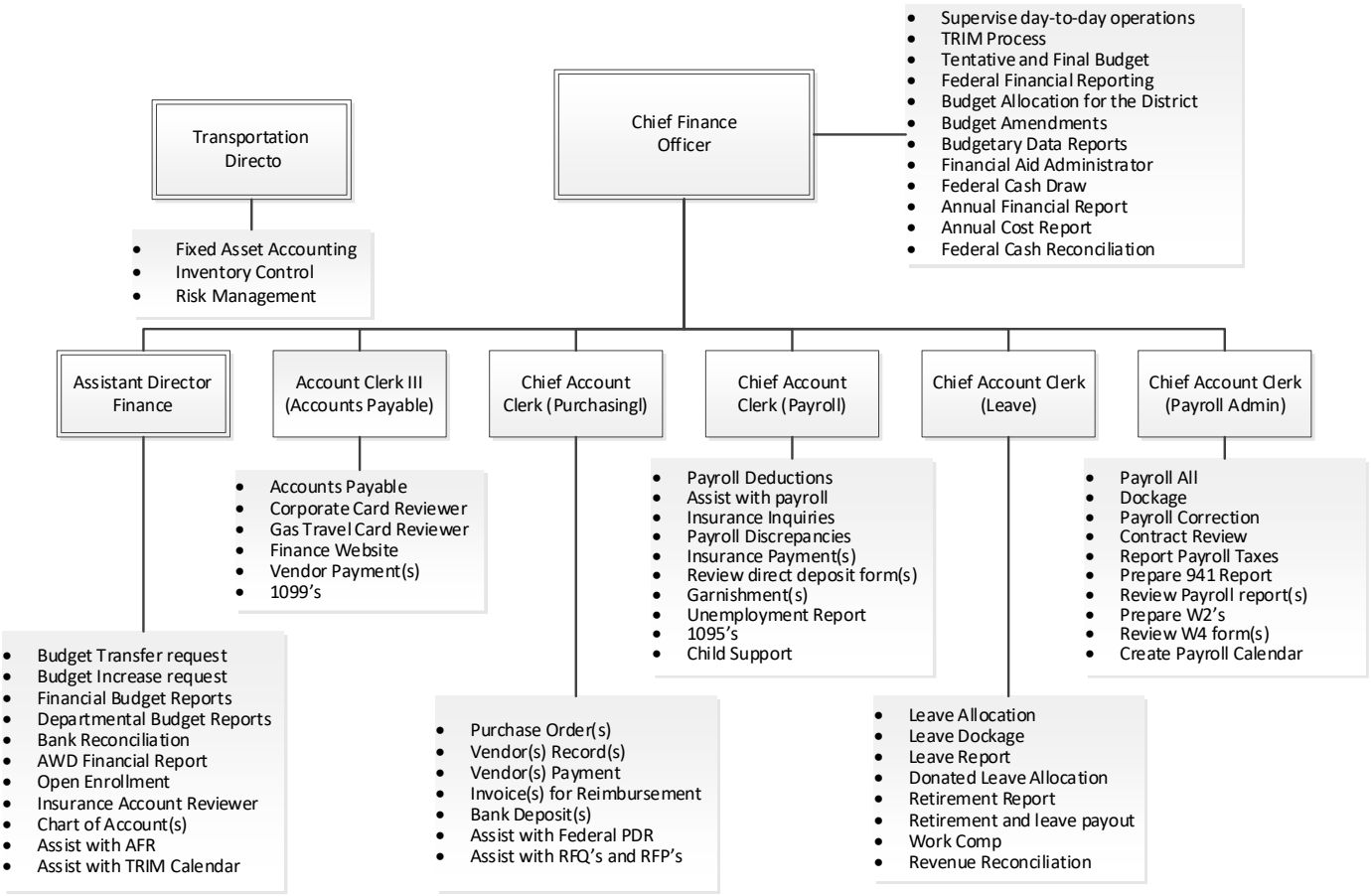
The District hired an Assistant Director of Finance within the last year to support the CFO. This position, however, has no direct reports and is assigned tasks/functions with little departmental management responsibility. The responsibility level for the Assistant Director position is similar to the level of responsibility for the Chief Account Clerk position for Payroll and Purchasing.

Purchasing is partially decentralized with department heads and principals being responsible for the initiation of competitive procurements and the writing of RFP or Request for Quotation (RFQ) documents. The Chief Account Clerk for Purchasing, also referred to as the Purchasing Agent, is responsible for advertising and oversight of the bid opening process. This individual also serves as backup for the accounts payable function.

Exhibit 2-2 illustrates the financial management function including the seven employees assigned to the Business and Finance Department and the asset and risk management function assigned to the Transportation Director.

As shown above, the asset and risk management functions for the District are the responsibility of the Transportation Director, who was formerly the Safety Coordinator, with little or no direct oversight from the CFO. The Transportation Director is responsible for monitoring purchases above the fixed asset dollar threshold to determine if they should be recorded as a fixed asset. He is also responsible for monitoring technology purchases that he then records in the Asset Tiger system used to track technology-related equipment and devices.

Exhibit 2-2
Financial Management Function



Source: Chief Financial Officer, April 2024.

Based on Auditor General findings and the need for better monitoring and oversight, the CFO assigned certain required reporting duties to staff. For example, following noted instances of non-compliance, the CFO assigned the Account Clerk III for Account Payable to maintain the Finance Website to ensure compliance with s. 1011.035, Florida Statutes, School District Budget Transparency requirements.

While it is not unusual for staff in smaller districts to have multiple roles, all lines of authority and approval end with the CFO. However, GCSD's organization structure is fragmented and, as a result, the financial management function is not operating efficiently.

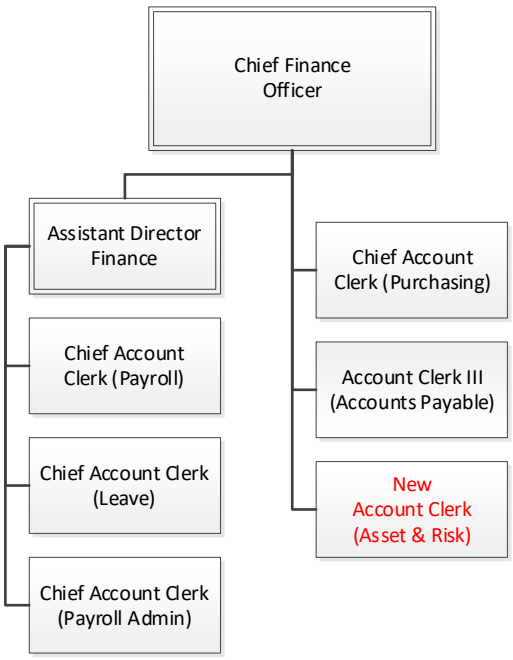
RECOMMENDATION

Recommendation 2-2: Reorganize the Business & Finance Department to align functions, give more authority and management oversight to the Assistant Director, and bring the asset and risk function under the Department's umbrella.

The three primary functions of the Business & Finance Department include Payroll, Purchasing and Accounts Payable and Budget/Accounting. **Exhibit 2-3** illustrates the recommended changes:

- The CFO and Assistant Director continue to share the Accounting and Budgeting functions.
- Assign the Assistant Director management oversight for the Payroll functions
- The CFO continues to have oversight of the purchasing and accounts payable functions
- Identify a qualified central office employee to assume the Asset and Risk Management role and align that position with the purchasing and accounts payable functions for continuity; the Director of Transportation will provide training.

Exhibit 2-3
Proposed Business and Finance Organization



Source: Compiled by Ressel & Associates, May 2024.

The individual duties of the Account Clerk positions may change under this new configuration, and as such, the District will need to update the job descriptions for the positions.

2.1.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department's organizational chart is not consistent with actual operating practices; the roles of the Assistant Director of Facilities and the Maintenance Supervisor overlap resulting in inefficiencies.

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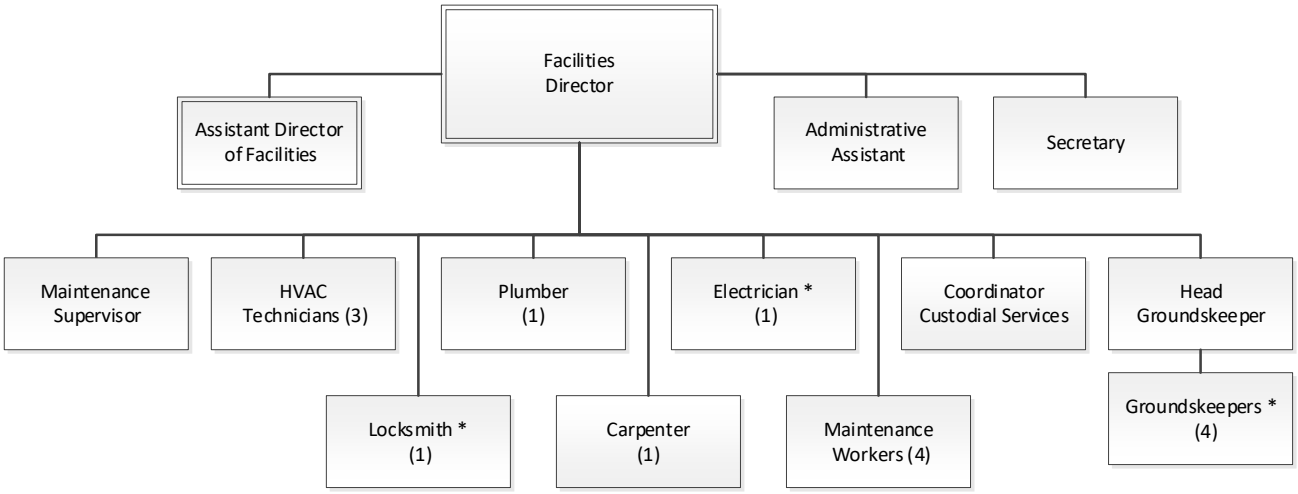
Exhibit 2-4 is the Facilities and Maintenance Department's organizational structure.

Exhibit 2-4
Facilities and Maintenance Department Organization
2023-24 School Year



*Source: Director of Facilities, April 2024. Note: * Denotes added for clarity.*

The organizational chart that GCSD submitted to the Ressel team excluded key staff, including the Electrician, Locksmith, and the Groundskeepers. However, in **Exhibit 2-4**, the Ressel team added these positions into the organizational chart for clarity.

The Department does not distinguish construction and maintenance roles in the organizational chart. Both the Director of Facilities and the Assistant Director of Facilities lead the department. The District intends that the Director of Facilities oversees the facilities construction and renovation projects, while the Assistant Director of Facilities oversees maintenance. However, the organizational chart is not structured in this manner.

In Spring 2023, GCSD received approval from DOE's New School Construction for a new K-8 school of 1,646 students located at the existing Shanks Middle School at 1400 King Street. The DOE's Special Facilities Committee and the Florida Legislature approved the $70 million project. The plan discussed with the Ressel team was that overseeing this project would be the role of the Director.

Ensuring a focus on all the facets of a $70 million construction project will ensure a successful project for GCSD. Although it is a larger district, Leon County School District has a Director of Facilities and Construction as well as a Director of Maintenance and Operations.

The organizational chart shows that all staff report to the Director of Facilities. Both the Assistant Director of Facilities and the Maintenance Supervisor reported to the Ressel team that they primarily manage maintenance functions for the Department. Maintenance staff said they report to the Assistant Director of Facilities. However, the Maintenance Supervisor said that the maintenance staff report to him. Both the Assistant Director of Facilities and the Maintenance Supervisor assign

maintenance work orders in the work order system. The Assistant Director of Facilities and the Director of Facilities approve invoices.

The Maintenance Supervisor is at the same organizational level as the maintenance trades staff. Currently he does not have a direct supervisory role, nor does he evaluate any of the employees in the organization. Having a supervisory role at the same organizational level as the staff can create confusion. The operating practice is that the maintenance staff discuss potential issues and concerns with any of the three management-related positions, including the Maintenance Supervisor, Assistant Director of Facilities, and the Director of Facilities.

Ensuring consistency in the organizational structure and actual operations will ensure clarity in the Department. In its report, *How to Create an Effective Reporting Structure*, the U.S. Chamber of Commerce highlights that an effective reporting or organizational structure helps employees stay organized, work productively, and coordinate to achieve the overall mission of the entity. The report provides resources for developing an appropriate and effective organizational structure. The purpose of an organizational structure is to clearly define how the school district is going to run, considering these three key elements:

- Chain of Command: How are tasks delegated, and how is work approved?
- Span of Control: Who manages which staff, and what tasks fall under that Department's responsibilities?
- Centralization: Where are decisions made? Which staff and Departments have a say in each decision?

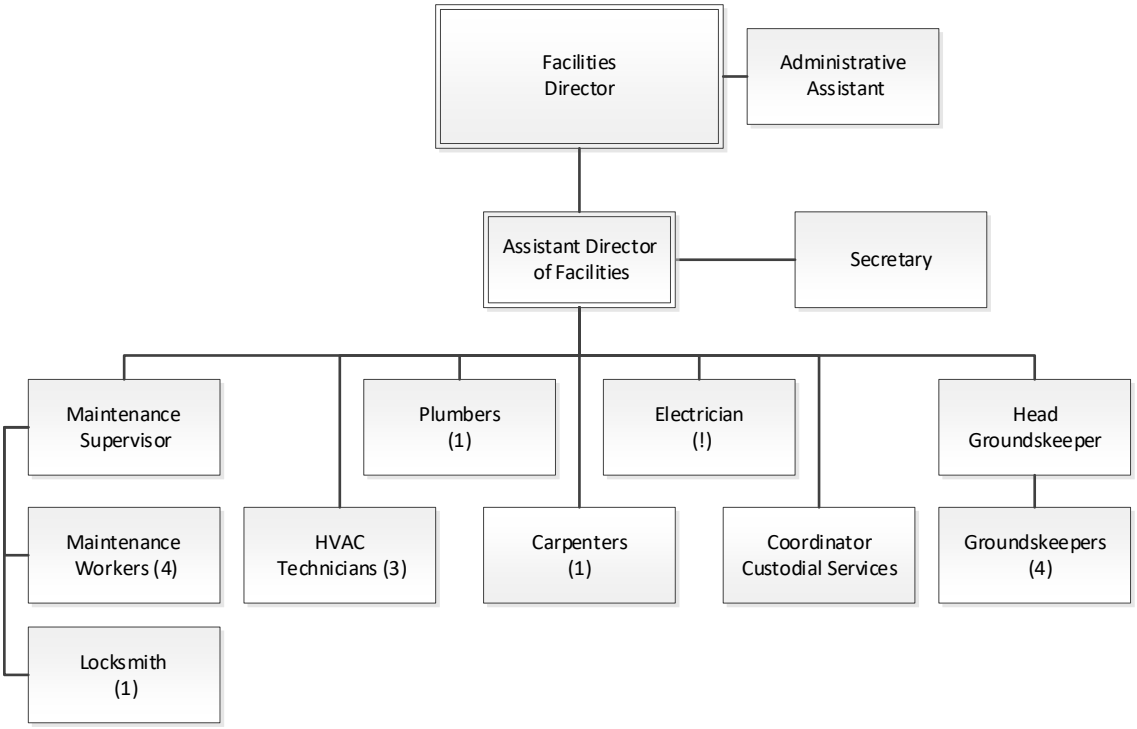
RECOMMENDATION

Recommendation 2-3: Reorganize the Maintenance function under the Assistant Director and assign the Maintenance Supervisor a supervisory role for a group of assigned staff.

Exhibit 2-5 below is a proposed reorganization showing the Director having two direct reports including the Administrative Assistant and Assistant Director. The Administrative Assistant currently oversees all accounting, contracts and the like. She will continue to perform those functions for Maintenance, however this role will be expanded when the Director assumes his role over the Surtax projects, should Voters approve the referendum.

The spans of control for the Assistant Director with responsibility for all of the trades as well as the Custodial Coordinator and Groundskeeping exceed industry standards. Therefore, the position entitled Maintenance Supervisor needs to assume responsibility as a supervisor which would include supervising and assigning work, as well as conducting employee performance evaluations. The positions shown in the chart below are only for illustrative purposes. The final decision as to which of the Maintenance Workers should be under his supervision is up to the leadership to determine.

Exhibit 2-5
Proposed Facilities and Maintenance Reorganization



Source: Compiled by Ressel & Associates, May 2024.

2.1.3 Instructional Technology

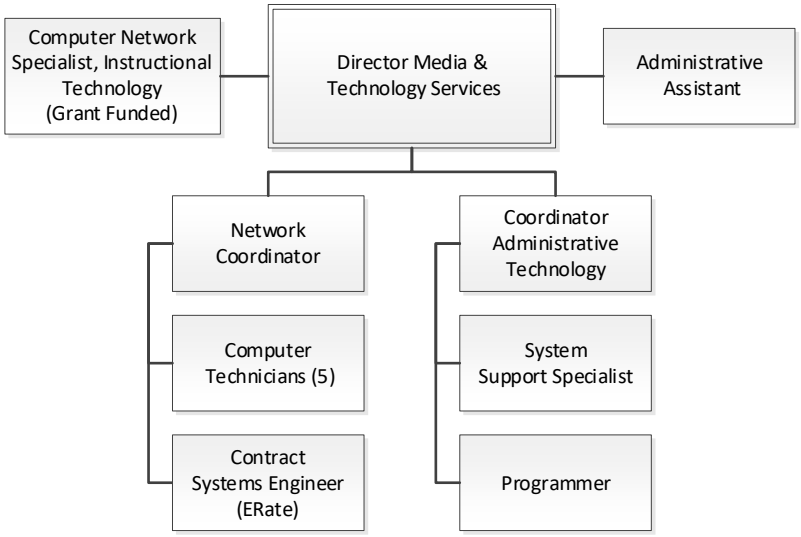
OBSERVATION: The staffing structure in the Media & Technology Services Department and at the campus level appears to be appropriate and effective.

The Department divided the workload effectively between technical, administrative, and academic functions. The Director and a Coordinator carry out the academic and administrative functions with support from an additional systems analyst and a programmer.

On the technical side, there are five technicians who report to the Network Coordinator in the central office but are physically housed on the campuses. Each technician works with an assigned campus or group of campuses and the Network Coordinator addresses the needs of central office; all work together to address critical needs at a single campus or location when necessary.

The Coordinator of Administrative Technology works with Skyward, FOCUS and other administrative technology for the District. She and her team work closely with Human Resources and Finance, set up user profiles and accesses, and troubleshoot issues on the software side of the house. **Exhibit 2-6** provides an overview of the organization structure.

Exhibit 2-6
Media & Technology Services Department



Source: Media & Technology Services, April 2024.

Each campus also has campus-level staff that assist the staff at their campus with academic applications and perform minor diagnostics and repairs, as needed. These individuals are teachers or other staff with an interest in technology. Each year, the Department provides technical training during the summer for these individuals to assist them in carrying out their additional duties.

2.1.4 School Safety and Security

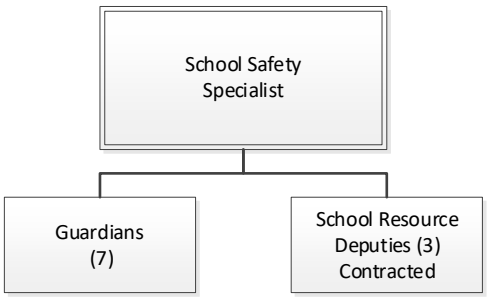
OBSERVATION: The Department has an appropriate organizational structure with the Specialist and safe school officers which includes the Guardians and the School Resource Deputies assigned to the campuses.

The Safety and Security Department is organized with an experienced leader as the School Safety Specialist. The District employs seven trained Guardians who report to the Specialist.

In addition, GCSD has a Memorandum of Understanding with the Gadsden County Sheriff's Office for three School Resource Deputies and one off-duty School Resource Deputy. These positions report to the Sheriff and coordinate with the principals at the campuses they are assigned, as well as to the Specialist.

Exhibit 2-7 provides an overview of the organization structure.

Exhibit 2-7
Safety and Security Department



Source: School Safety Specialist, March 2024.

With this effective organizational structure, GCSD ensures that the safety of students is the priority.

2.1.5 Servicing Bond Indebtedness

OBSERVATION: The CFO is solely responsible for servicing bond indebtedness.

On June 30, 2022, the District had total long-term debt outstanding of $1.17 million related to bonds payable. The CFO budgets for the principal and interest payments on the bond, based on an amortization schedule provided when the bond was issued. This is a Sales Tax Revenue Bond, meaning the District pledged sales tax revenues to pay the bond. During the 2021-22 fiscal year, the District recognized sales tax revenues totaling $223,250 and expended $210,366.62 (90.2 percent) of these revenues for debt service directly collateralized by these revenues. The CFO initiates the payment to service this debt through Skyward.

While servicing a Sales Tax Revenue Bond is based on a pre-determined amortization schedule, school districts and local governments often enlist the assistance of investment advisors and others in servicing multiple bonds of differing types.

RECOMMENDATION

Recommendation 2-4: Should GCSD determine that a bond will be issued to expedite some of the surtax projects, enlist the help of an investment advisor or other bond servicing expert to ensure compliance with bond requirements.

2.2 STAFFING LEVELS

Subtask 2-2: Assess the reasonableness of current program staffing levels given the nature of the services provided, program workload, and accepted industry standards and best practices – Overall conclusion (Meets)

2.2.1 District Support for Areas Under Review

OBSERVATION: The District has an overall Basic Staffing Allocation Manual.

School Board Policy 6101 on Staffing requires: "*A districtwide staffing plan shall be developed prior to any staff selection and hiring for each school year*." The administration presents school-level allocations to the Board at the annual budget workshops.

The annual district calendars for the past three years show that a meeting has taken place at each school site prior to the upcoming year to draft the school-based staffing plan based on student enrollment.

The Staffing Plan is formula-driven and includes administrative, teaching and support staff positions. **Exhibit 2-8** shows sections of the Staffing Plan for the program areas under review.

Exhibit 2-8
Staffing Plan Sections for Program Areas Under Review
2023-24 School Year

School Level	Lead Custodian	Custodian Allotment
Elementary	1	2>225 Students 3>350 4>350 5>450 6>550
Middle	1	
High	1	
Combination	1	
District Level	**Department**	**Allocation**
Maintenance Supervisor	Facilities/Maintenance Department	1
HVAC Tech	Facilities/Maintenance Department	1
Plumber	Facilities/Maintenance Department	1
Carpenter	Facilities/Maintenance Department	1
Lead Locksmith	Facilities/Maintenance Department	1
Coordinator of Custodial Service	Facilities/Maintenance Department	1
Maintenance Worker	Facilities/Maintenance Department	9
Director of Media and Technology Services	Technology Department	1
Administrative Assistant	Technology Department	1
Network Coordinator	Technology Department	1
Network Specialist	Technology Department	1
Technology Technician	Technology Department	5
Coordinator Administrative Technology	Technology Department	1
System Analysis	Technology Department	2
Director of Exceptional Student Education	Exceptional Learning Department	1

Source: GCSD Staffing Plan, April 2024.

Effective school districts have staffing plans to ensure equity for allocations especially at the school level. Specific analysis of staffing for the program areas under review are contained in the sections which follow.

2.2.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department maintenance function staffing level is consistent with industry standards.

GCSD has 18 facilities with 1.2 million square feet. Excluding the Facilities and Maintenance Department square feet, GCSD has 1.17 million square feet to maintain. The Department has 11 positions, including three boiler mechanics – HVAC, and one of each: Plumber, Carpenter, Electrician, and Locksmith, plus four Maintenance Worker positions.

In FY 2023, the Department received 1,696 work orders, with an estimated 90 percent not completed according to the work order system. Because the work order system is incomplete, the District cannot rely on the data. However, the Assistant Director of Facilities assumes that the Department did not complete about 10 percent of the work orders. Work order requests that the Department cannot address internally either due to an emergency status, coverage across the District, or staff knowledge or experience the District will typically outsource to a vendor.

Exhibit 2-9 provides square footage of the buildings that are maintained by the maintenance staff.

Exhibit 2-9
Square Footage of Buildings
2023-24 School Year

Building	Square Footage
HeadStart-PreK Classrooms	683
Gadsden Elementary Magnet	4,512
Gadsden Central Academy, Bold Step Infant Care, and other administrative offices	12,275
Transportation Department	15,699*
Maintenance Department	15,983*
Food Service/Warehouse	21,451
Max Walker Administration Building and other administrative offices	23,195
Gadsden Technical College	50,646
Chattahoochee Elementary	57,601
Stewart Street Elementary	74,295
Greensboro Elementary	77,247
Administrative Offices and Storage	83,348
George Munroe Elementary	88,404
Carter Parramore Academy	88,866
West Gadsden Middle	116,980
Shanks Middle	128,942
Havana Magnet	135,300
Gadsden County High	204,887
Total 18 facilities	1,200,314
Total 16 facilities excluding Transportation and Maintenance Departments	1,168,632*

* Total 16 excludes the Transportation and Maintenance square footage.
Source: GCSD List of Properties Owned, 2024.

An accepted best practice is to compare the District's current staffing level with the standard published in American School and University M&O Cost Study. The study indicates that a ratio of one maintenance staff to 107,439 square feet of space is an appropriate guide to use when staffing maintenance personnel. The standard references Electricians, HVAC Technicians, general Maintenance Workers, and Grounds crews as Maintenance personnel.

Including all the maintenance staff in the calculation compared to the industry standard, the District should have 11 Maintenance staff (1,168,632 total square feet/107,439 industry standard square feet = 11 staff). Since the District has 11 staff, the staffing levels are consistent with the industry standard.

RECOMMENDATION

Recommendation 2-5: With shifts in the number of buildings due to construction and renovation, regularly assess the appropriateness of the number of maintenance staff for consistency with the amount of square feet to maintain.

OBSERVATION: The District has a preventative maintenance service agreement with Brooks Building Solutions for the new mechanical heating and cooling systems at the High School and Middle School. The vendor implemented its comprehensive equipment maintenance scheduling system to conduct the work.

Brooks Building Solutions provides the labor, materials, and test equipment to inspect, adjust, calibrate, and test the system's operation. The Facilities Department recognized the need to ensure its investment in the new HVAC systems operates at optimal efficiency after significant spending on maintaining the HVAC systems without a preventative maintenance program.

The HVAC system manufacturer requires routine maintenance to keep the warranty in effect. Regularly scheduled maintenance ensures environmental consistency. The PM program extends the life of the heating and cooling systems. The agreement is effective for July 2023 through June 2026 at a cost of $204,956 annually.

Shifting the new HVAC maintenance to a contractor allowed the Facilities Department maintenance trades staff to focus on the HVAC needs of the older systems on other campuses that require more time to maintain.

RECOMMENDATION

Recommendation 2-6: Evaluate new HVAC systems that are installed with building renovations and additions to consider expanding the preventative maintenance service agreement.

2.2.3 Instructional Technology

OBSERVATION: Staffing levels within the GCSD Media & Technology Services Department appear to be near industry standards; however, the Elementary and Secondary School Emergency Relief Fund (ESSER) funded Computer Technician is at risk.

Based on a total of approximately 6,000 student and staff devices districtwide, the 11 member Media & Technology team is servicing an average of 545 devices each which is just above the standard in schools of between 200 and 500 devices per support person. In addition, the Department services 24 core servers, 48 immediate distribution frame (IDF) servers, 48 core switches, 12 IDF

switches and 12 routers. The Department also has a contract with Gingham Technologies, LLC to provide a contract professional technical support position for all types of switches and routers at a cost of $65,280 for FY 2023-24Based on approximately 4,100 students and 800 staff, the 11-member team is providing services to 445 users.

The District also has contracts with the Panhandle Area Educational Consortium (PAEC) that supplement existing staff levels including:

- Gateway Educational Computing Services that provide software updates, maintenance, training, and technical assistance.
- Human Resource Management Services which include training and support for implementation of Skyward Fast Track.
- Student Data Services which include help desk support, two days per year on-site with a Student Data Services staff member, and training.

As noted above, the District uses E-Rate funding for a contract System Engineer position to install switches that were purchased with ESSER funds.

GCSD initially funded a Computer Technician position with a grant that expired; the District used ESSER funding to keep the position which is considered vital for maintaining all external equipment. However, ESSER funding for the Computer Technician will no longer be available in FY 2025. This position does not provide direct user support, but instead installs equipment for data communications networks including hardware and data communications equipment; maintains equipment for data communications networks; and assists the Network Coordinator with analysis, Network application design, implementation, problem investigation and resolution, and network evaluation.

While staffing levels, combined with contracted services provide adequate technology-related staffing, the loss of a critical position could seriously impact the Department's ability to provide adequate coverage for the District's technology on an ongoing basis.

RECOMMENDATION

Recommendation 2-7: Fund the Computer Technician position from the General Fund, considering the use of lapse funds from other vacated positions to fill the need, or consider whether contracted services could provide the same level of support at a reasonable cost.

2.2.4 School Safety and Security

OBSERVATION: The level of staffing coverage is appropriate and in compliance with s. 1006.12, Florida Statutes, which requires the District to assign each campus at least one safe school officer.

GCSD employs a School Safety Specialist to lead the department. Each campus has a safe school officer including the Guardians and the School Resource Deputies. The District employs seven trained Guardians.

There is a Memorandum of Understanding with the Gadsden County Sheriff's Office for three School Resource Deputies and one off-duty School Resource Deputy.

The staffing is consistent with the requirements in Florida Statutes, which require safe-school officers at each public school. The law defines that safe-school officers can include Resource Officers, Safety Officers, Guardians, and Security Guards. Florida Administrative Code Rule 6A-1.0018 further outlines the school safety requirements. The Florida Department of Education Office of Safe Schools provides additional resources to ensure Districts implement the law appropriately.

Ensuring that safe-school officers are assigned at each campus increases the safety of GCSD students.

2.2.5 Servicing Bond Indebtedness

OBSERVATION: As noted earlier, the CFO has limited knowledge of bonded indebtedness and has not yet reached out to experts to determine the potential for the use of bonded indebtedness to immediately fund the more costly projects envisioned as part of the Surtax resolution.

Based on the anticipated annual revenues from the Surtax of $2.4 million, to address the more costly projects being discussed as part of the Surtax Capital Outlay Plan may require the District to address the projects in a piecemeal fashion, accumulating the cash to pay for the renovations over a number of years. The CFO has sufficient knowledge to service the current bond indebtedness, which will mature in 2028. He has not yet, however, reached out to experts to determine how much could be raised based on estimated surtax tax revenues through the issuance of bonds, which would allow the District to fully fund the projects in a timelier manner.

Several of the neighboring school districts have experience in issuing bonds, including the Leon County School District. Seeking advice regarding the best approach and the type of expertise that will benefit GCSD in this process.

RECOMMENDATION

Recommendation 2-8: Should GCSD decide that a bond should be issued, reach out to neighboring districts that have issued bonds to determine the type of expertise that will be needed.

CHAPTER 3: ALTERNATIVE DELIVERY METHODS

3.0 ALTERNATIVE DELIVERY METHODS

Chapter 3 presents audit findings related to alternative delivery methods used in the program areas under review. As part of the fieldwork, Ressel & Associates examined the programs and services currently being provided through shared service or outsourced/contract arrangements and also assessed what, if any, activities, or services, might be delivered in an alternative method. Further, Ressel & Associates evaluated the manner in which the District assesses alternative delivery methods.

The specific audit evaluation tasks performed include:

3.1 ***Feasibility of Alternative Methods*** -- Determine whether program administrators have formally evaluated existing in-house services to assess the feasibility and cost savings of alternative methods of providing services, such as outside contracting and privatization, and determine if services were outsourced when the evaluations found that doing so could result in improved performance or cost savings;

3.2 ***Cost/Benefit Assessment*** - Determine whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and, when appropriate, made changes to improve the performance or reduce the cost of any outsourced services; and

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

Finding on alternative delivery methods: Partially Meets

Although program administrators have not documented their evaluations of in-house versus contracted services, the review team found evidence in the program areas under review of a number of undocumented evaluations where outside contracting services were found to supplement departmental expertise and improve performance levels. Likewise, the review team found evidence that program administrators have assessed contracted services and have identified cost saving alternatives, when appropriate, but the assessments are not documented. Ressel & Associates recommends that GCSD document future rationale used when making decisions to contract for external services on remain with in-house staff as a way to justify the decision and provide a historic record of the decision-making process for future administrations.

The review team identified opportunities for alternative delivery methods or program level enhancements in several areas. Ressel & Associates recommends a full evaluation of the potential for savings or improvements in the quality of service in each of the program areas.

Findings by Research Subtask:

- Subtask 3.1 - *Feasibility of Alternative Methods – Partially Meets*
- Subtask 3.2 - *Cost/Benefit Assessment – Partially Meets*
- Subtask 3.3 - *Additional Opportunities – Meets*

3.1 FEASIBIITY OF ALTERNATIVE METHODS

Subtask 3-1: Determine whether program administrators have formally evaluated existing in-house services to assess the feasibility and cost savings of alternative methods of providing services, such as outside contracting and privatization, and determine if services were outsourced when the evaluations found that doing so could result in improved performance or cost savings – Overall conclusion: (Partially Meets)

3.1.1 District Support for Areas Under Review

OBSERVATION: GCSD is using contract services and other alternative delivery methods throughout the District by analyzing both the benefits of in-house staff options as well as external options but has not documented the rationale.

The Ressel Team found evidence that District leaders are using sound approaches for making initial decisions regarding alternative delivery methods. However, these decisions are not always documented. When determining whether to outsource certain tasks, administrators in the operations areas stated that the rationale was generally based on a need to get the job done in a timely manner. In the Facilities and Maintenance Department, for example, staffing levels and skill sets in the District are not sufficient to handle all of the repairs, renovations and preventative maintenance for the District. Some of the contracted services reviewed were related to the District's inability to hire qualified people for key positions.

According to industry experts, when there is need for highly technical services or the need is intermittent and would not occupy the time of a full-time employee, it may be more cost effective to contract for the service. Or, if the demand is ongoing with peaks that would demand an excessively large staff, a contract service that can guarantee coverage during peak periods may be more cost effective.

Documenting the rationale serves two important purposes: 1) it serves as a justification for the decision for contracting or retaining the function in-house and 2) it provides historic information that explains why the District elected to approach the identified need in this way. All too often, as key staff turnover, the rationale for such decisions is lost to future administrations.

RECOMMENDATION

Recommendation 3-1: Require documentation regarding the rationale used when making decisions to contract for external services or retain the function in-house.

OBSERVATION: The District has benefited from its participation in the Panhandle Area Educational Consortium (PAEC).

The Panhandle Area Educational Consortium (PAEC) is Florida's first, legislatively (s. 1001.451 *Florida Statutes*) created Educational Consortium, founded in 1967 as a support unit to help small districts with limited resources to better serve children, teachers, and administrators. PAEC presently serves 14 member districts (including the Gadsden County School District), representing over 45,000 students, as well as many other non-member districts who purchase services on a contract basis.

In addition to providing a wealth of instructional services to member districts, PAEC also provides several business services, including:

- membership services;
- student data services;
- finance and payroll services;
- risk management – property and casualty;
- human resources;
- district strategic planning;
- legislative network;
- policy updates; and
- my virtual classroom services.

Exhibit 3-1 shows the services which PAEC provides to the Gadsden County School District in the 2023-24 school year and the cost for each service. Fees for my virtual classroom services are billed separately four times a year based on student enrollment and course participation.

Similar to other small school districts in North Florida, Gadsden contracts with PAEC for economies of scale provided by the Consortium. GCSD is saving dollars by sharing costs with other small Panhandle districts. By doing such, GCSD does not have to secure these services separately or obtain these skills on their own.

No analysis of cost savings has been completed at the state or local level. However, school districts and State leaders acknowledge the value of consortia providing smaller rural districts resources and services they would not have access to acting alone.

Exhibit 3-1
GCSD's PAEC Contracted Services
2023-24 School Year

Service	GCSD Assessment
PAEC Membership Services	$12,362.70
Professional Development Center	$18,725.40
Human Resources Support Services	$6,624.51
Gateway Educational Computing Consultants (Finance/Payroll) *Gateway Support Services Skyward* *License Fee* ***(flow through to Skyward)*** *ISCorp Hosting Fee* **(flow through to Skyward)**	 $20,354.57 $31,628.97 $6,670.96
Student Data Services	$22,245.00
TOTAL	**$118,612.11**

Source: Master Resolution and Contract for the Gadsden County School District's Participation in PAEC Central Services, 2024.

During interviews, staff said PAEC provides regular support at some level to the finance, human resources, and technology areas of the District. The Consortium is also instrumental in establishing networking groups. For example, technology staff from member districts have regular meetings where they exchange information. The members of this group also provide guidance via phone and email when one of the member districts is facing a problem or new situation.

OBSERVATION: The Superintendent has sought out external sources rather than hiring additional staff to provide external expertise needed in the financial and human resource functions.

When Business & Finance needed additional expertise to prepare the AFRs for FY 2022 and FY 2023, the Superintendent and CFO contracted with a former Florida CFO and CPA to provide the external expertise.

The Superintendent reached out to PAEC to provide additional training to Finance and HR staff on the capabilities of Skyward, as the District has not fully implemented all components of the system. By using PAEC, the District is incurring no new costs while improved productivity is possible with more effective use of Skyward.

3.1.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department has not evaluated the cost to add new maintenance trades positions to the cost of contracting for skilled maintenance services.

The District contracts with vendors for services that the maintenance trades staff cannot perform, primarily due to timing such as emergency items, or expertise. For example, the District contracts

with Brooks Building Solutions for its HVAC preventative maintenance program at Gadsden County High School and West Gadsden Middle School.

For the newer high-value equipment, contracting with experts may benefit the District. Several maintenance staff indicated that as the new systems are more electronic and code-based, the District staff may not be capable of servicing the new equipment.

The Department has 11 positions, including three boiler mechanics – HVAC, and one of each: plumber, carpenter, electrician, and locksmith, plus four maintenance worker positions.

The Facilities and Maintenance Department's FY 2023 contracted services expenditures were $2 million. **Exhibit 3-2** provides the categories of the facilities purchased services.

Exhibit 3-2
Facilities Purchased Services
Fiscal Year 2023

Category	Amount
Facilities Acquisition & Construction	$260,577
Operation of Plant	$1,385,315
Maintenance of Plant	$356,387
Total Purchased Services	**$2,002,279**

Source: Florida Department of Education, Annual Financial Report, FY 2023.

Continuing to contract for services is one strategy, while developing new maintenance positions is another. The Facilities and Maintenance Department has not analyzed the cost differences in those two methods. The average annual salary of the 11 maintenance trades positions is $42,897. Including the 31-percent benefit rate, the total average salary is $56,195.

Organizations often create a uniform process for justifying the use of contract services—that includes a cost benefit analysis of both hiring in-house staff and the contract option, and the associated indirect costs—to provide a more studied approach for such decisions. GCSD has not conducted such an analysis.

RECOMMENDATION

Recommendation 3-2: Evaluate the cost to add new maintenance trades positions to the cost of contracting for skilled maintenance services.

3.1.2 Instructional Technology

OBSERVATION: The Media & Technology Services Department has evaluated the cost of providing certain services in-house and/or contracting for those services and has found that the cost of hiring additional staff with specific expertise would be cost prohibitive. However, they have not documented the assessments.

According to staff, GCSD uses contractors as opposed to hiring District employees primarily because of budget constraints, as long as the services provided by the contractor serve the needs of the students and staff in a timely manner.

As discussed in **Section 2.2.3** of this report, the District has contracts with PAEC that supplement existing staff levels. These services include:

- Gateway Educational Computing Services that provide software updates, maintenance, training, and technical assistance.
- Human Resource Management Services which include training and support for implementation of Skyward Fast Track.
- Student Data Services which include help desk support, two days per year on-site with a Student Data Services staff member, and training.

The Department also uses Gingham Technologies, LLC to provide professional technical support for all types of switches and routers at a cost of $65,280 for FY 2023-24. Staff indicated that hiring an individual to provide this support would have been cost prohibitive due to the level of expertise needed to perform these duties, and this work does not involve providing timely services to users.

In addition, the Department is contracting with a System Engineer with E-Rate funding and is currently paying for a computer technician position with ESSER funds. When this work is completed, there will be no need to continue the contract, therefore hiring someone would have resulted in unnecessary expense once the project was completed.

While the Department has conducted an analysis of the costs and benefits of contracting for these services, there is no documentation of the reasoning behind the decision. As stated in **Section 3.1.1** above, the benefit of documentation is twofold: 1) it serves as a justification for the contract and 2) it provides historic information that explains why the District elected to use these external services.

RECOMMENDATION

Recommendation 3-3: Document future rationale used when making decisions to contract for external services or retain the process in-house.

3.1.4 School Safety and Security

OBSERVATION: The District evaluated the safety staff structure for each campus and determined that in-house Guardian staff best met the District's needs and cost 70 percent less than the cost of contracted School Resource Deputies.

Prior to 2019, the District contracted with the Sheriff's Office School Resource Deputies at all the secondary schools. In 2019, GCSD implemented the guardian program. Once trained guardians were available, the District shifted most of the security in the schools to Guardians with some Resource Deputies. For school year 2023-24, GCSD has seven Guardians and three Resource Deputies.

Section 1006.12, Florida Statutes, requires safe-school officers at each public school. School Guardians is one of the options the law allows to meet this requirement.

The average Guardian salary rate is $20 per hour ($31,714 annual average Guardian salary plus $9,831 for benefits at 31 percent rate/2,080 annual hours). $45 per hour is the rate for the School Resource Deputies.

Maximizing the use of Guardians at the lower cost has reduced the District's costs while ensuring trained safe school officers are in place at each campus.

3.1.5 Servicing Bond Indebtedness

OBSERVATION: The Business & Finance Department has not evaluated the feasibility of using outside experts to assist them with bonded indebtedness.

See discussion and recommendation in **Section 3.3.5** below.

3.2 COST/BENEFIT ASSESSMENT

Subtask 3-2: Determine whether program administrators have assessed any contracted and/or privatized services to verify effectiveness and cost savings achieved and, when appropriate, made changes to improve the performance or reduce the cost of any outsourced services – Overall conclusion: (Partially Meets)

3.2.1 District Support for Areas Under Review

OBSERVATION: GSCD has not conducted a formal cost-benefit analysis of its Risk Management services.

For three years, GCSD has used the Florida School Boards Insurance Trust (FSBIT) to provide risk management services for the District. FSBIT provides Property Damage and Automobile Liability coverages through their self-funded insurance program, as well as Worker's Compensation and risk management/safety training programs for the District.

GCSD independently bids out the employee benefits including employee health, dental and vision and basic life, accidental death and dismemberment policies, long/short term disability income insurance, accident insurance, cancer insurance, vision, and hospital indemnity policies. The bid process is necessitated by the fact that Gadsden County is primarily served by the Capital Health Plan, whereas the majority of school districts are served by another provider, which does not serve Gadsden County. The Insurance Committee reviews the vendor bids, and the Board approves the final contract. The Committee is made up of the Teacher Union President or designee, the Non-Instructional Union President or designee, a District 12-month employee, and a School Board member. The CFO also sits in on the discussions.

The District also uses and has benefited from the use of services and expertise provided through PAEC. The one area of service provided by PAEC which is not used by GCSD is Risk Management. Risk management consortium services include:

- PAEC staff to serve districts (full-time Risk Manager and Secretary)
- Insurance coverage for Property, General Liability, School Board Legal Liability, Physical & Sexual Abuse and Harassment, Errors & Omissions, Auto Liability, Auto Physical Damage, Boiler & Machinery, and Crime
- Catastrophic Student Insurance for all students and athletes
  Information on legislative changes related to risk management and safety
- Legal services through general counsel
- Consulting services
- Lawsuit management and mediation services
- Claims management and service
- Technical assistance with IRS compliance for retirement plan administration
- Actuarial services
- School board legal issues training for administrators
- Security and vulnerability assessments of schools and school buildings upon district request
- Fire and safety inspections of district and school facilities performed by state certified inspector
- Current Federal and State required notice posters
- Participation in Risk Management Advisory Committee for district staff to make program recommendations, share best practices with other districts, and discuss issues of common concern
- Safety trainings for all school personnel

While there appears to be some constraints that could prevent GCSD from participating in a cooperative arrangement for health coverage, exploring the options for obtaining other employee benefit coverages through one of the collaborative organizations could potentially reduce the administrative burden and reduce costs.

RECOMMENDATION

Recommendation 3-4: Conduct a cost-benefit analysis of the opportunities for obtaining employee benefit coverage through a cooperative arrangement.

3.2.2 Facilities Planning and Construction

OBSERVATION: The District has not formally evaluated the lawn service contract to maintain all the sports fields.

The District recognized that the sports fields require routine maintenance with specialized mowers and other equipment. Staff informed the Ressel team that there is a significant cost to purchase the equipment, receive training to use and maintain the equipment, and to maintain the sharp blades on the equipment. Five groundskeepers are employed with the District to maintain all District grounds areas, but they do not maintain the sports fields.

GCSD has not conducted a formal evaluation. The District has continued to contract with Mark's Lawn Maintenance, Inc. at an annual cost of $45,500 to maintain the sports fields. The contract includes $20,800 for the high school, $20,800 for West Gadsden Middle School, and $3,900 for Havana Magnet School.

Continuing to contract for the sports fields maintenance without a full analysis of the costs for the District to maintain the fields results in incomplete information. Effective districts gather detailed costs as the strategy to determine what is the most efficient method to maintain the sports fields to meet expectations of the athletic program.

RECOMMENDATION

Recommendation 3-5: Conduct a cost-benefit analysis of contracting for sports field maintenance or to maintain the fields with existing groundskeeper staff and the purchase of specialized equipment.

3.2.3 Instructional Technology

OBSERVATION: The Media & Technology Services Department has no documented assessments of any contracted and/or privatized services that would verify effectiveness and cost savings achieved.

The Department makes use of contracted services, particularly when there is a need for additional expertise relating to a specific project or task. There is however no evidence that the Department followed up to verify that cost savings and/or expected benefits were achieved.

Many local governments evaluate vendor performance annually, or at the end of a single year contract to determine if the vendor is providing the level of expected services. In addition, the evaluation may include an analysis of the expected versus actual costs. When services and/or costs fall below expectations, contract termination clauses can be invoked. At this point, the local government once again can analyze the cost/benefit advantages of bringing the function in-house or seeking other contract services.

RECOMMENDATION

Recommendation 3-6: Implement an annual vendor evaluation process that compares expected service benefits and costs to actual vendor performance.

3.2.4 School Safety and Security

OBSERVATION: The GCSD School Safety Specialist evaluated the contracted cost of the required ongoing training for the Guardians who are already employed with the District, and as time allows, as a certified trainer, could be available to conduct the training internally.

Florida law requires trained School Guardians. The Specialist is a certified trainer through Florida Department of Education Office of Safe Schools, meaning she is able to provide additional training at no additional cost to the District, as time allows.

3.2.5 Servicing Bond Indebtedness

OBSERVATION: There are currently no contract services relating to servicing bond indebtedness, therefore no process is in use to evaluate the costs and benefits of those contracted services.

3.3 ADDITIONAL OPPORTUNITIES

Subtask 3-3: Identify possible opportunities for alternative service delivery methods that have the potential to reduce program costs without significantly affecting the quality of services, based on a review of similar programs in peer entities (*e.g.*, other school districts, *etc*.) – Overall conclusion: (Meets)

3.3.1 District Support for Areas Under Review

OBSERVATION: The review team identified no additional opportunities for alternative delivery methods at the administrative level that would benefit the program areas under review.

3.3.2 Facilities Planning and Construction

OBSERVATION: GCSD has not fully defined the role of the Director of Facilities in managing construction of the new school campus in anticipation of negotiation with outside contractors.

Other larger school districts often have two departments, including a Facilities Department and a separate Maintenance Department. Both the Director of Facilities and the Assistant Director of Facilities lead the department. The District intends that the Director of Facilities oversees the facilities construction and renovation projects, while the Assistant Director of Facilities oversees maintenance. However, the organizational chart is not structured in this manner.

In Spring 2023, GCSD received approval from DOE's New School Construction for a new K-8 school of 1,646 students located at the existing Shanks Middle School at 1400 King Street. The DOE's Special Facilities Committee and the Florida Legislature approved the $70 million project.

The plan discussed with the Ressel team was that overseeing this project would be the role of the Director.

If the Director of Facilities with 20 years of construction management experience will play a more significant role in the overall management of future projects, the District may not require the same level of oversight from the contractors. For example, the Director could:

- oversee the daily operations of the construction manager and serve as the primary contact for new construction projects such as the new K-8 school;
- plan and directly manage the renovation projects to minimize the need for contract services and maximize the use of the District's funds.
- include more direct contract management oversight in the creation, execution, and monitoring of the contracts to ensure contractor productivity and reduce the need for change orders and budget overruns.

Clearly defining his role, and modifying the contractor requirements, could potentially reduce the expected administrative costs to oversee the construction project. Ensuring a focus on all the facets of a $70 million construction project will ensure a successful project for GCSD.

RECOMMENDATION

Recommendation 3-7: Clearly define the construction oversight role for the Director of Facilities and evaluate modifying the contractor requirements to potentially reduce the expected administrative costs to oversee construction projects.

3.3.3 Instructional Technology

OBSERVATION: ESSER funding for the Computer Technician that services external equipment will no longer be available in FY 2025, therefore evaluating the feasibility of contracting for some or all work performed by this individual may be appropriate.

GCSD initially funded a Computer Technician position with a grant that expired; the District used ESSER funding to keep the position which is considered vital for maintaining all external equipment. The annual salary for this position is $55,000 annually plus 31 percent benefits for a total of $72,050.

As noted, ESSER funding for the Computer Technician will no longer be available in FY 2025. This position does not provide direct user support, but instead installs equipment for data communications networks including hardware and data communications equipment; maintains equipment for data communications networks; and assists the Network Coordinator with analysis, Network application design, implementation, problem investigation and resolution, and network evaluation. These appear to be services that may be available through contractors, however, the Department has not conducted an assessment to determine if similar contract services are available at a reduced or similar cost.

Because it appears that the services provided by this position are vital, when seeking general operating funds to continue to perform these services, a best practice would be to provide decision-

makers a justification that shows what the cost and benefits might be for retaining the position versus using contract services.

RECOMMENDATION

Recommendation 3-8: Assess the costs and benefits of providing the services currently performed by the Computer Technician in-house or through contracted services and provide decision-makers with a justification for the Department's final recommendation.

3.3.4 School Safety and Security

OBSERVATION: No additional opportunities for alternative service delivery were identified in School Safety and Security program area.

3.3.5 Servicing Bond Indebtedness

OBSERVATION: The Business & Finance Department has not evaluated the cost or benefits of using outside experts to assist them in the area of bond indebtedness should the District determine that issuing bonds to fund surtax-related projects is appropriate.

The District has not had a great deal of experience in issuing debt; therefore, it is important to understand the players in a bond issuance that may be needed before, during and after the bonds are issued. Below is a summary of their definitions and assessments:

- **Issuer:** The school district issuing the bonds; legally responsible for all obligations related to the issuance.
- **School Attorney:** Advises the district on general legal issues affecting the bond election and issuance, such as compliance with the open meetings provision, political advertising and campaign speech issues, and procurement requirements once bonds are sold and projects to be funded with proceeds are commenced.
- **Bond Counsel**: Certifies the issuer's authority to issue bonds; provides legal guidance to ensure the bond issue meets all federal and state securities laws and that the debt is tax exempt; prepares and reviews required documents; provides continued guidance on authorized use of bond proceeds.
- **Financial Advisor:** Advises on matters pertaining to a proposed bond issue, such as structure, timing, marketing, pricing, terms, and debt ratings; prepares or reviews various documents associated with the offer and sale; assists with the sale, including selection of the underwriter(s).
- **Underwriter (Investment Banking Firm**): Buys the bonds from the issuer for resale to investors.
- **Underwriter's Counsel:** Represents the underwriter(s) and works toward accurate disclosure in the offering documents; works in conjunction with bond counsel to prepare bond purchase agreements and other documents.
- **Credit Rating Agency:** Assigns a credit rating to the issuer based on the probability of timely repayment of the principal and interest of the bonds.
- **Paying Agent:** Remits principal and interest payments to bondholders.

Bad decisions at the front end can have long-term consequences including excessive interest costs.

On the back end, there is continuing need for professional expertise. For example:

- Continued disclosure requirements—SEC Rule 15c2-12 requires dealers, when underwriting certain types of municipal securities, to ensure that the state or local government issuing the bonds enters into an agreement to provide certain information to the Municipal Securities Rulemaking Board (MSRB) about the securities on an ongoing basis.
- Investing proceeds—only as permitted by the Public Funds Investment Act; applicable statutory provisions; and the district's investment policy.
- Arbitrage reporting—calculating and reporting on investment yields versus bond interest paid. Reporting is required for the life of the bond.
- Use of unused proceeds —only for the specific authorized purposes; to retire bonds; or for another purpose, if a number of legal requirements are met.
- Maturity: Bonds must be paid in full on or before the maturity date.

PAEC may provide guidance and support in this process.

RECOMMENDATION

Recommendation 3-9: Evaluate the level and type of professional expertise that will be needed should a bond issuance be determined as appropriate.

CHAPTER 4: GOALS, OBJECTIVES, AND PERFORMANCE MEASURES

4.0 GOALS, OBJECTIVES AND PERFORMANCE MEASURES

Chapter 4 presents findings related to goals, objectives, and performance measures. As part of the field work, Ressel & Associates examined major districtwide planning efforts and the manner in which management measures day-to-day performance and budgets, and the system of internal controls used to ensure that the program areas under review are meeting their goals and objectives.

The specific audit evaluation tasks include:

4.1 ***Clear and Measurable Program Goals and Objectives*** *- Review program-level goals and objectives to determine whether they are clearly stated, measurable and address key aspects of the program's performance and cost;*

4.2 ***Consistency with Strategic Plan*** *- Review program-level goals and objectives to ensure that they are consistent with the school district's strategic plan;*

4.3 ***Performance Measures*** *- Review the measures and standards the school district uses to evaluate program performance and cost, and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives; and*

4.4 ***Internal Controls*** *- Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met.*

Finding on goals, objectives, and performance measures: Does Not Meet

The District's Strategic Continuous Improvement Plan -2023-2027 (Strategic Plan) contains clear and measurable goals for the program areas under review. The Media and Technology Department has a plan with clearly stated, measurable goals and objects, however the Facilities and Maintenance Department has no long-range plans, Safety and Security has plans but no program level goals and objectives, and the District has no goals or objective relating to bond indebtedness or long-term debt.

Media & Technology's long-range plan is linked to the previous Strategic Plan, but there were no links to the Strategic Plan found in any of the planning documents in the other program areas under review.

The review team found no evidence to suggest that the District is using the stated measures and standards in the Strategic Plan, or the program area plans or any other key performance measures to evaluate program performance in the program areas under review.

Although Board Policies are current, the review team found no policies, procedures or internal controls that provide reasonable assurance that program goals and objectives will be met.

Ressel & Associates recommends that the District implement a system where all program areas are required to create and report on key performance measures on an ongoing basis, and further recommend that a process be implemented to ensure regular and consistent monitoring, tracking, and reporting of progress toward implementation of the Strategic Plan.

Findings by Research Subtask:

- *Subtask 4.1 - Clear and Measurable Program Goals and Objectives – Partially Meets*
- *Subtask 4.2 - Consistency with Strategic Plan – Does Not Meet*
- *Subtask 4.3 - Performance Measures – Does Not Meet*
- *Subtask 4.4 - Internal Controls – Does Not Meet*

4.1 CLEAR AND MEASURABLE PROGRAM GOALS AND OBJECTIVES

Subtask 4-1: Review program-level goals and objectives to determine whether they are clearly stated, measurable and address key aspects of the program's performance and cost – Overall conclusion: (Partially Meets)

4.1.1 District Support for Areas Under Review

OBSERVATION: The District has a comprehensive Strategic Continuous Improvement Plan -2023-2027 (Strategic Plan) with measurable goals and objectives.

Although not required in law, most Florida school districts have districtwide strategic plans. GCSD's current Strategic Plan was created with the assistance of an outside facilitator—the former Deputy Superintendent. As shown in **Exhibit 4-1**, one of the five pillars of the current Strategic Plan is for Support Services. The plan includes measurable objectives for safety and security, facilities, transportation, technology, salaries, administrative procedures, and finance.

Within school districts, a good strategic plan serves as a map for the Board, senior leadership and staff to guide and direct business actions towards meeting the District's goals. In addition, such a plan moves the District from a reactionary mode to a proactive operating mode by connecting goals, strategies, performance measures, and action plans to the budget. School districts that link these elements through the planning process realize high success rates in achieving identified goals.

Several objectives are included under each goal. **Exhibit 4-3** includes the goals and objectives for the Support Systems Pillar, including the program areas under review.

Exhibit 4-1
GCSD's Strategic Continuous Improvement Plan -2023-2027
Five Pillars and Goals

PILLARS	GOALS
Teaching and Learning	The Gadsden County Public School District will prepare each student for academic and job-related success by providing rigorous learning environments that are engaging and instruction that is aligned with Florida standards.
Culture and Climate	The Gadsden County Public School District will develop and sustain a safe, positive, and healthy school environment for all stakeholders resulting in optimal school achievement.
Family and Community Engagement	To provide a comprehensive family and community engagement program that provides meaningful experiences to families in an effort to help them increase their involvement in their child's education.
Human Resources	To recruit, retain, and maintain a highly qualified professional staff.
Support Systems	To improve and maintain the efficacy of systems, processes, and overall operations of the district.

Source: Gadsden County School District Strategic Continuous Improvement Plan -2023-2027.

Exhibit 4-2 identifies the vision, mission, and core values of the GCSD Strategic Plan**.**

Exhibit 4-2
Vision, Mission, and Core Beliefs
Gadsden County School District Strategic Plan
2023-2027

VISION

The Gadsden County Public Schools comprise a system of excellence that prepares ALL students to live and successfully compete in a global society.

MISSION

The mission of Gadsden County Public Schools is to collaborate with and engage all stakeholders in providing safe, caring, rigorous and engaging environments in which students can learn and succeed.

CORE BELIEFS

The Gadsden County School District believes that:

- all students will learn when instruction is engaging, rigorous, differentiated, and individualized;
- learning environments must be safe and supportive;
- schools exist to foster the development and well-being of the whole child;
- understanding and respecting diversity enriches students' lives;
- every student has a right to a high-quality education;
- success requires shared responsibility, collaboration and communication among all staff, families, students, and the community;
- engaged families combined with highly effective teachers and school leaders are the central components of a successful school;
- positive character education is essential to whole child development;
- high-quality customer service is a critical component of high-quality education;
- everyone must be held to the highest ethical standards to achieve excellence;
- everyone must contribute to and be held accountable for student achievement; and
- all district services must clearly be linked to student achievement.

Source: Gadsden County School District Strategic Continuous Improvement Plan -2023-2027.

Exhibit 4-3
2023-27 Strategic Plan
Goals and Objectives for the
Support Systems Pillar

SUPPORT SYSTEMS PILLAR									
Goal: To improve and maintain the efficacy of systems, processes and overall operations of the district.									
Objective: By the end of the 2027 School Year:	**Metric(s)**	**Baseline**	**Activities**	**Benchmarks and Timelines**					**Accountability Champion(s)**
				2022-2023	***2023-2024***	***2024-2025***	***2025-2026***	***2026-2027***	
(SS1) **All physical doors and door locks will have met the current building security requirements.**	Percentage of doors meeting security requirements	75% of doors meeting requirements as of October 2022	GBES-Replace all "Total Doors" HMS-Phase I Replace exterior "Total Doors" HMS-Phase II Replace all interior "Total Doors" WGMS-Bid classroom locks WGMS-Install new locks GCHS-Bid classroom locks GCHS-Install new locks	75% of all doors meet new building security requirements	85% of all doors meet new building security requirements	90% of all doors meet new building security requirements	95% of all doors meet new building security requirements	100% of all doors meet new building security requirements	Superintendent Assistant Superintendents Facilities Director School Board
(SS2) **The district will have provided an upgraded and improved educational environment for selected Quincy city schools.**	New K-8 school in Quincy by the fall of 2024	SSES, GWM, JASM, and GEMS schools are 50 or more years old, and are substandard facilities.	Facilitate New School Construction meetings Obtain Board approval to build a new school Obtain State funding to build a new school Contract with architect to design and construction manager to build the new school Complete construction phases	Facilitate New School Construction meetings Obtain Board approval to build new school Obtain State funding to build a new school Contract with construction company to design and build new school Complete Construction	Complete Phase III (Develop construction documents) Break ground to build new school	Complete Construction Prepare for student occupancy	Close out construction Raze old buildings	All new school construction activities completed	Superintendent Assistant Superintendents Facilities Director School Board

Exhibit 4-3 (Continued)
2023-27 Strategic Plan
Goals and Objectives for the
Support Systems Pillar

SUPPORT SYSTEMS PILLAR									
Goal: To improve and maintain the efficacy of systems, processes and overall operations of the district.									
Objective: By the end of the 2027 School Year:	**Metric(s)**	**Baseline**	**Activities**	**Benchmarks and Timelines**					**Accountability Champion(s)**
				2022-2023	***2023-2024***	***2024-2025***	***2025-2026***	***2026-2027***	
				Phases I (Schematic Development) Complete Construction Phases II (Design Development)					
(SS3) **The school district will have cycled old vehicles and buses out of the district's fleet and replaced them with new vehicles.**	Replace all vehicles that have been in service for ten years or longer.	Currently 64% of the school bus fleet is ten years old or older.	Continue to budget yearly replacement funds for school bus replacement. Continue to apply for other funding sources for alternative fuel school buses.	64% of the school bus fleet is ten years old or older	60% of the school bus fleet is ten years old or older	50% of the school bus fleet is ten years old or older	40% of the school bus fleet is ten years old or older	30% of the school bus fleet is ten years old or older	Superintendent Assistant Superintendents Transportation Director School Board
(SS4) **The district will have transitioned to the FOCUS Student Data System with 100% of the end users being beyond basic proficiency in the use of the system.**	End-users' ability to complete task without receiving additional assistance.	Student data migrated to FOCUS Student Data System and end-users have basic proficiency usage	On-going training of all end-users of the FOCUS Student Data System	50% of end-users able to complete tasks without assistance.	70% of end-users are able to complete tasks without assistance.	80% of end-users are able to complete tasks without assistance.	90% of end-users are able to complete task without assistance.	100% of end-users are able to complete tasks without assistance.	Superintendent Assistant Superintendents MIS Coordinator
(SS5)	1:1 digital device to student ratio.	90% of district school sites have a 1:1 ratio	Ensure State allocated technology funds are used to purchase and repair electronic devices. Purchase additional devices to meet the target ratio.	90% of schools with 1:1 device to student ratio	95% of schools with 1:1 device to student ratio	96% of schools with 1:1 device to student ratio	97% of schools with 1:1 device to student ratio	98% of schools with 1:1 device to student ratio	Superintendent Assistant Superintendents Technology Director School Board
(SS6)	Adopted Teacher Salary Schedule	Eleven percent (11%) of all full-	Apply all state allocated funding for teacher salaries	11%	50%	100%	Maintain	Maintain	Superintendent

Source: Gadsden County School District Strategic Continuous Improvement Plan -2023-2027.

A strong Strategic Plan for a school district addresses four general questions:

- Where is the school district as a whole, and the departments now?
- Where does the school district want to be in 5-10 ten years or longer?
- How is the school district going to get there?
- How will the school district measure progress and success?

Using an effective plan model, **Exhibit 4-4** provides the components of an effective strategic plan.

Exhibit 4-4
Overview of an Effective Strategic Plan

Area of Review	Plan Component	Specific Focus of the Review
Where are we now?	**Internal/External Assessment**	• Situation Inventory/Environmental Scan • Customer Analysis • Quality Assessment and Benchmarking • Strategic Issues
	Mission	• Broad Comprehensive Statement of the School District's Purpose • Core Values and Actions to Achieve Mission • Employees and Management Involvement
Where do we want to be?	**Vision**	• Identifies the School District's Uniqueness when Combined with the Mission and Principles • A Compelling Image of the Desired Future
	Strategic Plan Framework/ Goals and Objectives	• The Desired Result After Three or More Years • Specific and Measurable Targets for Accomplishment • Leads to Quality Initiative Goals and Objectives
How do we get there?	**Action Plan**	• Activities to Accomplish Goals and Objectives • Detailed Action Plans with Linkage to Budget • Leads to Resource Allocation
How do we measure our progress?	**Performance Measures**	• Ensures Accountability and Continuous Improvement-linked Performance Targets
	Monitoring and Tracking	• Methods to Measure Results • Systems to Monitor Progress • Compilation of Management Information • Maintains Plan on Track Toward Goals

Source: Created by Evergreen Solutions, 2020.

4.1.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department could not provide any program-level goals and objectives.

The District filled the Director of Facilities position during the summer of 2023. The 2022-23 state-required facilities workplan has some identified objectives and cost information, but the Director is unclear of the source and accuracy of the data. As a result, the Department does not have an overall guiding document.

The best practice is to have a facilities master plan with goals and objectives. The Planning Guide for Maintaining School Facilities published by the School Facilities Maintenance Task Force, National Forum on Education Statistics and the Association of School Business Officials International cites the following regarding planning:

> *The master plan is the "blueprint" for daily decision-making throughout a school district. It provides concrete documentation about the organization's needs and intentions. Moreover, it is a formal way of communicating the district's priorities. Effective planning also requires that planners evaluate both the organization's overarching goals and the day-to-day details needed to meet those targets. Thus, a comprehensive plan serves both as a blueprint for the here and now and a road map to the future.*

Without goals, objectives, and strategies to guide decision-making and hold the Department accountable, the Department will remain reactive rather than proactive in its approach to making sustainable facility improvements.

RECOMMENDATION

Recommendation 4-1: Develop clearly stated and measurable Facilities and Maintenance Department goals and objectives as part of an overall facilities master plan.

4.1.3 Instructional Technology

OBSERVATION: The Gadsden County School District 2021-2025 Technology Plan contains clearly stated goals and objectives that are measurable and address key aspects of the program's performance and cost.

For example, Goal #2 states: *"District infrastructure will provide a state-of-the-art Wide Area Network that will deliver voice, video and data services that supports the teaching, learning, and administrative goals of the district.*

> ***OBJECTIVES***
> ***2.1 Investigate all funding sources that will reduce the costs of technology for the Gadsden School District.***
> *2.1.1 Identify vendors who can provide resources through the state contract system.*
> *2.1.2 Apply annually for the Federal E-rate program discounts on internal connections/maintenance and telecommunications services.*
> *2.1.3 Maintain a partnership with a telecommunications company for the leasing of the ITFS licenses owned by the School District.*
> ***2.2 Maintain the implementation of an education technology infrastructure in all schools and support services.***
> *2.2.1 Conduct an annual review of district-wide infrastructure resources.*
> *2.2.2 Budget annually for infrastructure maintenance and upgrading as needed.*
> *2.2.3 Subcontract for district-wide maintenance of the district's technology infrastructure.*

4.1.4 School Safety and Security

OBSERVATION: The Safety and Security Department does not have any program-level goals and objectives.

The Specialist has not developed program-level goals and objectives. However, the Specialist has managed the performance of the Safety and Security Department effectively by addressing the following requirements of the FLDOE Office of School Safety:

- Prepared the Florida Safe Schools Assessment Tool (FSSAT).
- Implemented a mobile panic alert system.
- Established a threat management team at each campus.
- Hired a trained School Safety Specialist for the District.
- Developed school board-adopted plans for assailant and family reunification.
- Held regular emergency drills at each campus.
- Conducted annual school and District risk assessments.
- Reported safety incident data.

The Specialist shared goals that they manually documented on poster paper and white boards. The Specialist recorded "Goals" on poster paper in the office and recorded "Long-Term Goals" on the white board. The Specialist has both types of goals clearly stated and measurable, but they lack a direct link to the overall program performance and cost.

Examples of goals:

- Quarterly training with Guardians
- Order cover blinds for all classroom doors.
- Implement "Handle with Care" program.

Examples of long-term goals:

- Security guard at high school front entrance sub-station
- Obtain a District vehicle for campus travel and incidents.
- Gun detection at high school

Without shifting these manually documented goals into formal goals, the District is missing an opportunity to solidify its plans.

RECOMMENDATION

Recommendation 4-2: Develop Safety and Security Department program-level goals and objectives.

4.1.4 Servicing Bond Indebtedness

OBSERVATION: GCSD has no goals relating to bond indebtedness and other types of long-term debt.

GCSD appears to make decisions regarding debt based on immediate needs rather than an overall strategy for leveraging fiscal resources.

From the AFRs going back 10 years, the District has not issued new debt, but has instead attempted to pay for major maintenance and construction needs from current funds.

Many school districts leverage financial resources by entering into lease purchase agreements or other financing strategies to reduce the immediate need for current cash, similar to GCSD's 2014 Lease Purchase of School Buses.

Based on best practices and the State's Benchmarks for debt, GCSD has the capacity for new debt. As of June 30, 2022, the AFR states that the District had total long-term debt outstanding of $1.17 million related to bonds. The bonds were issued in 2013 to finance capital outlay projects of the District and are secured by pari-mutuel replacement revenues distributed annually to Gadsden County from the State pursuant to s. 212.20(6)(d)6. a., Florida Statutes. **Exhibit 4-5** provides a description of the bonded debt issues:

Exhibit 4-5
Current Debt Outstanding
End of Fiscal Year 2022

Bond Type	Outstanding on 6/30/22	Interest Rate (Percent)	Annual Maturity to	Annual Debt Service (Principal & Interest)
Sales Tax Revenue Bonds, Series 2013	$1,170,179.25	3.28	2029	$201,366.62

Source: GCSD Audited Financial Report, FY 2022.

To assess the financial position of the District in terms of overall debt and debt service, it is important to look at demographics of the District and its tax base. **Exhibit 4-6** uses the debt and debt service amounts shown in **Exhibit 4-5** to calculate relevant ratios.

While there are no statutory guides relating to debt ratios and capacities for Florida school districts, the State of Florida's Benchmark Debt Ratio for the State as a whole —debt service to revenues available to pay debt —is set at 6 percent. GCSD ratio of less than 1 percent as calculated in **Exhibit 4-6**, is well under the State's benchmark.

Exhibit 4-6
Debt and Debt Service Ratios for
Gadsden County Public Schools

DEMOGRAPHICS	
2022 Population of Gadsden County, Florida	45,660
10/23Assessed Property Value in Gadsden County School Board, Florida	$3,509,701,200
10/23 Assessed Taxable Property Value in Gadsden County School Board, Florida	$1,567,017,780
Total Gadsden County School District Actual Revenues 2021-22(All Funds)	$61,961,255
Total Gadsden County School District Actual Expenditures 2021-22(All Funds)	$66,165,695
DEBT RATIOS:	
Total Debt as a Percent of Assessed Property Value	0.03%
Total Debt as a Percent of Taxable Property Value	0.07%
Debt per Capita – Gadsden County, Florida	$25.63
Total Debt as a Percent of Actual Revenues (All Funds)	1.89%
Total Debt as a Percent of Actual Expenditures (All Funds)	1.77%
Total Debt Service as a Percent of Actual Revenues (All Funds)	0.32%

Sources: Compiled by Ressel & Associates from the following sources
Population: County data from USAFacts.
Property Values, Gadsden *County Property Appraiser, April 2024*
Actual Revenues and Expenditures, FY 2022 Audited Financial Report.

As stated above, the State of Florida's Benchmark Debt Ratio for the State as a whole —debt service to revenues available to pay debt —is set at 6 percent

Many school districts nationally establish an acceptable debt ratio based on maintaining a high bond rating with the various rating agencies. The higher the rating the lower the interest rate. In general, Moody's assigns bond credit ratings of Aaa, Aa, A, Baa, Ba, B, Caa, Ca, C, with WR and NR as withdrawn and not rated, respectively. Standard & Poor's and Fitch assign bond credit ratings of AAA, AA, A, BBB, BB, B, CCC, CC, C, and D, with the latter denoting a bond issuer in default. The agencies rate bonds at the time the bonds are issued. Based on these ratings, many school districts will set a goal of maintaining an AA or A rating and set the debt ratio goal accordingly.

RECOMMENDATION

Recommendation 4-3: Adopt a goal debt ratio or maximum ratio and annually or at the time that GCSD contemplates new borrowing, report the impact that any long-term borrowing decisions have had or will have on the ratios.

4.2 CONSISTENCY WITH STRATEGIC PLAN

Subtask 4-2: Review program-level goals and objectives to ensure that they are consistent with the school district's strategic plan – Overall conclusion: (Does Not Meet)

4.2.1 District Support for Areas Under Review

In the academic areas, program-level goals and objectives are consistent with the District's Strategic Plan; that same linkage, for the most part, does not exist in the program areas under review.

The District's Strategic Plan includes measurable objectives for finance, facilities, technology, and safety and security. The Safety and Security and Media & Technology Services Departments have plans. The Safety planning documents have no direct links to the Strategic Plan, and the Technology Plan is linked to the previous Strategic Plan which was in effect in 2020-21 when that plan was written.

Board Policy 2.25 School Board Adopted Plans states, "*The School Board has plans, manuals, handbooks, and codes which outline procedures to be followed relative to stated topics. The plans, manuals, handbooks, and codes listed below may be adopted by reference as part of these rules when required by other Board rules, Florida Statutes, or other controlling requirements."*

Below are a few examples of the plans from the policy list that could or should be linked to the Strategic Plan, assuming the Strategic Plan is the master guide for District priorities and goals:

- District Safety Plan
- Project Priority List
- School Plant Survey
- Instructional Technology Plan
- School Improvement Plans

The budget is also a plan as are Financial Management Plans. Linking the budget and fiscal management strategies directly to the Strategic Plan focuses attention and resources on student achievement rather than on limited resources. Traditional budgeting focuses on line items and incremental increases or decreases based on the way things have always been done. In contrast, strategic budgeting provides frameworks for considering the outcomes an organization wants to achieve with its budget, allowing it to look beyond the current fiscal cycle and tackle long-term, multi-year goals.

Districts that fully embrace the strategic planning model look for and insist that *all* planning documents tie back to the Districtwide goals and objectives.

RECOMMENDATION

Recommendation 4-4: Consider revising Board Policy to require planning documents to have documented links back to the District's Strategic Plan; once revised, the Board and Administration should not accept plans that do not meet that requirement.

4.2.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department lacks program-level goals and objectives, and the Department is not implementing the facility-related objectives and strategies in the District's Strategic Plan.

There are two facility-related measurable objectives in the GCSD Strategic Plan. The Director of Facilities began in his position in 2023, and he is not yet familiar with the content of the Strategic Plan. The former Director of Facilities participated in creating the Strategic Plan.

The 2022-23 Facilities Workplan has data, but the Department leadership is not currently using it as a resource to manage the Department. **Exhibit 4-7** includes the two facilities-related objectives and strategies from the strategic plan.

Exhibit 4-7
Strategic Plan Facilities-Related Excerpts
2023-2027

Objective: By the end of the 2027 School Year:	Strategy	Accountability Champion(s)
All physical doors and door locks will have met the current building security requirements.	GBES-Replace all "Total Doors" HMS-Phase I Replace exterior "Total Doors" HMS-Phase II Replace all interior "Total Doors" WGMS-Bid classroom locks WGMS-Install new locks GCHS-Bid classroom locks GCHS-Install new locks	Superintendent Assistant Superintendents Director of Facilities School Board
The district will have provided an upgraded and improved educational environment for selected Quincy city schools.	Facilitate New School Construction meetings Obtain Board approval to build a new school Obtain State funding to build a new school Contract with architect to design and construction manager to build the new school Complete construction phases	Superintendent Assistant Superintendents Director of Facilities School Board

Source: GCSD Strategic Plan, 2023-2027.

The best practice is to have a facilities master plan with goals and objectives that link to and are consistent with the Strategic Plan. One best practice, SpaceIQ, says

> *Facilities management metrics define a top level of success and set the benchmark for excellence in whatever is measured. Some facilities metrics might include space utilization and efficiency, total utility costs and operational flexibility." Another best practice resource, the Whole Building Design Guide, says, "Facility performance evaluation is a continuous process of systematically evaluating the performance and/or effectiveness of one or more*

aspects of buildings in relation to issues such as accessibility, aesthetics, cost-effectiveness, functionality, productively, safety and security, and sustainability."

The Director of Facilities said he intends to become involved further with the Strategic Plan and the overall planning process. Without some type of measures, the Director does not have a way to monitor the team's tasks, expectations, and results.

RECOMMENDATION

Recommendation 4-5: As they are developed, link the Facilities and Maintenance Department's goals and objectives to the objectives and strategies in GCSD's Strategic Plan.

4.2.3 Instructional Technology

OBSERVATION: The 2021-2025 Technology Plan references the two goals in the District's 2017-2022 Strategic/Continuous Improvement Plan and contains goals and strategies for how the Media &Technology Department will support those districtwide goals.

The Department wrote the Technology Plan prior to the issuance of the current Districtwide Strategic Plan and has not updated the Technology Plan since that time, consequently the goals are not updated to address the current Strategic Plan directly.

The Standards of Excellence referenced in the Technology Plan are linked directly to the previous Strategic Plan. For example, Goal A in the Standards of Excellence states, *"By the end of the 2025 school year, seventy-five percent (75%) or more of all students, teachers, and administrators will be proficient users of technology and meet the technology literacy standards established by the district, state, and/or federal government. Schools will annually demonstrate progress toward meeting this goal."*

Accountability measures include:
- The Florida Inventory of Teacher Technology Skills
- Authentic assessment
- Portfolios

The Technology Plan contains related goals and objectives. An excerpt from the related goals are as follows:

Goal 3 – Instructional Technology will be integrated into existing school curriculums to enhance learning, increase productivity, and promote creativity in an effort to meet district, state, and/or national standards and prepare students for success.

OBJECTIVES

3.1 Build and maintain technology leadership capacity at the school level.

3.1.1 Identify the characteristics of successful school technology leaders.

3.1.2 Select persons to serve as technology leaders and/or technology specialists at each school site.

3.1.3 Provide on-going professional development of best practices in technology integration for site-based technology leaders.
3.1.4 Conduct evaluations at all sessions to determine future training opportunities
3.1.5 Support technology leaders/technology specialist in their efforts in providing ongoing professional development of best practices in the integration of technology.

While many of the goals and objectives remain relevant, they are linked to the previous Strategic Plan. Consequently, because the plan was not updated annually as originally envisioned, the linkages do not correlate directly with the vision outlined in the current plan.

RECOMMENDATION

Recommendation 4-6: Update the 2021-2025 Technology Plan with linkages to the current 2023-2027 Strategic/Continuous Improvement Plan.

4.2.4 School Safety and Security

OBSERVATION: Without program-specific goals, the Department could not provide evidence of consistency with the Strategic Plan.

The School Safety Specialist did not participate in the creation of the Strategic Plan as the Specialist arrived in the District after the District drafted the plan. The Strategic Plan has measurable objectives for safety and security. **Exhibit 4-8** includes the safety-related activities and strategies from the strategic plan.

Exhibit 4-8
Strategic Plan Facilities-Related Excerpt
2023-2027

Objective: By the end of the 2027 School Year:	Activities/Strategies	Accountability Champion(s)
The district will have improved safe and secure learning environments for all students and staff at all sites.	Ensure all school sites have either an armed Guardian or resource officer on campus at all times when students are present. Conduct State required monthly safety drills. Administer Climate Surveys to stakeholders. Install metal detectors at all secondary schools. Implement the Intrado Safety Shield management platform throughout the district. Monthly threat assessment meetings. Develop districtwide Re unification plan. Continue to conduct safety site visits.	School and District Site Administrators

Source: GCSD Strategic Plan, 2023-2027.

An effective practice is for the department program leader to develop the program-specific goals and to connect them to the overall District Strategic Plan.

RECOMMENDATION

Recommendation 4-7: Review the strategic plan and implement action tasks to ensure completion.

4.2.5 Servicing Bond Indebtedness

OBSERVATION: GCSD has no goals relating to bond indebtedness and other types of long-term debt and debt is not discussed in the District's Strategic Plan.

See **Recommendation 4-3** above**.**

4.3 PERFORMANCE MEASURES

Subtask 4-3: Review the measures and standards the school district uses to evaluate program performance and cost, and determine if they are sufficient to assess program progress toward meeting its stated goals and objectives – Overall conclusion: (Does Not Meet)

4.3.1 District Support for Areas Under Review

OBSERVATION: GCSD has not evaluated the current or previous Strategic Plans nor are the goals and objectives linked to the budget.

As illustrated in **Exhibit 4-4**, a critical component of a strategic plan is to assess progress in each of the years covered by the plan. The organization measures progress by monitoring/tracking the plan's performance measures.

Both the 2017-2022 and 2023-27 Strategic Plans contain performance measures. Yet, GCSD has not evaluated performance using these measures in either the five years of the previous plan or the first year of the current plan (2022-23). No system is in place to monitor progress in the program areas under review.

Most school districts with a comprehensive strategic plan, such as in GCSD, assess progress on at least an annual basis. In effective districts, the administration shares this progress with the Board and public.

The GCSD Website contains the previous strategic plan and not the current one. The fact that the Website does not contain the current strategic plan adds to the conclusion that it is not being monitored or tracked.

Continuing the process to link objectives to the budget would constitute the next step in the process.

RECOMMENDATION

Recommendation 4-8: Establish accountability mechanisms for tracking and reporting progress toward implementing the Strategic goals and ensure that goals and objectives are linked to the District's budget.

OBSERVATION: The review team found few examples where the District uses measures and standards to evaluate program performance and cost.

The measures and standards that do exist appear to be sufficient to assess program performance but are not being used for that purpose. However, as stated previously, strategic plan outcomes have no linkage to the budget in the Strategic Plan. The District provided no evidence to indicate that administration provides the Board with an evaluation of program performance and costs for the program areas under review.

The Department can add short-terms goals to the plan to establish key performance indictors/measures (KPI) for the operational areas. For example, HES Facilities Management lists the following as the fundamentally useful measures:

- Ratio of Preventive Maintenance to Emergency Maintenance
- Utility Costs Per Square Foot
- Work Order Completion Times
- Customer Satisfaction Rates
- Staffing Ratios by Trade

The measures, when linked to a strategic goal, can provide valuable information regarding progress toward goals as well as performance and productivity.

Each of the KPIs listed above would be useful for determining program performance and progress toward goal achievement in the facilities program area. Continuing the process to link the strategies to the budget would constitute the next step in the progression.

RECOMMENDATION

Recommendation 4-9: Identify a series of key performance indicators by program area and hold department heads accountable for tracking and reporting performance.

4.3.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department lacks measures and standards to evaluate program performance and cost.

The primary Department focus is to address the ongoing maintenance needs of the aging buildings. GCSD uses the SchoolDude, now known as Brightly, maintenance work order system. Assigned requestors in each building can log on to the system to enter a work order. Requestors can also reach out to the Facilities and Maintenance Department to request a work order.

Once the requestor logs the work order, the Facilities and Maintenance Department assigns the work to a maintenance trades staff. This is where the process of using the work order system primarily concludes.

The Department is primarily using the work order system at the beginning of the work order process, but not at the end of the process. The system has the capacity to provide some performance and cost data, but the District does not fully maximize its use. Maintenance trades staff provide their labor hours and receipts for items purchased to complete the work orders. The Department staff do not enter the labor hours or costs into the system. Also, for about 90 percent of the work orders, the Department staff do not enter data into "Action Taken" or "Completion Date." Those fields are blank.

Without program performance and cost information, the Facilities and Maintenance Department can only anecdotally report on how the Department is functioning. The best practice is to develop and monitor facilities standards such as cost per trade to complete a work order, number of hours per staff to complete a work order, or the number of days that a work order is outstanding.

The National Center for Education Statistics *Planning Guide for Maintaining School Facilities* provides effective practices and KPIs for work order systems.

RECOMMENDATION

Recommendation 4-10: Develop Facilities and Maintenance Department performance-based standards to ensure management has data to evaluate the Department's success.

4.3.3 Instructional Technology

OBSERVATION: The 2021-2025 Technology Plan contains measures and standards that the Department or administration could use to evaluate program performance and cost; however, the Department has not used those measures to evaluate performance or report progress to the administration or Board.

The plan contains a Performance Evaluation section with the following preface [emphasis added]:

> *"Experience has shown that carefully designed evaluation strategies are necessary to adequately determine the extent of implementation and effectiveness of the technology plan. Evaluation of the technology plan will be a systematic ongoing process. The purpose of the technology program evaluation is to provide a summary of how educational technology is being used and what its effect or impact has been on the learning process for all students … Program evaluation will include monitoring of the implementation steps/timelines and determination if the steps taken had the intended effect. The Director of Instructional Media and Technology along with the District Technology Planning Committee will be responsible for the ongoing evaluation of this plan."*

The Technology Planning Committee was comprised of the following key members: Assistant Superintendent, Director of Instructional Media and Technology, Director of Human Resources, Technology Training Specialists, Media Specialists, Technology Specialists, school level administrators, teachers, and paraprofessionals.

Department staff said the Planning Committee has not been involved in performance evaluations since they adopted the plan. Staff regularly monitor and work toward the achievement of goals contained in the plan but have not prepared written progress reports for the administration or Board. Administrators from outside of the Department confirmed that the Executive Management Team (EMT) regularly discusses academic progress, and because many of the instructional technology goals and objectives have a direct impact on student performance, the EMT receives progress updates on meeting the student performance goals, which may involve hardware and software upgrades, training, and technical support.

The District recognizes the need for performance evaluations but has not followed through with the intent of the Technology Planning Committee's role in this process.

RECOMMENDATION

Recommendation 4-11: Reconvene the Technology Planning Committee to evaluate and report performance to the Board and Superintendent based on the current Technology Plan; use this performance data as a springboard for updating the Technology plan moving forward.

4.3.4 School Safety and Security

OBSERVATION: The Department does not have a defined written measure available, but the District successfully accomplishes all the state requirements for an effective safety and security program.

The Specialist has successfully addressed the requirements for a Safe School Program. Section 4.1.4 of this report contains additional information on this topic.

The Specialist evaluates the Guardians annually, with each evaluation being unique to the individual employee.

RECOMMENDATION

Recommendation 4-12: Develop a method to evaluate the Safety and Security Department performance and cost.

4.3.5 Servicing Bond Indebtedness

OBSERVATION: In the absence of debt goals or measures, neither the Board nor administration are able to develop strategies for leveraging financial resources by entering into financing arrangements designed to reduce the immediate need for current cash.

As noted in **Section 4.1.5** above, the District has the capacity to take on additional debt. The actual amount of debt that the District could issue as a way to reduce the need for current cash cannot be determined until GCSD adopts a goal and financial strategy.

Leveraging financial resources through the use of debt is a common strategy for reducing the need for current cash. For example, it would be difficult for a district the size of GCSD to pay $1 million for the purchase of roofing replacements from current cash. Roofs have a life expectancy of 15-20 years, therefore assuming a debt of $1 million to be paid out over 10 years would pay the roof off years in advance of its life expectancy and reduce the amount of current cash needed to $100,000 per year plus interest.

In the Clay County School District where the estimated revenue from the half-cent surtax was estimated to raise $13 million annually in 2019, the Financial Advisor issued a preliminary document showing that leveraging the Surtax through bonded indebtedness could raise approximately $128 million to fund a portion of the $300 million in identified needs in the Surtax Resolution. The annual debt service on this bond was estimated at $7 million per year, with the remainder allocated to ongoing capital needs. Estimates and strategies used in calculating these estimates are based on market conditions, credit ratings, and a host of other external and internal factors that require specialized knowledge and skills.

RECOMMENDATION

Recommendation 4-13: Seek external expertise to provide the District with possible strategies for leveraging its financial resources through the issuance of debt.

4.4 INTERNAL CONTROLS

Subtask 4-4: Evaluate internal controls, including policies and procedures, to determine whether they provide reasonable assurance that program goals and objectives will be met – Overall conclusion: (Does Not Meet)

4.4.1 District Support for Areas Under Review

OBSERVATION: The review team found no internal controls, including policies or procedures to provide reasonable assurance that program goals and objectives within the Strategic Plan or other Board-adopted plans are met.

Board Policy 2.25 School Board Adopted Plans does not contain reference to an overall districtwide Strategic Plan but does contain a reference to a District Five-Year Work Plan. This policy also does not contain any reference to how the Board will monitor progress with these plans, but simply states that these are the many plans they will adopt.

In a strategic planning environment, successful school districts establish regular progress reporting intervals for both leadership and the Board, annual or biannual workshops to review progress and modify or update strategies as needed, and establish new short-term strategies for the coming year, etc. While GCSD does this in its academic areas, the District has not done this in the program areas under review.

Effective school districts require each department or functional program area to produce monthly progress reports or quarterly reports to assess progress. Some districts meet during the summer to finalize assessment of the past year's performance and develop short-term goals for the new year.

The actual schedule of events varies significantly from district to district, but in the absence of an established reporting format and schedule, the Plan is less likely to be used as an effective planning tool and will in all likelihood end up providing little or no real impact on the District's operations as indicated by the current Plan for the program areas under review.

RECOMMENDATION

Recommendation 4-14: Establish a reporting format and schedule for the continual review of progress in the current Strategic Plan in the program areas under review, as has been the case with the academic areas.

4.4.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department lacks overall procedures for its operations, and as a result, there are few internal controls to hold staff accountable.

Each maintenance trade position implements their own best practice based on knowledge and experience. There are no consistent practices enforced since management has not provided documented procedures to the staff. For some of the maintenance trades positions, there is only one position managing the workload.

The building leaders manage the custodial services in their facility with no requirement to notify the Facilities and Maintenance Department's Coordinator of Custodial Services about staffing shifts. As a result, there are few internal controls to ensure appropriate and consistent training has occurred.

Without department-level service expectations, procedures, and standards for work tasks, staff are less likely to perform tasks consistently at all District buildings.

The best practice is to develop, maintain and distribute current and complete procedures to hold staff accountable. During procedures development, the Department should include the position title rather than a staff name to reduce the need for updates to the Procedures Manual.

The Planning Guide for Maintaining School Facilities cites the following regarding procedures: "Every Maintenance and Operations Department should have a policies and procedures Manual that governs its day-to-day operations. The Manual should be readily accessible (perhaps via an Intranet or the Internet) and written at a level consistent with the reading ability of Department members. At a minimum, the Manual should contain:

- ✓ mission statement
- ✓ personnel policies
- ✓ purchasing regulations
- ✓ accountability measures

- ✓ asbestos procedures
- ✓ repair standards
- ✓ vehicle use guidelines
- ✓ security standards
- ✓ work order procedures

RECOMMENDATION

Recommendation 4-15: Develop a Facilities and Maintenance Department Procedures Manual to ensure consistency in all Department practices.

4.4.3 Instructional Technology

OBSERVATION: Although GCSD has policies and administrative procedures relating to the inventory of District assets, it is not clear that these procedures provide adequate assurance that departmental goals and objectives are met.

During the 2021-22 fiscal year, the District expended Emergency Connectivity Fund (ECF) program funds totaling $1,509,242 to acquire 4,597 laptops.

The FY 2022 Audited Financial Report (AFR) issued by the Auditor General contained a Material Weakness that stated, "*The District did not comply with Federal regulations by maintaining inventory records to identify the location of 333 laptops, resulting in (Emergency Connectivity Fund) ECF program questioned costs of $132,527*." The District responded that they would enhance inventory records and procedures to ensure that staff properly record all property items to maintain accountability of items purchased with federal funds.

There is an administrative procedure dated November 2023 that remains in draft, which is in conflict with Board Policy regarding the definition of a fixed asset. Policy stated that the threshold for fixed assets is $1,000 and shows to be $5,000 in procedure.

The procedure contains steps in the receiving and tagging process for technology, but then states this applies based on the commodity threshold – yet the procedure only mentions the $5,000 fixed asset threshold.

The procedure also does not indicate if there is a special treatment for the tagging of devices purchased with federal dollars.

RECOMMENDATION

Recommendation 4-16: Develop step-by-step procedures for the receipt and tagging of devices purchased with federal dollars; clarify thresholds in policy and procedures; and conduct quarterly tests of the inventory controls to ensure compliance until the District is confident that the controls are working.

4.4.4 School Safety and Security

OBSERVATION: To ensure students are safe, the Specialist implemented internal control procedures related to the Crisis Response Manual requiring each campus to report on each drill conducted; The Specialist assigned trained safe school officers to each campus.

The Specialist receives the results of the multiple types of drills implemented by the campus leaders.

The Specialist ensures that a safe school officer (Guardian or School Resource Deputy) is on each campus. The Specialist monitors attendance to ensure adequate coverage and will fill in as needed for any absences.

4.4.5 Servicing Bond Indebtedness

OBSERVATION: As discussed in Sections 4.1.5, 4.2.5 and 4.3.5 above, the District has no debt-related goals or any policies and procedures that provide reasonable assurance that program goals and objectives will be met.

Implementing the recommendations provided above will provide a framework for measuring the District's performance and establishing strategies for future debt issues.

CHAPTER 5: REPORTING ACCURACY AND ADEQUACY

5.0 REPORTING ACCURACY AND ADEQUACY

Chapter 5 presents findings related to reporting accuracy and adequacy. During the performance audit, Ressel & Associates examined districtwide information systems as well as any ancillary systems used in each of the functional areas under review to determine if the systems are meeting the business needs of the organization and are capable of delivering timely, accurate and useful information for management and stakeholders. Ressel & Associates also examined the District's Website and other tools used to keep the general public informed about ongoing projects and business activities. The Open Records processes were also assessed for responsiveness and accuracy.

The specific audit evaluation tasks include:

5.1 ***Information Systems*** *- Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public;*

5.2 ***Public Access*** *- Determine whether the public has access to program performance and cost information that is readily available and easy to locate;*

5.3 ***Accuracy and Completeness*** *- Review processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public;*

5.4 ***Corrective Action Procedures*** *- 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; and*

5.5 ***Reasonable and Timely Corrective Actions*** *- Determine whether the school district has taken reasonable and timely actions to correct any erroneous and/or incomplete program information.*

Finding on reporting accuracy and adequacy: Partially Meets

GCSD has information systems to support districtwide administrative and support functions, but the District is not fully utilizing the system capabilities; training is ongoing on the system capabilities for staff in some of the program areas under review. Ressel specifically recommends that GCSD maximize the use of its Skyward system and the work order system in Facilities and Maintenance.

GCSD's Open Records function provides the public access to information following a Board-approved policy and administrative procedure that serve as the guidelines for the handling of open record requests. The public's access to program performance and cost information is limited to

budgets, Annual Financial Reports and Open Record's requests. The Website contains limited information pertaining to the program areas under review, none of which contained program performance and cost information.

GCSD administrators review documents for accuracy and completeness prior to submitting the documents to the Board and public during Board meetings, but there are no safeguards relating to items posted on the District's Website. In addition, GCSD has failed to consistently post State-required Financial Transparency data on the Website in a timely manner. The review team recommends that the District Website be updated to provide the public greater access to departmental and districtwide information, and processes put in place to ensure the accuracy and completeness of the information provided.

At the districtwide level, there are processes and procedures in place to ensure reasonable and timely actions are taken to correct any erroneous and/or incomplete program information included in public documents, reports, and other materials. The program areas produce only a limited number of documents; likewise, the review team found no evidence of erroneous or incomplete reports for which a retraction or error correction was needed. Ressel recommends that GCSD immediately implement a documented procedure for the retraction, correction, and dissemination of corrections to data or reports.

Findings by Research Subtask:

- Subtask 5.1 - Information Systems – Partially Meets
- Subtask 5.2 - Public Access – Partially Meets
- Subtask 5.3 - Accuracy and Completeness – Partially Meets
- Subtask 5.4 - Corrective Action Procedures – Does Not Meet
- Subtask 5.5 – Reasonable and Timely Corrective Actions – Meets

5.1 INFORMATION SYSTEMS

Subtask 5-1: Assess whether the program has financial and non-financial information systems that provide useful, timely, and accurate information to the public – Overall conclusion: (Partially Meets)

5.1.1 District Support for Areas Under Review

OBSERVATION: The District maintains information systems to support the districtwide administrative functions as well as the program areas under review, however only one of these systems provides information to the public.

GCSD maintains the following systems and applications to support the districtwide administrative functions as well as the program areas under review:

- **Skyward**–Hosts all financial information, maintained, and hosted off site in coordination with the Panhandle Area Educational Consortium (PAEC). Skyward is the primary tool for

Human Resources and Finance, including all purchasing, asset management, accounts payable, payroll and the like – Skyward is used to generate financial reports for the School Board.

- **Focus**–School Information System (SIS) system, hosts all student information, data is maintained, and hosted off site in coordination with PAEC by Focus school software.
- **Asset Tiger**–Information Technology (IT) Inventory Management system with inventory and purchasing information for District IT purchases and hardware.
- **Intrado**– a web-based Safety emergency communication application that connects staff and schools to local law enforcement, fire, and emergency responders. Intrado also provides the school visitor management system.
- **Fortinet**– A cyber-security platform that continuously assesses and disrupts device, user, file, network, email, application, cloud, log, and dark web activity. Fortinet also provides security cameras as a part of the complete solution for the District.
- **ExacqVision Security Cameras**– Provides live and recorded feeds of activity in and around the facilities to school staff and potentially law enforcement when needed. The ExacqVision system will be retired once the Fortinet product installation is complete.
- **Paxton**– Visitor and door security system to prevent unauthorized access to facilities, students, and staff.
- **SchoolDude (now called Brightly)** – Workorder system for Facilities, Maintenance and Construction. Web-based, holds work order and ticketing information.
- **ZENworks**– A software asset management system that allows for the remote installation, upgrade, removal, and inventorying of licenses for computer software.
- **VEEAM** – An IT data security, backup, and recovery system.
- **Managed Methods**– Provides monitoring, intercepts, reporting and interdiction of cloud-based email systems (Office 365 and Google mail).
- **KnowBe4**-An IT training and testing application that delivers individualized security awareness training and simulated phishing to help users stay vigilant about social engineering threats.
- **File Bound**– A document management software that includes digital imaging and easy-access electronic records.
- **Clever**– A secure platform for students and parents to access homework and classroom activities and communicate with the teacher.

The systems shown above provide a comprehensive array of information technology in support of the District as a whole as well as the program areas under review.

OBSERVATION: The Superintendent's new social media newsletter "Beyond the Glass" provides useful and timely information to the public.

In March 2024, the Superintendent published the first newsletter; a second will be available in May 2024 – before the end of the school year. The newsletter includes information on District and school activities and employees of the year. The Superintendent and School Board chair each have a column in the newsletter.

OBSERVATION: The GCSD Website is not conveying timely and accurate information concerning the program areas under review and the District lacks an approval process before placing content on the Website.

Schools and departments place information on the Website without review by the Public Information Coordinator or another administrator. Instead, schools and departments notify the Coordinator when they change information on the Website. The District has no approval process in place to monitor information before posting the information on the Website.

Effective school districts have administrative procedures in place to review material before disseminating the information to the public on the Website.

By so doing, the District can provide greater assurance that information is accurate before it is posted on the Website. (also see **Section 5.2.1**).

RECOMMENDATION

Recommendation 5-1: Prepare an administrative procedure which includes two levels of review to safeguard against posting of inaccurate or inappropriate material on the Website.

5.1.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department uses the SchoolDude maintenance work order system but has not used the reporting capabilities to produce useful management reports or performance reports for the Board or the public.

SchoolDude, now called Brightly, is a powerful facilities maintenance system that can accept and track workorders, schedule and assign preventative maintenance activities, maintain a complete asset inventory of all facilities and facility related assets such as HVAC systems, boilers, etc.; and produce a wide array of management performance reports that can improve department efficiency and alert management to inefficiencies.

GCSD uses SchoolDude as its maintenance work order system but is not using the automated workorder assignment system, is not requiring trade workers or the Department's administrative staff to enter the required data as they complete the work orders, and consequently is unable to generate the built-in performance and cost reports available from the system.

Each building has a designated staff who enters workorder requests into the system. The Facilities and Maintenance Department management and staff manually assign work orders to the maintenance trades staff. The Department is primarily using the system on the front end to start the process, but they seldom use the system's features at the completion of the work order. For example, the Department staff selected "Medium" as the priority on all the nearly 1,700 work orders in FY 22-23 rather than determining a priority order for the work.

To complete the work order, Maintenance trades staff conduct the work and return a paper copy of the work order to the Department with their labor hours and receipts for items purchased. The

Department staff do not enter the labor hours or costs into the system. If the Department staff entered this information the Department could generate reports showing the time and cost of performing specific tasks. Further, the reports could provide comparative performance and cost information for specified types of work, month-to-month productivity and productivity between and among individual employees.

At the conclusion of the work, the Department has the option to enter details into the "Action Taken" and "Completion Date" available, but for the FY 22-23 report the District provided to the Ressel team, about 90 percent of the work orders did not have this information completed. Providing the completion date would allow the Department to produce reports showing the work order turnaround times and comparative performance data by type of work and the like.

Exhibit 5-1 includes the SchoolDude/Brightly maintenance work orders requested for FY 22-23. Although not in this report, the Ressel team reviewed the other available SchoolDude/Brightly system components that the Department is not using. For example, under the "Assignment Info" section, the Department staff managing the work order have "Estimated Hours" and "Actual Hours" available as a field to enter data. There is also an "Estimated Costs" and "Actual Costs" field available to enter data.

Exhibit 5-1
SchoolDude/Brightly Components
2022-23 School Year

Category	Explanation	GCSD Use
Workorder ID	Sequential numbering	ID is assigned
Status	New Request; Work in Progress; Closed; Declined; Deferred; Void; Complete	Completed by Requester
Descriptions	Cites the reported issue	Completed by Requester
Action Taken	Cites the resolution	Less than 10% have data
Request Date	Date of the workorder request	Completed by Requester
Completion Date	Date workorder completed	Less than 10% have data
Priority	Medium – List all options	All are Medium
Requester	Name of staff who requested or who entered the workorder	Completed by Requester
Assigned To	Maintenance staff assigned the workorder	Completed by Facilities and Maintenance staff
Location	Building name	Completed by Requester
Building	Building number and location in the building	Completed by Requester
Area Type	Type of space in the building (classroom, hall, etc.)	Completed by Requester
Area Number	Room number	Completed by Requester
Equipment	No information in this field.	No information
Craft	Trade (Painting, Lighting, Plumbing, etc.)	Completed by Facilities and Maintenance staff

Source: SchoolDude/Brightly work orders requested, FY 22-23.

Complete workload statistics are not available from the system reports without using all the features available in the work order system. An effective work order system provides financial and non-financial system information to manage the work and the staff.

RECOMMENDATION

Recommendation 5-2: Maximize the SchoolDude/Brightly work order maintenance system by entering data into all the available fields; produce monthly reports for management based on the entered data.

5.1.3 Instructional Technology

OBSERVATION: Devices and software are tracked and inventoried using the Asset Tiger and ZENworks systems; the District does not, however, have an enterprise class system for tracking computer software and hardware or dedicated staff to track and inventory the equipment.

The District's Asset and Risk Manager, who is also the Director of Transportation, tracks hardware through the Asset Tiger system. The Media & Technology Department manages ZENworks, a system used to track the software licensing inventory and make remote software installations and updates.

According to the Network Coordinator, discrepancies in the device inventory noted by the Auditor General resulted from an oversight during the Asset and Risk Manager's transition from the position of Safety Coordinator to the position of Director of Transportation.

While the systems themselves each provide adequate platforms for the tracking of hardware and software inventories, best practices in the industry are to maintain an enterprise class system for tracking both. An integrated system allows the organization to:

- Provide accurate, centralized visibility of the device and software inventory data
- Reduce data entry and management redundancies for hardware and software
- Organize and display devices by category, age, and location
- Provide a real-time display of which machines have old software versions installed, are low on disk space, etc.

The advantages and features of each system may vary, but GCSD does not currently have the ability to access the combination of data that would allow them to efficiently access and manage the District's technology.

RECOMMENDATION

Recommendation 5-3: Consider procuring an enterprise class inventory system that integrates the technology hardware and software inventories.

5.1.4 School Safety and Security

OBSERVATION: The School Safety Specialist receives reports from the Fortify Florida (FortifyFL) application, an information system available to the public for reporting suspicious activity.

The FortifyFL statewide suspicious activity reporting application is available to District residents. The system allows the District and law enforcement officials to receive reports of suspicious activity. The Florida Department of Education provides the application.

The School Safety Specialist reported receiving a few inquiries, although most were not actually suspicious activity, but about other unrelated topics.

OBSERVATION: The District uses the Intrado emergency communications and visitor management system to safeguard the students and staff.

GCSD uses the Intrado School Messenger systems, including both a communications system and a visitor management system.

The Intrado Revolution for K-12 Education communications system is a platform that manages all the District's communications systems. Intrado says the system allows the District to "reduce costs, save time, simplify processes, and maximize safety."

The District has encouraged all staff to download the application to their personal phones but the School Safety Specialist estimates that only about 50 percent of the staff have downloaded it. If an emergency occurs, the system can lock the whole school down and the system notifies all staff who downloaded the application. The principal can also send an all-staff alert. The system sends alerts to the District desktops so even if the staff have not downloaded the application to their personal device, the system will notify the staff of the emergency.

The Intrado school visitor management solution in each building controls access to keep students safe. Staff can check visitor identification against a national database of registered sex offenders. The system has a visitor ID badge technology which allows staff to log and track all visitors. Intrado says the system "Prevents unwanted visitors from gaining access to your buildings with our visitor management and access control solutions for schools."

5.1.5 Servicing Bond Indebtedness

OBSERVATION: Skyward is used to report the principal and interest payments on the Capital Improvement Revenue Bonds, Series 2013.

The District uses an amortization spreadsheet provided at the time the bond was issued to determine the amount of principal and interest that will need to be paid and recorded in Skyward each year.

5.2 PUBLIC ACCESS

Subtask 5-2: Determine whether the public has access to program performance and cost information that is readily available and easy to locate – Overall conclusion: (Partially Meets)

5.2.1 District Support for Areas Under Review

OBSERVATION: The Gadsden County School District has a Board-approved policy (Policy 3.50) and administrative procedure that serve as the guidelines for open record requests.

In GCSD, the Assistant Superintendent for Support Services is responsible for open records requests and the District receives over 150 requests annually. The Superintendent's Administrative Assistant prepares the District's response to all requestors and submits the response to the Assistant Superintendent for her input and approval.

The Assistant Superintendent understands the importance of having a systematic process for respondents. Sections 1001.42 and 1001.43, *Florida Statutes*. as well as Chapter 119, *Florida Statutes*, provide specific guidelines for open records requests. In addition, a School Board Policy relating to Open Records is found in the GCSD's Policy Manual. The policy was updated in 2019. GCSD also has an administrative procedure for open record requests and for fee collection for such requests.

Policy 3.50 and the administrative procedure have sufficient details. Information such as the following is included:

- All public records shall be available for inspection and copying under the supervision of the custodian (or designee) of the public records at reasonable times during the normal business hours.
- Records that are, by law, to be confidential and/or prohibited from being inspected by the public are exempt from production.
- The Board attorney should review requests, as needed.
- A request to inspect or copy a public record may be made verbally or in writing.
- Requests for public records shall be fulfilled in a limited reasonable amount of time.
- The maximum cost of duplication prescribed by law shall be charged and collected before the work is completed.
- In addition to the actual cost of duplication, a special service charge shall be imposed for the cost of the extensive use of information technology resources or of clerical or administrative personnel.
- A request for information is a request in which the requested information does not already exist in public record form. A specific request for information may or may not have a record that can fulfill the request and if a record exists it will be provided as permitted by law.
- All District records will be maintained in accordance with the GS1-SL and GS7 records retention schedules established by the Florida Department of State.
- The Superintendent or designee is authorized to establish processes and procedures to implement this policy.

This information in Policy 3.50 provides for consistency in collecting fees for services. Fees have only been assessed according to policy and procedures and about seven were collected last year.

A detailed spreadsheet is used to record each request and track its status. The Ressel team reviewed the record log and found responses to be timely.

The current state of affairs leads to consistency in responding to open records requests and funds being collected when appropriate for services provided by the District to the Public.

OBSERVATION: The District's Website is not user-friendly and timely; it lacks information on the current Strategic Continuous Improvement Plan -2023-2027 (Strategic Plan) and contains no program performance and cost information for the program areas under review or the impending Surtax referendum.

The Gadsden County School District Website is maintained by the Public Relations Coordinator. The District has no systematic process to ensure accuracy prior to documents being placed on the Website **(see Section 5.1.1)**.

GCSD has not yet posted the current Strategic Plan, Board policies are difficult to locate, and the Superintendent's message on the Website is from September 2022.

At the time of this writing, GCSD had not posted information announcing the referendum or describing the proposed use of the funds.

RECOMMENDATION

Recommendation 5-4: Conduct a comprehensive review of the GCSD Website to ensure valuable information is current and can be easily located.

5.2.2 Facilities Planning and Construction

OBSERVATION: There is limited Facilities and Maintenance Department program performance and cost information useful to the public on the District's Website.

Like other areas of the District, the Department does not produce program performance and cost information. The District's Website "Department" link contains a secondary link to Maintenance; the Website does not list Facilities as a GCSD department. The Director of Facilities said that they have no responsibility for the Website, and he was unaware of who set it up or loaded the content.

Most of the information on the Maintenance site is either state requirements or information useful for employees and other departments. There is inadequate information available for the public about the GCSD's facilities.

The Website has a variety of state requirements posted, but there is not a direct connection to better inform the public about GCSD's facilities related to those requirements. For example, there was a link to FLDOE's Educational Facilities. FLDOE's site is informative, and the linked page

contains a secondary link to the Florida Inventory of School Houses (FISH) site where a user could access the GCSD Facility Reports. However, a link to the most recent GCSD FISH reports might be more useful to the public.

Other Website content was present that was not useful for the public, but staff may find it useful. However, staff may not know the information that is present on the Website to be able to access. The Website had dates for when the vendor would apply pest control as well as when solid waste and recycling is picked up. There was a Staff Directory, but the Website only listed the Department secretary. Including the Director and other key staff could be useful. A custodial supplies order form was available for staff.

Effective districts provide useful and current information to the public for the Website to be a useful and reliable data source. For example, including a list of the facilities and statistics about each, including age; and the types of maintenance performed for each building could be useful. Facilities program-level data and facts that could explain the District's needs as it relates to the surtax could be useful. For example, the Surtax Capital Outlay Plan with a proposed timeline and the progress on the projects could be informative to citizens. Palm Beach County School District's facilities Website provides detailed information on their facilities surtax projects, including the total estimated cost, project details, project status and photos.

RECOMMENDATION

Recommendation 5-5: Develop Website content related to the Facilities and Maintenance Department that would be useful for the public.

5.2.3 Instructional Technology

OBSERVATION: The Media & Technology Services page on the District Website contains some highly informative links, but the page is poorly organized.

The first prominent link found on the Media & Technology Services Website is to a Power Point presentation on Network Security; this information is informative and appears directed primarily toward staff but is also applicable for students.

A much smaller title line below the Network Security link is the following statement: "*The Office of Technology is divided into three divisions: Instructional Technology, Student Information and Networking";* while this is consistent with the Department's organization structure, there are two sections of information that follow and they do not match the section titles shown in the statement above: Digital Classroom Plan and Information Technology Services.

Under Information Technology Services, a link to frequently asked questions contains a list of employee-related questions such as "I can't remember my password?" A link under the Digital Classroom Plan defines Instructional Technology and an associated link to the Technology Belief Statement and Goals.

The majority of Student and Parent links direct the user to broad-picture information such as all Board Policies, COVID plans, educational plans and the like; they are not technology related.

The site does not contain a link to the Technology five-year plan, student handbooks or policies specific to technology; the only two links found to a Technology document was to the Student Form: Terms and Conditions for Use of the Internet in the Gadsden County School District and Employee Access: Logging in and Viewing Skyward.

The site contains a link to the District Directory where the user must search for titles with words like technology or computers to locate contact information for a staff member. Staff titles are not always descriptive of the individual's area of responsibility.

RECOMMENDATION

Recommendation 5-6: Reorganize the Media & Technology Services Website to provide basic information and contacts for each of the three sections; include a section containing current technology-specific policies, procedures, and planning documents.

5.2.4 School Safety and Security

OBSERVATION: The Safety and Security link on the Website provides the public with readily available access to program resources and information, but the Website does not include cost information due to its confidential nature.

The Website main page for Safety and Security includes information about emergency evacuations and relocation. The public resource links include:

- Safety Videos
- Helpful Links
- Bullying and Harassment Resources
- Weather Resources
- Documents
- FAQ

There is no information about cost components related to safety and security due to its confidential nature.

5.2.5 Servicing Bond Indebtedness

OBSERVATION: The Audited Financial Reports issued by the Auditor General contain accurate long-term debt information; GCSD does not provide detailed bond indebtedness information to the public in any other format.

While limited reporting is needed for a single bond series, should the District determine that a bond should be issued in the future, many school districts issue an annual report to the Board showing each bond series, the interest rates and repayment schedules along with information on the district's position relative to its debt-related goals (discussed in greater detail in **Section 4.1.4** of this report).

RECOMMENDATION

Recommendation 5-7: Should additional long-term debt or bond indebtedness be incurred, prepare an annual report to the Board providing detail on each type of debt and the District's financial position in terms of the District's debt goals and adopted debt-related ratios.

5.3 ACCURACY AND COMPLETENESS

Subtask 5-3: Review processes the program has in place to ensure the accuracy and completeness of any program performance and cost information provided to the public – Overall conclusion: (Partially Meets)

5.3.1 District Support for Areas Under Review

OBSERVATION: GCSD has safeguards in place to ensure accuracy and completeness before the administration submits information to the School Board or in response to open record requests.

The administration has a comprehensive review process for submission of items to the Board. This process is extensive involving several distinct levels of review, including a senior manager at the department level, and the Superintendent and Chairman of the School Board before items are placed as part of the Board agenda. Initially, department heads submit items for a coming meeting to the Assistant Superintendent for Support Services.

Depending on the area and topic, the management level positions approving each document and reviewing it for accuracy may differ. Once approved by the layers of management, the Superintendent and Chairman of the School Board review all documents for accuracy and completeness. The Superintendent's Secretary reviews the document for format accuracy and uploads the final document for public and board access. The approvals and uploading must be complete 10 days in advance of the Board meeting when the final agenda and attachments are posted for regular Board meetings held on the fourth Tuesday of the month.

Similarly, prior to releasing the data, the Assistant Superintendent for Support Services reviews all responses to open records requests. (also see **Section 5.2.1**)

OBSERVATION: GCSD provides the public access to Budget/Financial data, but the AG has repeatedly cited the District for non-compliance with provisions found in s. 1011.035, Florida Statutes, School District Budget Transparency.

Both the Auditor General's 2020 and 2023 Operational Audits found that the District did not timely and prominently post on the District Website the required budget information as prescribed by State law.

Exhibit 5-2 examines s. 1011.035, Florida Statutes, School District Budget Transparency and assesses the District's compliance with the stated provisions. As shown, some portions of the statute are "required" while other sections are "encouraged."

The GCSD Website's Business and Finance Section contains a link to Budget and Financial Transparency. The Transparency site contains a 29-page 2023-24 final summary budget printed from Skyward by fund with little or no explanation.

Exhibit 5-2
Analysis of Statutory Transparency Requirements

Statutory Requirement	Evidence of GCSD Compliance
*(1) It is important for school districts to provide budgetary transparency to enable taxpayers, parents, and education advocates to obtain school district budget and related information in a manner that **is simply explained and easily understandable**. Budgetary transparency leads to more responsible spending, more citizen involvement, and improved accountability. A budget that is not transparent, accessible, and accurate cannot be properly analyzed, its implementation thoroughly monitored, or its outcomes evaluated.*	At the time of the AG review in April 2022, the District had posted the official budget for the 2021-22 fiscal year; however, the District had not posted the proposed and tentative budgets for the fiscal year. At this time, the FY 2022, FY 2023 and FY 2024 Proposed and Adopted budgets are posted on the Website. No tentative budgets are provided but are not required.
(2) Each district school board shall post on its Website a plain language version of each proposed, tentative, and official budget which describes each budget item in terms that are easily understandable to the public. This information must be prominently posted on the school district's Website in a manner that is readily accessible to the public.	Only the proposed and approved budgets for each year are posted. No information is available on the Business & Finance page regarding the budget process, budget terms or hearing dates. Legal notice of hearing dates is posted on the School Board Records, Agendas & Minutes section of the Website prior to the meetings as prescribed by law.
(3) Each district school board is encouraged to post the following information on its Website:	
(a) Timely information as to when a budget hearing will be conducted.	No information regarding budget hearings was found on the Business & Finance page. Hearing notices are posted on the Board page, however there is no published budget calendar on either page that would allow the public to plan in advance to attend a hearing.
(b) Each contract between the district school board and the teachers' union.	The collective bargaining agreement for 2019-22 which was amended and approved by the Board on 5/15/23 was found as an attachment to the School Board meeting agenda.
(c) Each contract between the district school board and noninstructional staff.	As with the teacher agreement, the collective bargaining agreement was found on the Website as an attachment to the School Board agenda.
(d) Each contract exceeding $35,000 between the school board and a vendor of services, supplies, or programs or for the purchase or lease of lands, facilities, or properties.	The Business & Fnance Website contains a page for Bids and Requests for Proposals that contains links to the RFPs or RFQs issued, sealed bid information and information on the bid award. The contracts themselves are referenced but the actual contract is not normally posted in its entirety.
(e) Each contract exceeding $35,000 that is an emergency procurement or is with a single source as authorized under s. 287.057(3).	
(f) Recommendations of the citizens' budget advisory committee.	GCSD does not have a citizen's budget advisory committee
(g) Current and archived video recordings of each district school board meeting and workshop.	None found
(4) The Website should contain links to:	
(a) Help explain or provide background information on various budget items that are required by state or federal law.	None found
(b) Allow users to navigate to related sites to view supporting details.	Auditor General Audited Financial Reports going back to FY 2019; links to FLDOE's Expenditures Per Pupil; and a link to Fiscal Trends per School for 2017-to 2021 are available on the finance page.
(c) Enable taxpayers, parents, and education advocates to send e-mails asking questions about the budget and enable others to view the questions and responses.	Contact information is available on the Finance page.

Source: Compiled by Ressel & Associates, May 2024.

As shown above, some, but not all transparency requirements are met. At this time, the CFO has assigned the Account Clerk over Accounts Payable responsibility for maintaining the Business & Finance Website. There are, however, no documented procedures for ensuring timelines and content requirements are met.

RECOMMENDATION

Recommendation 5-8: Assess the Transparency Act requirements, document the procedures for meeting the Act requirements, and make every effort to provide clear, understandable, timely and complete information to the public.

5.3.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department has not been involved in developing the information that is on the Website available to the public.

The Department lacks a method to ensure the accuracy and completeness of the data that is on the Website. The Department has not assigned a position to coordinate with other District staff to identify more appropriate Website content that could be useful to the public.

An effective process is to develop and regularly review and update the Website to ensure the Facilities and Maintenance Department is informing the public about the facilities. For example, the Surtax Capital Outlay Plan with a proposed timeline and the progress on the projects could be informative to citizens.

RECOMMENDATION

Recommendation 5-9: Assign Facilities and Maintenance Department staff to be accountable for ensuring the accuracy and completeness of the Website.

5.3.3 Instructional Technology

OBSERVATION: The Media & Technology Services Department does not have any process or procedures in place to ensure the accuracy and completeness of any program performance and cost information provided to the public.

The five-year Technology Plan contains some cost information relating to the goals and objectives, but there is no evidence this information is provided to the public. The Department has not posted the Plan on the Media & Technology webpage and there are no policies or procedures specific to this Department to ensure the accuracy and completeness of published documents, including plans and progress reports.

The plan recognizes the need for annual evaluations and the publication of annual progress reports and assigns responsibility for that action to the Technology Planning Committee, which is made up of staff at various levels within the organization.

RECOMMENDATION

Recommendation 5-10: Implement a process and documented procedures whereby members of the Technology Planning Committee or a similar group review and approve any information posted to the Media & Technology Website prior to publication.

5.3.4 School Safety and Security

OBSERVATION: Safety and security program and cost information is confidential and not shared with the public.

5.3.5 Servicing Bond Indebtedness

OBSERVATION: The Audited Financial Statements issued by the Auditor General contain accurate long-term debt information; the review team found no other debt-related reports or any documented procedures for ensuring the accuracy of reported data.

See **Recommendation 5-2** above.

5.4 CORRECTIVE ACTION PROCEDURES

Subtask 5-4: 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 and that these procedures provide for adequate public notice of such corrections – Overall conclusion: (Does Not Meet)

5.4.1 District Support for Areas Under Review

OBSERVATION: GCSD has an undocumented process for reporting corrections to public documents and reports.

The Superintendent or Assistant Superintendent receives information on a need for an update through email, Facebook posts and School Messenger. Major corrections (e.g., early releases, school closures, etc.) are addressed with the Executive Management Team (EMT) and the Superintendent decides as to the appropriate correction to make based on the input. Other corrections and updates are made internally based on the level of urgency.

There is no Office that is charged with responsibility for preparing retraction notices as might be found in larger school districts; therefore, the responsibility would fall to the Superintendent, or his designee should a retraction or reprint be necessary.

In the absence of a procedure for this; it is possible that corrections might not be provided in a timely manner or not be fully communicated to the affected parties.

RECOMMENDATION

Recommendation 5-11: Establish written administrative procedure to ensure timely and adequate public notice of retractions and republication of reports and other documents in a systematic manner.

5.4.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department does not regularly produce external documents or reports that the District could make available to the public. As a result, the Department does not have procedures to correct erroneous and/or incomplete program information.

The Facilities and Maintenance Department does not develop public facilities-related reports. The Director of Facilities lacks a methodology to correct reports as there have not been any reports made available to the public.

Without a Department-level process and procedure to resolve and correct erroneous information presented about the facilities program, the Department risks not being as transparent as possible.

A common best practice is for a Facilities and Maintenance Department contact to coordinate with the Public Information Coordinator or other staff assigned to monitor posts to the District Website content to review and approve existing and added content prior to posting.

RECOMMENDATION

Recommendation 5-12: Develop a review process to increase accountability and transparency of all facilities-related information presented to the public.

5.4.3 Instructional Technology

OBSERVATION: The Media & Technology Department does not have procedures in place to correct erroneous and/or incomplete program information.

Sections 5.2.3 and **5.3.3** above discuss the fact that the Department Website is the primary tool found for communication with the public. Associated recommendations speak to improving the quality and content as well as implementing a process for ensuring the accuracy and completeness of the information provided. Currently no procedures exist to correct erroneous or incomplete program information.

RECOMMENDATION

Recommendation 5-13: In the procedures recommended in Section 5.3.3, include provisions for the correction of incomplete or erroneous data.

5.4.4 School Safety and Security

OBSERVATION: The Safety and Security Department does not regularly produce external documents or reports for the public due to the confidential status of safety information. As a result, the Department does not have procedures to correct erroneous and/or incomplete program information.

The Department does not develop public safety-related reports.

The Specialist does not have a methodology to correct reports as there have not been any reports made available to the public. Having a coordination and review process between the Safety and Security Department and the Public Information Coordinator or other staff assigned to monitor posts to the District Website content could provide an additional level of accountability.

RECOMMENDATION

Recommendation 5-14: Work with the Public Information Coordinator or other staff assigned to monitor posts to the District Website to ensure the accuracy and completeness of information posted by Safety and Security, and/or the correction of erroneous or incomplete information.

5.4.5 Servicing Bond Indebtedness

OBSERVATION: The review team found no evidence of erroneous reporting of bond debt; the Business & Finance Department has no document procedures for the correction of erroneous or incomplete financial data.

The assumption is that reports regarding bond indebtedness would be handled like any other erroneous or incomplete financial data. The Business & Finance Department has no documented procedures for the handling of erroneous or incomplete financial reports.

Because of the critical nature of financial data, taking timely action to make and disseminate corrections is critically important for decision-makers and the general public. Depending on the criticality of the error, the District may be required to post public notices.

RECOMMENDATION

Recommendation 5-15: Immediately implement a documented procedure for the correction and dissemination of corrections to financial data or reports, including any error relating to bond servicing or indebtedness.

5.5 REASONABLE AND TIMELY CORRECTIVE ACTION

Subtask 5-5: Determine whether the school district has taken reasonable and timely actions to correct any erroneous and/or incomplete program information – Overall conclusion: (Meets)

5.5.1 District Support for Areas Under Review

OBSERVATION: The Review Team found no documents to provide evidence of erroneous and/or incomplete program information.

While administrators stated a process was in place to retract incorrect information, the review team found no examples to verify the accuracy of this statement **(See Recommendation 5-10)**.

5.5.2 Facilities Planning and Construction

OBSERVATION: The Facilities and Maintenance Department has not prepared documents that require staff to correct erroneous and/or incomplete program information.

The Department has not produced reports or data containing inaccurate information. Not having an established process to review documents increases the risk that the Department will not identify errors and make timely corrections.

Related to the Surtax, there is an increased risk of inconsistent information sharing if a Department other than the Facilities and Maintenance Department produces facilities-related reports and there is limited coordination with the Director of Facilities. For example, this could include the Board's Facility Committee and their role regarding the Surtax.

An effective practice is to ensure Department staff coordinates with other District staff as needed when preparing and submitting reports and documentation.

RECOMMENDATION

Recommendation 5-16: Develop a Facilities and Maintenance Department document review process as part of its overall Department procedures.

5.5.3 Instructional Technology

OBSERVATION: The review team found no evidence of erroneous or incomplete technology-related reports to the public.

5.5.4 School Safety and Security

OBSERVATION: The Department has not prepared documents that required correcting any erroneous and/or incomplete program information.

5.5.5 Servicing Bond Indebtedness

OBSERVATION: The review team found no evidence of erroneous bond debt reporting.

CHAPTER 6: PROGRAM COMPLIANCE

6.0 PROGRAM COMPLIANCE

Chapter 6 presents findings related to program compliance. As part of the performance audit, Ressel & Associates assessed the adequacy of processes and internal controls used to ensure compliance with and remediate instances of non-compliance with federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies and procedures applicable to the program areas under review. Ressel & Associates further assessed the District's compliance with Florida Statute Title XIV, 212.055: Discretionary sales surtaxes; legislative intent; authorization and use of proceeds.

The specific audit evaluation tasks include.

6.1 ***Compliance Policies and Processes*** *- 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 ***Compliance Controls*** *- 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 ***Addressing Non-Compliance*** *- 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 ***Surtax Compliance*** *- 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; and*

6.5 ***Charter School Funds*** *- 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.*

NOTE: Audit Evaluation Tasks 1-3 are addressed districtwide and in each of the program areas under review, whereas 6.4 and 6.5 are addressed as separate subchapters.

Finding on program compliance: Partially Meets

GCSD has up-to-date policies but few administrative procedures or handbooks to ensure user compliance with applicable federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies relating to the program areas under review. Construction

management and contract oversight and the safety and security functions have internal controls, however, internal control districtwide are lacking overall. Although the District takes action to address identified areas of noncompliance, repeat findings indicate that the District has not always implemented processes and procedures to prevent recurrences. Ressel & Associates recommends immediate action to document administrative procedures and monitoring activities to ensure that controls are working as intended.

GCSD sought legal counsel to advise them on the planned uses of the surtax and the appropriate resolution and ballot language.

GCSD is distributing funds to the charter school following State guidelines at this time and plans to use a similar system for the distribution of surtax funds. The administration is working with the charter school to define the mechanisms for reporting and monitoring the surtax funds, however, this process is not yet documented. Ressel & Associates recommends documenting the monitoring process now, which could reduce the likelihood of misunderstandings or non-compliance in the future.

Findings by Research Subtask:

- Subtask 6.1 - *Compliance Processes –Partially Meets*
- Subtask 6.2 - *Compliance Controls – Partially Meets*
- Subtask 6.3 - *Addressing Non-Compliance – Partially Meets*
- Subtask 6.4 - *Surtax Compliance – Meets*
- Subtask 6.5 - *Charter School Funds – Partially Meets*

6.1 COMPLIANCE PROCESSES

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 – Overall conclusion: (Partially Meets)

6.1.1 District Support for Areas Under Review

OBSERVATION: The Board's Policy Manual is up to date and modified regularly based on legislative changes and the like; the Board completely purged the manual in 2019.

The Assistant Superintendent for Support Services is responsible for maintaining the Policy Manual. She receives and prepares proposed or revised policies with input from senior staff. Board policies go through two readings at Board meetings; the Board adopts the policy at the second meeting.

The Board has a contract with PAEC to provide regular updates to the Policy Manual and used PAEC's model policies to completely update the manual in 2019.

The Gadsden County School Board has a policy that provides guidelines for the development of proposed policies or policy amendments, and their submission to and adoption by the Board (Policy 2.20).

This policy states:

> *The School Board is responsible for the organization and control of the public schools of the District and is empowered to determine the policies necessary for the effective operation and the general improvement of the school system. The School Board is a public corporate entity and may take action only when the Board is meeting in official public session and a quorum is present. Individual members of the School Board have authority to take official action only when sitting as a member of the School Board in public session except when the School Board specifically authorizes the member to act. The School Board shall not be bound in any way by any action on the part of an individual board member or an employee except when such statement or action is in compliance with the public action of the School Board.*

A review of the Gadsden County School Board policies found that, in general, the Board develops or updates primarily when state or federal legislation warrants an update. At the end of the legislative session and halfway through the year, PAEC provides updates to policies to address the required changes in laws, including data reporting requirements. Since the update in 2019, the Board has modified policies as needed.

Effective district management requires sound, clearly written and legally valid policies. The State of Florida mandates that each school board adopt policies that govern the operation of its schools and make them accessible to all school employees and the public. (Administrative Procedure Act, Chapter 120, Florida Statutes). Clear, updated policies should provide a framework for Board and school district decisions.

OBSERVATION: Policies are difficult to find on the District's Website.

Without an in-depth knowledge of the District's Website, it is hard to locate Board policies. In GCSD, policies are located on the Website within the Department of Support Services.

In most school districts, Board policies are found on the Board's section of the Website, so that the community and staff can quickly locate the needed policy or rule.

RECOMMENDATION

Recommendation 6-1: Relocate the Board Policy Manual under the Board's section of the GCSD Website.

Since the initial field work was completed, the District has implemented this change.

OBSERVATION: Some up-to-date administrative procedures exist, and most are not linked to Board policies.

The District has a limited number of current administrative procedures with most procedures over 20 years old. Policy 2.25 guides the creation of administrative procedures and manuals/handbooks. Policy 2.25, entitled School Board Adopted Plans (adopted in 10/2019) states:

> *The School Board has plans, manuals, handbooks, and codes which outline procedures to be followed relative to stated topics. The plans, manuals, handbooks, and codes listed below may be adopted by reference as part of these rules when required by other Board rules, Florida Statutes, or other controlling requirements.*

The reports listed as Administrative Services include the following:

- District Emergency Plan
- District Five-Year Work Plan
- District Master In-Service Plan
- District Safety Plan
- Food Service Procedures Manual
- Hiring Procedures Manual
- Human Resources Management and Development (HRMD) Plan
- Instructional Personnel Performance Appraisal System
- Job Description Manual
- Personnel Handbook
- Project Priority List
- School Plant Survey
- Transportation Procedures Manual

The Administration is currently making efforts to develop and revise administrative procedures.

Each of the Auditor General's audits cited specific administrative procedures as lacking in GCSD. A review of each of these manuals by the Ressel team found that some plans/handbooks are comprehensive; however, most provide no linkage to Board Policy. Furthermore, procedures for many other administrative tasks do not exist in the District.

As caretaker of the Policy Manual, the Assistant Superintendent for Support Services plans to review each new and revised policy to ascertain the need for an administrative procedure; if there is a need, she will facilitate the creation of the new procedure with the responsible Department.

RECOMMENDATION

Recommendation 6-2: Provide linkage between Board policy and administrative procedures and develop required administrative procedures and handbooks which currently do not exist in the Gadsden County School District.

6.1.2 Facilities Planning and Construction

OBSERVATION: The Finance Department and the Facilities and Maintenance Department are jointly responsible for ensuring that facility construction contracts are issued and monitored in compliance with federal, state, and local laws, rules, and regulations; contracts; grant agreements; and local policies.

The Facilities and Maintenance Department manages the planning and implementation of the construction projects. The Department develops the Request for Proposal (RFP) with the specifications for the projects. The Finance Department advertises the procurement and assists the Facilities and Maintenance Department with the proposals. Interested firms provide the required documentation. The District has an evaluation committee who reviews the proposals. Representatives from both departments participate in the evaluation committee.

In addition, the District contracts with the Leon County School District for its Building Code Inspection Program to ensure compliance with the local building codes and regulations.

Once contracts are issued, the Facilities and Maintenance Department monitors the contractors to ensure that the contractor completes the project as agreed. They receive and approve invoices and forward them to the Finance Department for payment.

The distinction of the compliance roles between both Departments is effective in ensuring that GCSD complies with all the key facilities and procurement provisions.

RECOMMENDATION

Recommendation 6-3: Ensure continued compliance for facilities projects by having both the Facilities and Maintenance Department and the Finance Department participate in the procurement process.

6.1.3 Instructional Technology

OBSERVATION: The Media & Technology Department has used PAEC services to assess its operational compliance with applicable federal, state, and local laws, rules, and regulations relating to student data reporting and educational offerings.

Gathering and accurately reporting student data and providing educational offering in compliance with federal and state guidelines requires a level of technical support and expertise which PAEC provides.

While the PAEC services do not necessarily prevent errors from occurring, the District has access to experts and technologies that aid them in identifying potential non-compliance issues or remedying them should they occur.

OBERVATION: Media & Technology Services is working with the Business & Finance Department and the Asset and Risk Management Coordinator to put processes and procedures in place that would identify and prevent inventory-related non-compliance.

Maintaining an inventory of technology devices and equipment is a challenge as GCSD has not clearly documented the rules and guidelines for maintaining the technology or fixed asset inventory.

According to staff, in 2019, the former CFO raised the fixed asset threshold from $750 to $1,000. The value of most student and staff classroom and general office devices are below that threshold, consequently, the District maintains the technology inventory in a separate inventory system called Asset Tiger.

Board Policy 7.77: Inventories and Property Records updated in 2019 references the fixed asset threshold of $1,000; Board Policy 7.771: Accounting System For Fixed Assets defines fixed assets as tangible assets with a useful life in excess of one (1) year and an initial cost equal to or exceeding the amount defined in F.A.C. 69I-73.002 (which states the threshold is $5,000).

A draft Administrative Procedure entitled Instructional Technology Department, Asset Management Procedure again references the $5,000 threshold but then provides instructions for the receipt, tagging and inventorying of technology purchases. Yet, under another heading of Tagging, the procedures states, "*The District assigned personnel will locate and affix an inventory barcode tag to each asset**(s),*** ***(**<u>Must Meet Cost Threshold Amount</u>**)** *record the physical location and provide a detailed description of each item*." While the administrative procedures are a work in progress, these conflicting statements may be understandable within a draft document, but the discrepancies between policies add to the confusion, placing the District at risk of continued non-compliance. Of additional concern is the fact that none of the policies or draft procedures related to purchasing or inventory management reference the thresholds or accounting procedures for managing the receipt and disposal of assets or technology purchased with federal dollars. **Exhibit 6-5** shows an example of how the Calhoun County School District addresses the purchasing guidelines for purchases made with federal dollars.

Exhibit 6-5
Excerpt from Calhoun County Purchasing Policy

PURCHASING PROCEDURES WITH FEDERAL FUNDS

This section will outline the unique process that must be followed to account for the additional procurement standards required under the Uniform Grant Guidance (UGG) whenever Federal funds are to be expended for goods and services. All procurement transactions for the acquisition of property or services under a Federal award must be conducted in a manner providing full and open competition consistent with the standards of section 200.319 and 200.320.

Procurement for Federal expenditures follows the same general procedures as other District expenditures, except that the review and subsequent approval of the Grant Coordinator is required prior to payment. Expenditures and activities for grants are outlined in the grant applications and budgets which are approved by the Florida Department of Education and School Board. To ensure all expenditures are allowable, all Purchase Orders (Pos) are approved by the Grant Coordinator which includes determining if the goods or services on the PO are within the grant terms and budget.

CFR 2 Section 200.318 requires the District to document their procurement procedures including how Board approved purchasing policies and procedures conform with the requirements of the Uniform Grant Guidance.

Coordinating Purchasing Thresholds under UGG with Board Policy:

Section 200.320 of the UGG establishes two thresholds (Micropurchases and Simplified Acquisition Threshold) that results in three levels of purchases:

- Micropurchases – Less than $3,000
- Small Purchases - $3,000-$150,000
- Sealed Bids/Competitive Proposals (Simplified Acquisition Threshold) – Greater than $150,000

Board procedures, in compliance with State law, establishes the following thresholds:

- Use best business practices for purchases under $3,000
- Informal quotes (3) required for purchases between $3,000-14,999
- Formal quotes (3) required for purchases between $15,000-$49,999

Source: Calhoun County Board Policy 7.77 revised 7/11/23.

Likewise, school districts are required to maintain and inventory of assets purchased with federal dollars and ensure that these assets are disposed of following the granting agency guidelines. According to the individual responsible for tagging the assets as they are received, assets purchased with federal dollars are tagged with a red inventory tag and are identified in the inventory system as being purchased with federal dollars. Accordingly, the review team was told that the disposal of assets purchased with federal dollars is the responsibility of the purchasing department. None of this information is contained in policy or procedure.

RECOMMENDATION

Recommendation 6-4: Immediately revise policies and administrative procedures to be consistent, include specific guidance regarding the tracking and inventorying of technology and specific instructions relating the handling of any assets purchased with federal dollars.

6.1.4 School Safety and Security

OBSERVATION: The School Safety Specialist developed a process to ensure the District meets the Florida Department of Education (FLDOE) Office of Safe Schools (OSS) compliance requirements.

GCSD must regularly comply with the Florida Department of Education Office of State Schools to ensure safe schools. OSS has established specific due dates for many of the compliance requirements.

To ensure the District meets the due date, the Specialist developed earlier internal deadlines to allow adequate time to compile the information required for the state reports. The Specialist submits the state-required reports as necessary throughout the year. These are a few examples provided by the Specialist:

- By August 1st, provide the OSS with the School Safety Specialist contact information
  - Internal deadline is on or before July 15th
- By August 1st, provide the OSS with any changes to FortifyFL for upcoming school year
  - Internal deadline is on or before July 15th
- By October 1st, all schools must submit their School Security Risk Assessment (SSRA)
  - Internal deadline is on or before August 18th

Ensuring compliance with the state requirements for safety provides additional assurance to parents that the District strives to ensure a safe campus setting for all students.

6.1.5 Servicing Bond Indebtedness

OBSERVATION: The District has no documented debt-related policies or procedures in place to ensure its compliance with applicable federal, state, and local laws, rules, and regulations.

GCSD has had only limited long-term debt over the last 10 years and has made payments based on an amortization schedule established at the time the debt was issued. The former CFO was responsible for monitoring compliance with the note or bond agreement and relied on the financial accounting system in use at the time. The current CFO has continued payments through Skyward according to that schedule.

The Government Finance Officers Association (GFOA) provides the following guidance relating to debt management policies for school districts and local governments:

> *"Debt management policies are written guidelines, allowances, and requirements that guide the process of debt evaluation and debt issuance practices of Governments, including the issuance process, management of a debt portfolio, adherence to various laws and regulations, federal tax compliance, and compliance with post-issuance continuing disclosure requirements. A debt management policy should improve the quality of decisions, articulate policy goals, provide guidelines for the structure of debt issuance, and*

> *demonstrate a commitment to long-term capital and financial planning. Adherence to a debt management policy signals to rating agencies, lenders, and investors that a Government is well managed and therefore is likely to meet its debt obligations in a timely manner."*

In addition, GFOA recommends, "*Various GFOA Best Practices provide a comprehensive overview of the requirements associated with the incurrence of debt, but it is also recommended that any government or authority considering entering into a debt obligation consult the expertise of bond counsel, disclosure counsel, and a municipal advisor to determine the best course of action for their specific project and to assist with the development of debt management policies."*

RECOMMENDATION

Recommendation 6-5: Adopt a debt management policy as recommended by the GFOA.

6.2 COMPLIANCE CONTROLS

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 – Overall conclusion: (Partially Meets)

6.2.1 District Support for Areas Under Review

OBSERVATION: Internal Controls to ensure compliance with laws appear to be lacking.

The Auditor General has issued findings regarding areas of legal non-compliance, which indicates that internal controls are weak. The AG has made recommendations for developing procedures that will ensure compliance in the future, however, the District has not assigned an administrator to take ownership of the issue, write the procedure and follow up to monitor the revised process to ensure that the newly implemented controls are effective.

A strong system of internal controls can prevent fraud, reduce unintentional errors, manage risk, and help a school district remain in compliance with applicable federal, state, and local laws, rules, and regulations; and local policies.

One of the most widely recognized internal control frameworks in the world is the Committee of Sponsoring Organizations' (COSO's) Internal Control Integrated Framework. COSO defines internal control as:

> *A process, effected by an entity's board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting and compliance.*

In addition, COSO identified five components of internal control:

- control environment – establishing the "tone at the top" regarding the importance of internal controls and the expected standards of conduct.
- risk assessment – what is the worst that can happen and how can that risk be mitigated
- control activities – establishing policies and procedures
- information and communication – training individuals on the use of the internal controls and explaining the reason the control is so important
- monitoring activities – evaluating the effectiveness of the controls and initiating action to remediate any deficiencies in those controls

As noted earlier, not only does GCSD not have documented procedures for all critical financial and operational functions, no department heads or members of the leadership team have been assigned to follow through with drafting, testing, and monitoring the procedures to determine whether they are effective in preventing future occurrences.

Recommendation 6-6: Consider adopting the COSO model for internal controls and establish a systematic process for assigning administrators ownership for following the model initially for all open and future AG findings and expanding the process to more proactively include all critical financial and operational functions based on the potential risks for non-compliance.

6.2.2 Facilities Planning and Construction

OBSERVATION: There are compliance controls for procurement during construction projects.

The Case Studies highlighted in **Section 1.5** provide details and examples of three construction projects.

The Facilities and Finance Departments coordinate for the procurement oversight of the projects. The Facilities Department identifies the project needs, while the Finance Department issues the RFPs. They jointly review and recommend the vendors to the Board.

Identifying, planning, and funding projects in a timely manner to complete projects will require continued coordination between the departments. For future projects, this will be critical or the District risks getting projects started, but not being able to complete them.

RECOMMENDATION

Recommendation 6-7: Continue to identify, plan and fund facilities construction and renovation projects in a manner consistent with local, state, and federal laws, rules, and regulations.

6.2.3 Instructional Technology

OBSERVATION: Media & Technology has documented internal controls to ensure compliance with federal, state, and local laws, rules, and regulations relating to student and staff use of technology; review and updates may be needed.

The 2021-2025 Technology Plan contains a section dedicated to Technology-Related Policies and is organized in the following sections:

A. Intellectual Property
B. Copyright
C. Partnerships
D. Access Issues
E. Security
F. Technical Assistance Standards
G. Minimum [configuration] Standards
H. Policy on Content of Websites Representing Gadsden School District
I. FOCUS and Conditions for Use of the Internet
    a. *Student User: FOCUS and Conditions for Use of the Internet in the Gadsden School District (Signed by Student and Parent Annually)*
    b. *Adult User: FOCUS and Conditions for Use of the Internet in the Gadsden School District (Signed by User)*
J. Guidelines for Compliance with the Requirements of the Children's Internet Protection Act (CIPA)

Not listed as a policy, but are documents providing procedural guidance are:

- Employee Business Systems and Internet Use Computer Operating and Security Guide; and
- Receipt of Employee Business Systems and Internet Use Computer Operating and Security Policy (signed by employee)

These policies, guidelines and forms were documented in 2021 when the original plan was developed, but the review team could find no evidence of review or updates since the plan was written. The plan calls for the annual review of all policies, however, the Department told the review team that the plan has not been evaluated since it was written. Additionally, these policies are not contained in the School Board Policies, therefore, it is unclear as to whether these are officially District policies.

The 2023-24 Student Code of Conduct adopted by the Board also contains references to computer use and prohibitions against use for harassment or bullying purposes, and this document is reviewed annually by the Board.

RECOMMENDATION

Recommendation 6-8: Review and update the policies and guidelines contained in the Technology Plan and determine whether it is appropriate to take the policies to the School

Board for approval, or more appropriately name one or more of these documents administrative procedures.

6.2.4 School Safety and Security

OBSERVATION: The Department has internal controls to ensure compliance with the FLDOE OSS requirements.

The Specialist developed internal deadlines for the date specific FLDOE OSS requirements to ensure that there is enough time to compile the information prior to the required submission date. **Section 6.1.4** provides examples.

6.2.5 Servicing Bond Indebtedness

OBSERVATION: The review team found no internal controls relating to the issuance or servicing of bond or other long-term indebtedness to ensure compliance with applicable federal, state, and local laws, rules, and regulations.

The only mention of debt in Board Policy relates to the Lease or Lease Purchase of property. By policy, the Superintendent makes recommendations for such purchases to the Board for approval. Prior to final action on the proposal for a lease or lease-purchase agreement, the School Board is required to hold an open and public hearing on the issue after due notice is given as required by Florida Statutes.

The assumption is that the School Board has the sole authority to issue debt is based on Policy 7.36 Indebtedness Created Against a School or the School Board which speaks to creating debt without School Board approval:

> "*Any school employee or other person shall be personally liable for creating any bill of indebtedness against a school or the School Board unless authority exists under duly adopted policy of the School Board or unless authorized in writing by the Superintendent. Any employee violating the provisions of this rule shall be subject to deduction of the indebtedness from the employee's paycheck, cancellation of his/her contract, or dismissal from employment."*

In many districts, the policy enumerating the responsibilities and authority of the Board lists such actions as authority to purchase and sell real property, authority to issue long- and short-term debt, etc. Policy 2.20 Responsibilities And Authority Of The Board contains statements regarding the Board's authority to establish policy and annually set the salaries of Board Members.

RECOMMENDATION

Recommendation 6-9: Expressly assign the School Board sole authority in policy to issue short- and long-term debt.

6.3 ADDRESSING NON-COMPLIANCE

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 – Overall conclusion: (Partially Meets)

6.3.1 District Support for Areas Under Review

OBSERVATION: Although the District has made progress in the past year, the District has been slow in responding to findings of legal non-compliance in the AG's Operational audit.

In at least one case, a repeat finding found in the November 2022 Operational Audit noted a violation of State Law; a repeat finding cited in the 2019 and the 2017 reports:

> **2019**: *Contrary to State law, the District did not base annual salary adjustments for instructional and administrative personnel, in part, upon applicable student performance, instructional practice, and instructional leadership requirements. A similar finding was noted in our report No. 2020-042.*
> **2017:** *As similarly noted in our report No. 2017-147, contrary to State law, the District did not provide annual salary adjustments for instructional and administrative personnel based, in part, upon applicable student performance, instructional practice, and instructional leadership requirements.*

Other repeat findings in the Operational Audits that violated state law or guidelines contained recommendations for the District to create procedures to prevent future occurrences.

At the time of the audit, administrators provided the review team with copies of draft and completed administrative procedures as evidence that efforts were underway. As previously stated in **Section 6.1.1,** the Assistant Superintendent for Support Services is reviewing all policies to ensure that the responsible parties develop the necessary administrative procedures. In addition, the Business & Finance Office is taking more responsibility for creating administrative procedures as called for in the Auditor General's Audit.

Recommendation 6-10: Ensure that GCSD complies with all AG requests in a timely manner.

6.3.2 Facilities Planning and Construction

OBSERVATION: The review team found no reports citing areas of non-compliance in the facilities planning and construction function, however fire, health, and safety inspections regularly identify areas of non-compliance; the Department has a process to assign the deficiency to the relevant trade to address.

The Facilities and Maintenance Department receives the fire, health and safety inspections and the staff add the issues to resolve as a work order and assign them to a trade to solve the issue.

Although there was not an example of non-compliance cited, effective organizations have a process to detect and correct issues that surface during the school year.

RECOMMENDATION

Recommendation 6-11: Establish a written deficiency correction process as part of the overall Facilities and Maintenance Department procedures.

6.3.3 Instructional Technology

OBSERVATION: The administration has taken actions to address noncompliance with Federal regulations for maintaining inventory records identified by the Auditor General; the administration, however, has not developed processes and procedures to ensure continued compliance.

As noted in **Section 4.3.3** of this report, the FY 2022 Audited Financial Report (AFR) issued by the Auditor General contained a Material Weakness that stated,

> "*The District did not comply with Federal regulations by maintaining inventory records to identify the location of 333 laptops, resulting in (Emergency Connectivity Fund) ECF program questioned costs of $132,527*." Staff said the failure to record 333 devices in the inventory was an oversight, and corrections were made to correct the inventory.

The District's response stated that the administration would implement stronger controls, however attempts to document policy and procedures to prevent recurrences are in draft form and are still missing key components.

Recommendations 4-16 and **6-4** address the need to modify the related policies and procedures to ensure future compliance.

6.3.4 School Safety and Security

OBSERVATION: GCSD has taken reasonable and timely action to remedy some of the Auditor General safety and security-related findings, but they have not implemented a student crime watch program.

The District has implemented solutions to address the 2023 Auditor General findings related to compliance with drills and training requirements, mental health awareness training, and security awareness training. They have also addressed the 2020 AG findings about reporting the school security risk assessment results, and assignment of safe-school officers at each school.

The District has not addressed the 2020 AG finding about implementing a student crime watch program. The Specialist said that the District has discussed it, but they do not have a plan to develop the program. They are aware of how the programs typically work, and it is a goal, but they have not yet acted on creating it.

The 2018 Office of Safe Schools update from the Marjory Stoneman Douglas High School Public Safety Commission reported that 38 percent of Florida schools said that a student crime watch program was in place.

RECOMMENDATION

Recommendation 6-12: Connect with other districts who have student watch programs and propose options to the Superintendent for the best solution for the District.

6.3.5 Servicing Bond Indebtedness

OBSERVATION: The review team found no evidence of non-compliance relating to servicing bond indebtedness.

6.4 SURTAX COMPLIANCE

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 – Overall conclusion: (Meets)

OBSERVATION: GCSD's Board Attorney took reasonable and timely actions to ensure compliance with State laws, rules, and regulations regarding the process for bringing the Surtax referendum to the Voters.

During interviews, the School Board Attorney explained the process she used to ensure compliance with State laws, rules, and regulations for creating and processing a Surtax resolution for approval by Voters. Legal bills, School Board minutes and other documentation confirmed that the Board Attorney took the following actions:

- researched and analyzed Florida Statutes governing the process for setting referendums on election ballots;
- researched Secretary of State guidelines and statutory authority history regarding mail ballots;
- revised proposed recommendations regarding the process to implement the Surtax; and
- analyzed Attorney General opinions and authority regarding ballot language.

This research and analysis were instrumental in providing compliant resolution language that the School Board and County Commissioners then approved.

OBSERVATION: GCSD has taken reasonable and timely actions to comply with State laws, rules, and regulations regarding the planned use of the proceeds should Voters approve the Surtax.

The planned use of the surtax funds as stated in the resolution passed by the Board and approved by the County on December 19, 2023, comply with the statute,

> "*The resolution providing for the imposition of the surtax must set forth a plan for use of the surtax proceeds for fixed capital expenditures or fixed capital costs associated with the construction, reconstruction, or improvement of school facilities and campuses which have a useful life expectancy of 5 or more years, and any land acquisition, land improvement, design, and engineering costs related thereto. Additionally, the plan shall include the costs of retrofitting and providing for technology implementation, including hardware and software, for the various sites within the school district. Surtax revenues may be used to service bond indebtedness to finance projects authorized by this subsection, and any interest accrued thereto may be held in trust to finance such projects. Neither the proceeds of the surtax nor any interest accrued thereto shall be used for operational expenses."*

The Board attorney constructed the ballot language contained in the resolution which includes a generic statement regarding upgrades to aging District and school facilities to keep schools safe and conducive to learning.

The ballot language also mentions that the funds will be used to address needs contained in the Surtax Capital Outlay Plan. The administration and Facilities Committee are updating the current Capital Outlay Plan, which is outdated and contains items not mentioned in the resolution.

OBSERVATION: The ballot language contains a statement that the Board Facilities Committee containing two independent citizens will be monitoring the Surtax expenditures; the District has not yet named the citizen members.

The Ballot Language contained the Surtax Resolution adopted by the Gadsden County Commissioners on December 23, 2023, states [emphasis added]:

> *"…To upgrade aging schools/district facilities and to keep schools safe and conducive to learning, shall the Gadsden County School Board be authorized to levy a 15-year half-cent sales surtax, with expenditures based upon the Surtax Capital Outlay Plan, <u>and monitored by a District Facilities Committee consisting of not less than two (2) independent citizens?</u>"*

The Board Chair and Administration have indicated they intend to appoint independent citizens to the Facilities Committee, but do not plan to name the citizen members until after the referendum.

The Facilities Committee, currently made up of staff and Board members only, already exists and meets regularly and is considering updates to the Surtax Capital Outlay Plan.

Some districts have appointed citizen members with construction and/or financial expertise to advance planning committees as well as monitoring committees to ensure that planned projects are coordinated and prioritized in such a way as to speed implementation of the most critical projects. In some local governments, critical committee appointments are chosen based on an application process whereby the most qualified applicants receive the appointment; the current committee members or an impartial evaluation committee make the final selection.

For example, the Lee County School District, FL solicits applications from citizens for advisory committees, including the Construction Committee. A combination of Board members and administrators make the final selection. The Lee County application could be used as a model: https://www.leeschools.net/school_board/advisory_committee_information/construction_advisory_committee/construction_advisory_committee_application

RECOMMENDATION

Recommendation 6-13: Solicit applications from citizens with specific expertise in construction and fiscal management for the Facilities Committee, to assist not only in monitoring but also in preparing the final Surtax Capital Outlay Plan.

6.5 CHARTER SCHOOL FUNDS

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– Overall conclusion: (Partially Meets)

OBSERVATION: GCSD has one District charter school and a methodology for determining the pro rata amount of the distribution of surtax funds based on enrollment and a pre-existing system for the distribution, accounting and reporting of the use of surtax funds. Some enhancements to the reporting structure may be needed to allow GCSD to monitor the use of the surtax funds.

Currently, there is one District charter school, the Crossroads Academy, which serves students from PreK through Grade 12.

School Board Policy #3.90 Charter Schools, details the process for applying to become a charter school, as well as Charter School Funding (Section XI), Monitoring and Review (Section XIV).

The FY 2017 AFR contained a Material Weakness relating to the District's efforts to monitor the financial activities of the charter school. The Auditor General's Operational Report from October 2019 cited the District because distributions of discretionary millage to the District charter school were $20,144 less than required by State Law. In both instances, the Auditor General recommended that the District enhance its procedures for dealing with the charter school.

A draft Administrative Procedure provided to the review team states,

> "*The District used guidelines outlined in F.S.1002.33, Section (17) - CHARTER SCHOOLS FUNDING to guide administrative procedures for distribution of funds to charter schools in the district. The Statute in its entirety may be found electronically at the link below.*"

There are no procedures other than the restatement of the statute to explain how GCSD will implement or monitor the charter school or itself to ensure compliance. Although the procedures provide inadequate guidance on how GCSD will implement and monitor the procedures, the Auditor General did not repeat the finding in 2023.

The CFO said he does the reporting for charter schools and the monitoring of their reports; he also processes charter school payments through the accounts payable process. The CFO said that this year they are doing things differently and he is setting up a new system to put a monitoring process in place that they have not had before. The CFO has not yet documented the procedure and gave no further details.

Title XIV, s. 212.055 (c), *Florida Statutes*: "Discretionary sales surtaxes; Legislative Intent; authorization and use of proceeds" outlines charter school monitoring requirements:

> *"…Surtax revenues shared with charter schools shall be expended by the charter school in a manner consistent with the allowable uses set forth in s. 1013.62(4). All revenues and expenditures shall be accounted for in a charter school's monthly or quarterly financial statement pursuant to s. 1002.33(9) …"*

Documenting the process and communicating the expectations to the charter school are necessary steps and controls for ensuring compliance with the requirements in law and Board Policy.

RECOMMENDATION

Recommendation 6-14: Document GCSD's policies and procedures for managing charter school funds, the charter school's reporting requirements, and GCSD's monitoring of expenditures.

OBSERVATION: GCSD currently uses a Revenue Estimating Worksheet provided by the State to calculate the proportionate share of funding for the Crossroads Academy.

As shown in **Exhibit 6-4**, the calculated proportionate share based on Unweighted and Weighted student FTEs is 10.4 percent and 10.0 percent, respectively.

Exhibit 6-4

Calculating Proportionate Share of Surtax Proceeds
2023-24 FEFP Third Calculation

3A. Divide school's Unweighted FTE (UFTE) total computed in Section 1, cell C27 above by the District's total UFTE to obtain school's			
UFTE share. Charter School UFTE:	491.99	District's Total UFTE:	4,727.37
Share of Surtax Proceeds			10.4%
3B. Divide school's Weighted FTE (WFTE) total computed in Section 1, cell E37 above by the District's total WFTE to obtain school's			
WFTE share. Charter School WFTE:	508.383	District's Total WFTE:	5,092.61
Share of Surtax Proceeds			10.0%

Source: Calculated by Ressel & Associates using FLDOE's Charter School Revenue Estimating Worksheet, April 2024.

FEFP and most federal grants are based on the number of full-time equivalent (FTE) students; Florida Department of Education accumulates this count and reports back to the districts four times per year. FEFP funds are primarily generated by multiplying the number of full-time equivalent (FTE) students in each of the funded education programs by cost factors to obtain weighted FTE students. For example, a student in a severe needs Special Education classroom setting would be given a higher weight and funded accordingly.

Based on estimated revenues from the half-cent sales tax of approximately $2,358,751 million annually, the District estimates that the Crossroads Academy will receive $240,000 annually.

The statute states:

> "*Surtax revenues shared with charter schools shall be expended by the charter school in a manner consistent with the allowable uses set forth in s. 1013.62(4) …All revenues and expenditures shall be accounted for in a charter school's monthly or quarterly financial statement pursuant to s. 1002.33(9)."*

Crossroads Academy currently provides GCSD financial statements in accordance with s. 1002.33(9), Florida Statutes, and the District plans to continue this practice, however, careful examination of the use of the Surtax funds is required.

Based on past experience, educating the charter school leadership about the restrictions on expenditures and the reporting requirements could prevent future misunderstandings.

RECOMMENDATION

Recommendation 6-15: Work with Crossroads Academy to ensure that the school leaders are aware of the statutory requirements for the use of surtax funds, and the need for the monthly financial statements to contain adequate detail to allow the CFO to monitor the use of the surtax funds.

ADDENDUM: GCSD'S RESPONSE TO PERFORMANCE AUDIT

THE GADSDEN COUNTY SCHOOL DISTRICT

Educating Every Student Today, Making Gadsden Stronger Tomorrow

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6 June 2024

Betty Ressel, CPA
Ressel & Associates, LLC
11707 Oakwood Drive
Austin, TX 78753

RE: Gadsden County School District's Response to Performance Audit

TO: The Ressel & Associates Audit Team

Gadsden County School District accepts the observations and recommendations of Ressel & Associates, LLC and will incorporate the guidance provided into the District's continuous efforts to improve its operational and financial health.

Executive Management Team and I would like to express our sincere thanks to each of you for taking on the OPPAGA audit project and for your professionalism in guiding leadership through an in-depth look at critical operational and financial growth areas. The audit process and your feedback are valuable and critical to helping the District move forward.

Sincerely,

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