

oppaga

Sharpening the Pencil

Best Financial Management Practices Review



*Osceola
County
School
District*



Office of Program Policy Analysis
and Government Accountability

an office of the Florida Legislature

Report 02-45



The Florida Legislature

OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY



John W. Turcotte, Director

August 2002

The President of the Senate
The Speaker of the House of Representatives
The Joint Legislative Auditing Committee
The Superintendent of the Osceola County School District
The School Board Members of the Osceola County School District

I have directed that a Best Financial Management Practices Review be conducted of the Osceola County School District. This review was made pursuant to the Sharpening the Pencil Act (HB 269) passed by the 2001 Legislature to improve school district management and use of resources and to identify cost savings.

OPPAGA is issuing the *Digest of Best Financial Management Practices Review, Osceola County School District* to comply with the law that directs OPPAGA to issue a report to the district regarding its use of the best practices and cost savings recommendations.

This review was conducted by OPPAGA and the Auditor General. OPPAGA and the Auditor General were responsible for conducting fieldwork and developing report findings and recommendations. OPPAGA made the final determination on the district's use of Best Financial Management Practices, based on information in the final report.

Curtis Baynes was the project leader for this review. Other OPPAGA staff included Byron Brown, Kathleen Del Monte, Mike Garner, Steve Harkreader, Bill Howard, Pam Kaperak, Marcus Mauldin, Don Pardue, Nanette Smith, David Tranchand, and Gary VanLandingham. Auditor General staff included Jim Kiedinger, Brenda Racis, and Marie Westbrook, under the supervision of David Martin. We wish to express our appreciation to the staff of the Osceola County School District for their assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Turcotte".

John W. Turcotte
Director

JWT/mc

cc: The Honorable Jeb Bush, Governor
The Honorable Charlie Crist, Commissioner of Education
Mr. Jim Horne, Secretary, Florida Board of Education

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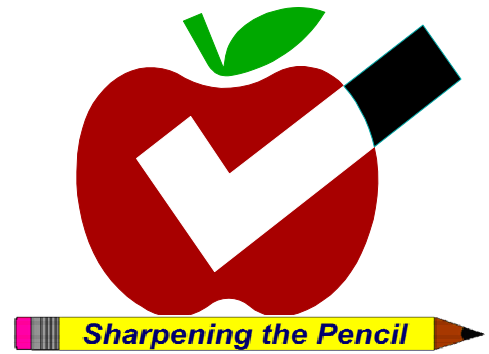
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Digest of the Best Financial Management Practices Review

Osceola County School District



Report No. 02-45A

August 2002

Results in Brief

The 2001 Legislature passed the Sharpening the Pencil Act, HB 269, to improve school district management and use of resources and to identify cost savings. The act directs the Commissioner of Education to adopt the best practices as standards for the Best Financial Management Practices Review and establishes meeting the best practices as the goal for all Florida school districts. The best practices are designed to encourage districts to

- use performance and cost-efficiency measures to evaluate programs;
- assess their operations and performance using benchmarks based on comparable school district, government agency, and industry standards;
- identify potential cost savings through privatization and alternative service delivery; and
- link financial planning and budgeting to district priorities, including student performance.

In accordance with the Sharpening the Pencil Act, The Office of Program Policy Analysis and Government Accountability (OPPAGA) reviewed the Osceola County School District during Fiscal Year 2001-02. Based on the recommendations contained in the report, the district could improve operations, save money, and demonstrate good stewardship of public resources. Currently, the district is using 79% (169 of 214) of the best practices adopted by the Commissioner and is not eligible for a Seal of Best Financial Management. (See Exhibit 1.) A detailed listing of all the best practices that identifies the district’s status in relation to each is on page 6 of this digest report.

Exhibit 1

The District Is Using 79% of the Best Practices

Best Practice Area (Total Practices)	Is the District Using Individual Best Practices?		
	Yes	No	N/A
Management Structures (12)	8	4	0
Performance Accountability System (5)	0	5	0
Educational Service Delivery (16)	13	3	0
Administrative and Instructional Technology (20)	16	4	0
Personnel Systems and Benefits (15)	13	2	0
Use of Lottery Proceeds (5)	5	0	0
Use of State and District Construction Funds (4)	3	1	0
Facilities Construction (32)	25	7	0
Facilities Maintenance (26)	21	5	0
Student Transportation (20)	16	4	0
Food Service Operations (17)	9	8	0
Cost Control Systems (31)	29	2	0
Community Involvement (11)	11	0	0
All Areas (214)	169	45	0

As shown in Exhibit 2, implementing report recommendations will improve operations by about \$5.6 million over a five-year period.

Exhibit 2

The District Could Improve Operations About \$5.6 Million Over the Next Five Years by Implementing Recommendations

Recommendation(s) by Review Area	Projected Five-Year Net Fiscal Impact
<u>Management Structures</u>	
<ul style="list-style-type: none"> Create in-house legal staff to function as the school board attorney. (Action Plan 3-5) 	\$1,626,000
<ul style="list-style-type: none"> Modify the district’s organizational structure. (Action Plan 3-6) 	(\$575,000)
<ul style="list-style-type: none"> Hire consultant to develop local corrective methodology. (Action Plan 3-11) 	(\$7,500)
<u>Educational Service Delivery</u>	
<ul style="list-style-type: none"> Make it a priority to implement an automated web application that will enable teachers and administrators to get real-time FCAT data. (Action Plan 5-2) 	(\$6,390)
<u>Administrative and Technology</u>	
<ul style="list-style-type: none"> Develop and implement a systematic approach for evaluating school technology plans to ensure the objectives are being met and that district standardization policies are being adhered to. (Action Plan 6-2) 	\$302,000
<ul style="list-style-type: none"> Develop and implement a strategy for evaluating software with respect to district performance expectations and then allocate limited resources to supporting only those packages that best meet performance goals. (Action Plan 6-3) 	\$170,000
<ul style="list-style-type: none"> Develop and implement an equipment replacement policy that leverages the district’s purchasing power and reduces the total cost of ownership by reducing the costs of supporting older, out-of-warranty equipment, providing equitable access to new equipment districtwide, and freeing schools to focus on instruction. (Action Plan 6-5) 	\$750,000
<ul style="list-style-type: none"> Consider storage and disposal costs in deciding on the best strategy for acquiring technology. (Action Plan 6-9) 	(\$80,375)
<u>Personnel Systems and Benefits</u>	
<ul style="list-style-type: none"> Modernize records-keeping procedures by establishing and maintaining a database containing complete information on each new district employee. (Action Plan 7-1) 	\$100,000
<u>Student Transportation</u>	
<ul style="list-style-type: none"> Increase average bus occupancy rate by increasing the number of three-tier runs. (Action Plan 12-2) 	\$1,922,400
<ul style="list-style-type: none"> Seek Medicaid reimbursement for eligible ESE student transportation. (Action Plan 12-6) 	\$120,225
<ul style="list-style-type: none"> Reduce spare bus fleet to no more than 10% of buses in daily service (Action Plan 12-7) 	\$78,000
<u>Food Services</u>	
<ul style="list-style-type: none"> Develop required basic sanitation and safety training for new employees. (Action Plan 13-3) 	(\$4,250)
<ul style="list-style-type: none"> Develop required general sanitation and safety training for all food service employees. (Action Plan 13-4) 	(\$2,911)
<ul style="list-style-type: none"> The food service program pay the district for in-house maintenance services. (Action Plan 13-18) 	\$1,300,000
<u>Cost Control Systems</u>	
<ul style="list-style-type: none"> Implement a risk assessment process to enhance identification of high-risk activities and will result in prioritizing these activities in order of highest risk for purposes of resolving them. (Action Plan 14-1) 	(\$75,000)
TOTALS	\$5,617,199

Purpose

The purpose of Best Financial Management Practices Reviews is to improve Florida school district management and use of resources and to identify cost savings. Florida law directs the Office of Program Policy Analysis and Government Accountability and the Office of the Auditor General to develop a system for reviewing the financial management practices of school districts. Florida law also provides that the best financial management practices, at a minimum, must instill public confidence by

1. addressing the school district's use of resources;
2. identifying ways that the district could save funds; and
3. improving the school district performance accountability systems, including public accountability.

Background

The 2001 Legislature passed the Sharpening the Pencil Act, HB 269, to improve school district management and use of resources and to identify cost savings. Two of the most important provisions of the act are that it specifies those districts scheduled to undergo a Best Financial Management Practices Review each year of a five-year-cycle and requires public input during the review process and after the distribution of the final report.

The act also directs that the Commissioner of Education adopt the best practices to be used as standards for these reviews and establishes meeting the best practices as the goal for all Florida school districts. The best practices are designed to encourage districts to

- use performance and cost-efficiency measures to evaluate programs;
- assess their operations and performance using benchmarks based on comparable school district, government agency, and industry standards;
- identify potential cost savings through privatization and alternative service delivery; and
- link financial planning and budgeting to district priorities, including student performance.

In accordance with the schedule of best financial management practice reviews in the act, the Legislature directed that OPPAGA to review the Osceola County School District. With about 38,000 students, the Osceola County School District is the seventeenth largest school district out of 67 districts in the state. Located in central Florida, south of Orlando, the

district operates 34 schools, including 19 elementary schools, 8 middle/junior high schools, 5 senior high schools, and 2 combined schools. OPPAGA and the Auditor General staff conducted fieldwork and developed report findings and recommendations.

The report contains findings related to each best practice and detailed action plans to implement each report recommendation. These action plans were developed with input from the school district and describe the specific steps the district should take if it decides to implement the recommendation within two years. Pursuant to s. 230.23025, *Florida Statutes*, OPPAGA made the final determination on whether the school district is using best practices adopted by the Commissioner of Education based on information in the final report and the independent assessment of the district's use of each best practice.

OPPAGA expresses its appreciation to members of the Osceola County School Board and district employees who provided information and assistance during the review.

General Overview and District Obligations

Currently, the Osceola County School District is using 79% of the best practices adopted by the Commissioner and at this time is not eligible for a Seal of Best Financial Management. Appendix A of this report contains an action plan detailing how the district could meet the best practices within two years.

Within 90 days after receipt of the final report, the school board must

- decide by a majority plus one vote, whether or not to implement the action plan and pursue a Seal of Best Financial Management, and
- notify OPPAGA and the Commissioner of Education in writing of the date and outcome of the school board vote on whether to adopt the action plan. If the school board fails to vote on whether to adopt the action plan, the superintendent must notify OPPAGA and the Commissioner of Education.

After receipt of the final report and before the school board votes whether to adopt the action plan, the school district must hold an advertised public forum to accept public input and review the findings and recommendations of the report. The district must advertise and promote this forum to inform school and district advisory councils, parents, school district employees, the business community, and other district

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residents of the opportunity to attend this meeting. OPPAGA and the consultant will attend this forum.

If the school board votes to implement the action plan, the district must submit two annual status reports, the first report no later than one year after receipt of the final report and the second report one year later.

After receipt of each status report, OPPAGA will assess the district's implementation of the action plan and progress toward implementing the Best Financial Management Practices in areas covered by the plan and issue a report indicating whether the district has successfully implemented the best financial management practices.

If the school district successfully implements the Best Financial Management Practices within two years, it will be eligible to receive a Seal of Best Financial Management from the State Board of Education, a designation that is effective for five years. During the designation period, the school board must annually notify OPPAGA, the Auditor General, the Commissioner of Education, and the State Board of Education of any changes that would not conform to the state's Best Financial Management Practices. If no such changes have occurred and the school board determines that the school district continues to conform to the Best Financial Management Practices, the school board must annually report that information to the State Board of Education, with copies to OPPAGA, the Auditor General, and the Commissioner of Education.

Conclusions by Best Practice Area

A summary of report conclusions and recommendations by best practice area is presented below.

Management Structures

The district meets 8 of 12 best practices established for management structures. The Osceola County School District is paying significantly more for legal services than its peer districts and should evaluate how to obtain these services more economically. The district needs to develop written districtwide procedures and a system to link the budget to the strategic plan. The district also needs to develop a system to accurately project enrollment. Lastly, the district should consider reorganizing to reduce the superintendent's workload and improve evaluation of educational programs.

Performance Accountability System

Currently, the district meets none of the five performance accountability best practices. The Osceola County School District's performance accountability system lacks measurable objectives at the district, major program, and individual school levels. Once these measurable objectives are developed and adopted, the board and district administrators will be better able to monitor the progress district programs and schools are making toward achieving desired results.

Educational Service Delivery

The district is using 13 of the 16 best practices for education service delivery. While the Osceola County School District generally provides effective educational services and programs to its students, there are several areas for improvement. The district should ensure that all programs and services are evaluated and operating from a strategic plan with more specific outcomes, which focuses on measurable student performance targets and cost-efficiency.

Administrative and Instructional Technology

The Osceola County School District is using 16 of the 20 best practices related to administrative and instructional technology functions. The Osceola County School District is proactive and inclusive in planning and delivering technology services to the community it serves. Both the Information Technology and Services Department and the Media and Instructional Technology Department make positive contributions to the district's goal of promoting the effective use of technology. However, the district's attempt to provide a technology-rich environment to all students districtwide is hindered by an unclear replacement policy and limited compliance with districtwide standardization guidelines. Also, the district has not developed a strategy to maximize the allocation of technology resources or to evaluate the success of targeted technology initiatives by systematically analyzing district data.

Personnel Systems and Benefits

Overall, the district is using 13 of the 15 best practices in this area. The Osceola County School District maintains a positive Human Resources customer orientation, but could improve the efficiency of its efforts through automation of its personnel processes and records. The district generally provides adequate salaries and appropriate benefits for its employees, and has been able to keep district salaries below the state average, peer districts, and adjacent districts. The

district needs to improve its performance accountability system to ensure that the Personnel program is meeting its intended purpose in an effective, cost-efficient manner.

Use of Lottery Proceeds

The district uses all five best practices pertaining to the use of lottery proceeds. The district has defined enhancement, allocates lottery proceeds to school advisory councils and charter schools as required by law, and reports the costs of specific activities supported with lottery proceeds.

Use of State and District Construction Funds

Overall, the district uses three of four best practices pertaining to the use of state and district construction funds. The Osceola County School District generally uses state and district construction funds appropriately and for the intended purposes. The district has begun to incorporate measures from the SMART Schools Clearinghouse Frugal Construction Standards in order to minimize construction costs.

Facilities Construction

The district is using 25 of the 32 best practices related to facilities construction functions. The Osceola County School District has a well-developed and effective Facilities Planning and Construction Department that is dealing satisfactorily with the county's rapid and extensive growth of students.

Facilities Maintenance

The Osceola County School District is using 21 of the 26 best practices for facilities maintenance. The Osceola County School District has an effective Maintenance Department that maintains safe, functional facilities, which provide an appropriate learning environment. Some additional tools will help enhance the efficiency and effectiveness of the department.

Student Transportation

The district is using 16 of the 20 best practices established for student transportation. The Osceola County School District has a well-managed student transportation system that is using most of the best financial management practices. Although the district has managed to keep pace with rapid student population growth, its bus fleet is beginning to age significantly. The district should address its bus replacement needs as well as its growth.

Food Service Operations

The district is using 9 of the 17 best practices in food service operations. The Osceola County food service program is well managed, operates independently, and is financially sound. Once automated management software is fully implemented, program administrators will better be able to monitor and project program performance.

Cost Control Systems

The district is using 29 of the 31 best practices established for cost control systems. The district's cost control systems include internal auditing, financial auditing, asset management, inventory management, risk management, financial management, purchasing, and payment processing. Overall, the district has established effective cost control systems in these areas. However, certain enhancements could be made in the areas of internal auditing, financial auditing, inventory management, risk management, financial management, and purchasing.

Community Involvement

The district is using all 11 of the best practices related to community involvement. The Osceola County School District is actively involved with the larger community.

Osceola County School District Best Financial Management Practices

Currently, the Osceola County School District is using 79% (169 of 214) of the best practices adopted by the Commissioner of Education, and is not eligible for a Seal of Best Financial Management. This appendix provides a detailed listing of all the best practices and identifies the district's current status in relation to each.

<i>Best Practices</i>	<i>Is the District Using Best Practices?</i>		
<u>MANAGEMENT STRUCTURES</u>	YES	NO	PAGE
1. The roles and responsibilities of the board and superintendent have been clearly delineated, and board members and the superintendent have procedures to ensure that they have effective working relationships.	✓		3-3
2. The board and superintendent have procedures to ensure that board meetings are efficient and effective.	✓		3-5
3. The board and superintendent have established written policies and procedures that are routinely updated to ensure that they are relevant and complete.		✓	3-10
4. The district routinely obtains legal services to advise it about policy and reduce the risk of lawsuits. It also takes steps to ensure that its legal costs are reasonable.		✓	3-12
5. The district's organizational structure has clearly defined units and lines of authority.	✓		3-15
6. The district periodically reviews its administrative staffing and makes changes to eliminate unnecessary positions and improve operating efficiency.	✓		3-20
7. The superintendent and school board exercise effective oversight of the district's financial resources.	✓		3-22
8. The district has clearly assigned school principals the authority they need to effectively manage their schools while adhering to district-wide policies and procedures.	✓		3-24
9. The district has a multi-year strategic plan with annual goals and measurable objectives based on identified needs, projected enrollment, and revenues.	✓		3-26
10. The district has a system to accurately project enrollment.		✓	3-28
11. The district links its financial plans and budgets to its priority goals and objectives, and district resources are focused towards achieving those goals and objectives.		✓	3-31
12. When necessary, the district considers options to increase revenue.	✓		3-33

Best Practices	Is the District Using Best Practices?
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<u>PERFORMANCE ACCOUNTABILITY SYSTEM</u>	YES	NO	PAGE
1. The district has clearly stated goals and measurable objectives that can be achieved within budget for each major educational and operational program. These major programs are: <ul style="list-style-type: none"> • <u>Educational Programs</u>: Basic Education (K-3, 4-8, 9-12), Exceptional Student Education, Vocational/Technical Education, and English for Speakers of Other Languages. • <u>Operational</u>: Facilities Construction, Facilities Maintenance, Personnel, Asset and Risk Management, Financial Management, Purchasing, Transportation, Food Services, and Safety and Security. Goals and objectives must be present in both the educational and operational areas to meet this best practice. The district lacks these accountability mechanisms in the operational areas.		✓	4-3
2. The district uses appropriate performance and cost-efficiency measures and interpretive benchmarks to evaluate its major educational and operational programs and uses these in management decision making.		✓	4-6
3. The district regularly assesses the performance and cost of its major educational and operational programs using performance measures and benchmark data and analyzes potential cost savings and/or cost avoidance of alternatives, such as outside contracting and privatization.		✓	4-9
4. The district formally evaluates the performance and cost of its major educational and operational programs and uses evaluation results to improve program performance and cost-efficiency.		✓	4-11
5. The district clearly reports on the performance and cost-efficiency of its major educational and operational programs to ensure accountability to parents and other taxpayers.		✓	4-14

<u>EDUCATIONAL SERVICE DELIVERY</u>	YES	NO	PAGE
1. District administrators use both academic and nonacademic data to improve K-12 education programs.		✓	5-6
2. District administrators facilitate sharing effective instructional practices to improve student performance.	✓		5-13
3. The district provides effective and cost-efficient Exceptional Student Education (ESE) programs.	✓		5-15
4. The district provides effective and cost-efficient instruction as part of its English for Speakers of Other Languages (ESOL) Program.	✓		5-24
5. The district provides effective and cost-efficient secondary vocational and adult/technical education programs.	✓		5-28
6. The district's curricular framework is linked to Florida's accountability standards and to the Sunshine State Standards.	✓		5-33
7. The district has adopted a plan for the progression of students from kindergarten through grade 12 that maximizes student mastery of the Sunshine State Standards.	✓		5-34

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<i>Best Practices</i>	<i>Is the District Using Best Practices?</i>		
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<u>EDUCATIONAL SERVICE DELIVERY</u>	YES	NO	PAGE
8. The district ensures that school improvement plans effectively translate identified needs into activities with measurable objectives and that school advisory councils meet statutory membership requirements.		✓	5-37
9. The district’s process for selecting instructional materials ensures that instructional materials meet the needs of teachers and students.	✓		5-41
10. Each student has current and appropriate instructional materials in core courses that are aligned with the Sunshine State Standards and the district’s pupil progression plan.	✓		5-42
11. The district’s procedures for acquiring, maintaining, and disposing of instructional materials are cost-effective.	✓		5-43
12. The district has implemented accountability mechanisms to ensure the overall performance, efficiency, and effectiveness of its major educational programs. ¹		✓	5-44
13. The district regularly reviews its organizational structure and the staffing of the central office and schools to minimize administrative layers and processes.	✓		5-48
14. The district clearly reports on the performance and cost-efficiency of its major educational programs to ensure accountability to parents and other taxpayers.	✓		5-50
15. The district has sufficient school library or media centers to support instruction.	✓		5-51
16. The district provides necessary support services (guidance counseling, psychological, social work, and health) to meet the needs of its students in a cost-efficient manner.	✓		5-53

<u>ADMINISTRATIVE AND INSTRUCTIONAL TECHNOLOGY</u>	YES	NO	PAGE
1. The district has solicited and used broad stakeholder input in developing an integrated learning system and in setting priorities for administrative and instructional technology decisions.	✓		6-11
2. The district has a comprehensive technology plan that provides direction for administrative and instructional technology decision making.		✓	6-12
3. The district provides formal and informal support to assist educators in incorporating technology into the curriculum.		✓	6-14
4. The district provides technical support for educational and administrative systems in the district.		✓	6-17
5. The district provides technical support for hardware, software, and infrastructure in a timely and cost-effective manner.		✓	6-21
6. The district has a professional development plan that reflects the district’s vision of integrating technology to enhance and enrich the learning environment, as well as improve administrative support.	✓		6-23
7. The district provides professional development for the instructional technologies.	✓		6-25

¹ See performance accountability best practices and indicators for more information on each indicator for this best practice.

Best Practices	Is the District Using Best Practices?		
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<u>ADMINISTRATIVE AND INSTRUCTIONAL TECHNOLOGY</u>	YES	NO	PAGE
8. The district bases technology acquisitions on instructional needs and makes technology acquisitions based on those needs. ²	✓		6-26
9. The district bases technology acquisitions on the results of research, planning, and evaluations of previous technology decisions to ensure technology decisions are cost-effective.	✓		6-27
10. The district has established standards for acquiring new programs and digital content that promote the integration of technology into everyday curricular needs.	✓		6-30
11. The district has a stable and efficient infrastructure. ³	✓		6-32
12. The district has established and communicated a policy stating appropriate uses of all types of technology resources, including computers, video equipment, software, and the Internet.	✓		6-33
13. The district supports compliance with the established policy on safe and legal use of technology resources.	✓		6-34
14. Segregation of Duties: The district segregates duties to reduce the risk that unauthorized transactions will be entered and not discovered quickly.	✓		6-35
15. User Controls: The district's user controls ensure authorization prior to processing transactions and ensure all output represents authorized and valid transactions.	✓		6-35
16. Application Controls: The district's applications are designed to provide users with reliable data.	✓		6-36
17. General Controls: The district has established general controls in the areas of access, systems development and maintenance, documentation, operations, and physical security to promote the proper functioning of the information systems department.	✓		6-37
18. The district's management information systems provide data needed by administrative and instructional personnel in a reliable and timely manner.	✓		6-38
19. The district has taken steps to minimize the number of databases that are independent of its centralized computer systems.	✓		6-39
20. Other Controls: The district has established appropriate controls related to electronic data exchange transactions, other transactions processed through electronic media, and image processing systems.	✓		6-40

<u>PERSONNEL SYSTEMS AND BENEFITS</u>	YES	NO	PAGE
1. The district has efficient and effective processes for recruiting and hiring qualified personnel.	✓		7-6
2. The district maintains a reasonably stable work force through competitive salary and benefit packages and through district-wide efforts to address and remedy factors that contribute to increased turnover.	✓		7-9

² Instructional needs include incorporating technology into the curriculum and needs of students learning how to use technology.

³ Examples of this include a Wide Area Network (WAN) and a Local Area Network (LAN).

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<i>Best Practices</i>	<i>Is the District Using Best Practices?</i>
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<u>PERSONNEL SYSTEMS AND BENEFITS</u>	YES	NO	PAGE
3. The district provides a comprehensive staff development program to achieve and maintain high levels of productivity and employee performance among non-instructional employees.	✓		7-12
4. The district provides a comprehensive staff development program for instructional employees to attain and maintain high quality instruction and to achieve high levels of student performance.	✓		7-13
5. The district provides a comprehensive staff development program for school-based administrators.	✓		7-14
6. The district’s system for formally evaluating employees is designed to improve and reward excellent performance and productivity, and to identify and address performance that does not meet the district’s expectations for the employee.	✓		7-15
7. The district ensures that employees who repeatedly fail to meet the district’s performance expectations, or whose behavior or job performance is potentially harmful to students, are promptly removed from contact with students, and that the appropriate steps are taken to terminate those persons’ employment.	✓		7-16
8. The district maintains clear and effective channels of communication with employees.	✓		7-17
9. The district has efficient and cost-effective policies and practices for providing substitute teachers and other substitute personnel.	✓		7-19
10. The district maintains personnel records in a highly efficient and accessible manner.		✓	7-19
11. The district uses cost-containment practices for its Workers’ Compensation Program.	✓		7-22
12. The district has established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the human resource program.		✓	7-23
13. The district periodically reviews the organizational structure and staffing levels of the office of human resources to minimize administrative layers and processes.	✓		7-23
14. The district periodically evaluates its personnel practices and adjusts these practices as needed to reduce costs and/or improve efficiency and effectiveness.	✓		7-24
15. For classes of employees that are unionized, the district maintains an effective collective bargaining process.	✓		7-25

<u>USE OF LOTTERY PROCEEDS</u>	YES	NO	PAGE
1. The district has defined “enhancement” in a way that the public clearly understands.	✓		8-6
2. The district uses lottery money consistent with its definition of enhancement.	✓		8-6
3. The district allocates lottery funds to school advisory councils as required by law.	✓		8-7
4. The district accounts for the use of lottery money in an acceptable manner.	✓		8-7
5. The district annually evaluates and reports the extent to which lottery fund expenditures have enhanced student education.	✓		8-8

Best Practices	Is the District Using Best Practices?		
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<u>USE OF STATE AND DISTRICT CONSTRUCTION FUNDS</u>	YES	NO	PAGE
1. The district approves use of construction funds only after determining that the project(s) are cost-efficient and in compliance with the lawfully designated purpose of the funds and the district's five-year facilities work plan.	✓		9-3
2. The district uses capital outlay and operational funds appropriately, lawfully, and in accordance with its adopted five-year facilities work plan.	✓		9-5
3. The district minimizes construction costs by using appropriate measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Construction Standards. ⁴	✓		9-7
4. When designing and constructing new educational facilities, the district incorporates factors to minimize the maintenance and operations requirements of the new facility.		✓	9-8

<u>FACILITIES CONSTRUCTION</u>	YES	NO	PAGE
1. The district has established a facilities planning committee that includes a broad base of school district personnel, parents, construction professionals, and other community stakeholders.	✓		10-5
2. The district has established authority and assigned responsibilities for facilities planning.	✓		10-9
3. The five-year facilities work plan provides budgetary plans and priorities based on the master plan and input from the facilities planning committee.	✓		10-11
4. The five-year facilities work plan is based on a thorough demographic study and enrollment projections.	✓		10-12
5. The five-year facilities work plan is based on an evaluation of the physical condition and the ability of facilities to meet educational needs.		✓	10-12
6. When developing the annual five-year facilities work plan the district evaluates alternatives to minimize the need for new construction.		✓	10-15
7. District planning prioritizes construction needs.	✓		10-18
8. The district can demonstrate that the construction program complies with the current Laws of Florida.	✓		10-19
9. For all projects with dates of construction contracted after July 1, 2001, the district can demonstrate that the construction program complies with the Florida Building Code.	✓		10-19
10. The school board ensures responsiveness to the community through open communication about the construction program and the five-year facilities work plan.	✓		10-20
11. The district develops descriptions and educational specifications for each project.	✓		10-20

⁴ The web page is: <http://smartschools.state.fl.us>.

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Best Practices	Is the District Using Best Practices?		
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<u>FACILITIES CONSTRUCTION</u>	YES	NO	PAGE
12. Educational specifications for new construction, remodeling, and renovations include a description of activity areas.	✓		10-21
13. The architectural design fulfills the building specification needs as determined by the district.	✓		10-22
14. New construction, remodeling, and renovations incorporate effective safety features.	✓		10-23
15. The district begins school site selection well in advance of future need based on expected growth patterns.		✓	10-24
16. The board considers the most economical and practical locations for current and anticipated needs, including such factors as need to exercise eminent domain, obstacles to development, and consideration of agreements with adjoining counties.	✓		10-26
17. The district has established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the construction program.		✓	10-27
18. The district has considered, and where possible implemented, the general requirements recommended in the SMART Schools Clearinghouse Frugal Construction Standards.	✓		10-28
19. The district minimizes construction costs through the use of prototype school designs and frugal construction practices.	✓		10-30
20. The district secures appropriate professional services to assist in facility planning, design, and construction.	✓		10-30
21. The district can demonstrate that funds collected for school projects were raised appropriately.	✓		10-33
22. District planning provides realistic time frames for implementation that are coordinated with the opening of schools.	✓		10-33
23. For each project or group of projects, the architect and district facilities planner develop a conceptual site plan and building specifications.	✓		10-34
24. The district follows generally accepted and legal contracting practices to control costs.	✓		10-34
25. The district has assigned one person with the authority and responsibility to keep facilities construction projects within budget and on schedule.	✓		10-36
26. The board minimizes changes to facilities plans after final working drawings are initiated in order to minimize project costs.	✓		10-36
27. The architect recommends payment based on the percentage of work completed. A percentage of the contract is withheld pending completion of the project.	✓		10-37
28. The district requires appropriate inspection of all school construction projects.	✓		10-38
29. The district conducts a comprehensive orientation to the new facility prior to its use so that users better understand the building design and function.		✓	10-39
30. The district conducts comprehensive building evaluations at the end of the first year of operation and regularly during the next three to five years to collect information about building operation and performance.		✓	10-40

Best Practices	Is the District Using Best Practices?		
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<u>FACILITIES CONSTRUCTION</u>	YES	NO	PAGE
31. The district analyzes building evaluations to determine whether facilities are fully used, operating costs are minimized, and changes in the district's construction planning process are needed.		✓	10-41
32. The district analyzes maintenance and operations costs to identify improvements to the district's construction planning process.	✓		10-42

<u>FACILITIES MAINTENANCE</u>	YES	NO	PAGE
1. The district's maintenance and operations department mission, organizational structure, and operating procedures are established in writing.		✓	11-4
2. The district has established maintenance standards in its short- and long-term plans for providing appropriately and equitably maintained facilities within budget and in accordance with the district's five-year facilities work plan and annual budget.		✓	11-7
3. The district clearly identifies and communicates performance standards and expected outcomes to maintenance and operations staff.		✓	11-9
4. The district ensures that maintenance and custodial standards are regularly updated to implement new technology and procedures.	✓		11-11
5. The district obtains and uses customer feedback to identify and implement program improvements.	✓		11-12
6. The district has established and implemented accountability mechanisms to ensure the performance and efficiency of the maintenance and operations program.		✓	11-13
7. The district accurately projects cost estimates of major maintenance projects.	✓		11-15
8. The administration has developed an annual budget with spending limits that comply with the lawful funding for each category of facilities maintenance and operations.	✓		11-15
9. The board maintains a maintenance reserve fund to handle one-time expenditures necessary to support maintenance and operations.	✓		11-16
10. The maintenance and operations department regularly evaluates maintenance and operations activities to determine the most cost-effective method of providing needed services.	✓		11-16
11. The district minimizes equipment costs through purchasing practices and maintenance.	✓		11-17
12. The district uses proactive maintenance practices to reduce maintenance costs.	✓		11-18
13. The maintenance and operations department regularly reviews the organizational structure of the maintenance and operations program to minimize administrative layers and processes.	✓		11-18
14. The maintenance and operations department regularly reviews the staffing levels of the maintenance and operations program to maximize the efficient use of personnel.		✓	11-19
15. The maintenance and operations department ensures qualified staff by using appropriate hiring practices.	✓		11-21
16. The maintenance and operations department has a written job description for each position within the department.	✓		11-21

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<i>Best Practices</i>	<i>Is the District Using Best Practices?</i>		
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<u>FACILITIES MAINTENANCE</u>	YES	NO	PAGE
17. The district provides appropriate supervision of maintenance and operations staff.	✓		11-22
18. The district provides a staff development program that includes appropriate training for maintenance and operations staff to enhance worker job satisfaction, efficiency, and safety.	✓		11-22
19. The district provides maintenance and operations department staff the tools and equipment required to accomplish its assigned tasks.	✓		11-23
20. A computerized control and tracking system is used to accurately track work orders and inventory.	✓		11-24
21. The maintenance and operations department has a system for prioritizing maintenance needs uniformly throughout the district.	✓		11-26
22. District policies and procedures clearly address the health and safety conditions of facilities.	✓		11-26
23. The maintenance and operations department identifies and implements strategies to contain energy costs.	✓		11-27
24. The district has an energy management system in place, and the system is maintained at original specifications for maximum effectiveness.	✓		11-27
25. The school district complies with federal and state regulatory mandates regarding facility health, safety, and energy efficiency conditions.	✓		11-28
26. The district is aware of and prepared for the permitting and inspection requirements of the Florida Building Code.	✓		11-28

<u>STUDENT TRANSPORTATION</u>	YES	NO	PAGE
1. The student transportation office plans, reviews, and establishes bus routes and stops to provide efficient student transportation services for all students who qualify for transportation.	✓		12-5
2. The district ensures that all regular school bus routes and activity trips operate in accord with established routines, and any unexpected contingencies affecting those operations are handled safely and promptly.	✓		12-10
3. The district effectively and efficiently recruits and retains the bus drivers and attendants it needs.	✓		12-11
4. The district trains, supervises, and assists bus drivers to enable them to meet bus driving standards and maintain acceptable student discipline on the bus.	✓		12-14
5. The district provides student transportation services for exceptional students in a coordinated fashion that minimizes hardships to students and accurately reports exceptional students transported to receive state funding.		✓	12-15
6. The district ensures that staff acts promptly and appropriately in response to any accidents that occur.	✓		12-17
7. The district ensures that appropriate student behavior is maintained on the bus at all times.	✓		12-19
8. The school district has a process to ensure that a sufficient school bus fleet is acquired economically and will be available to meet the district's future student transportation needs.		✓	12-20

Best Practices	Is the District Using Best Practices?		
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<u>STUDENT TRANSPORTATION</u>	YES	NO	PAGE
9. The district provides timely routine servicing for buses and other district vehicles, as well as prompt response for breakdowns and other unforeseen contingencies.	✓		12-24
10. The district ensures that fuel purchases are cost-effective and that school buses and other vehicles are efficiently supplied with fuel.	✓		12-25
11. The district maintains facilities that are conveniently situated to provide sufficient and secure support for vehicle maintenance and other student transportation functions.	✓		12-26
12. The district maintains an effective staffing level in the vehicle maintenance area and provides support for vehicle maintenance staff to develop their skills.	✓		12-27
13. The district maintains an inventory of parts, supplies, and equipment needed to support student transportation functions that balances the concerns of immediate need and inventory costs.	✓		12-28
14. The district provides appropriate technological and computer support for student transportation functions and operations.		✓	12-29
15. The district has established an accountability system for student transportation, and it regularly tracks and makes public reports on its performance in comparison with established benchmarks.		✓	12-30
16. The district coordinates long-term planning and budgeting for student transportation within the context of district and community planning.	✓		12-32
17. The district monitors the fiscal condition of student transportation functions by regularly analyzing expenditures and reviewing them against the budget.	✓		12-32
18. The district provides regular, accurate, and timely counts to the Florida Department of Education of the number of students transported as part of the Florida Education Finance Program.	✓		12-33
19. The district has reviewed the prospect for privatizing student transportation functions, as a whole or in part.	✓		12-33
20. The district periodically reviews the organizational structure and staffing levels of the student transportation program to minimize administrative layers and processes.	✓		12-34

<u>FOOD SERVICE OPERATIONS</u>	YES	NO	PAGE
1. The food service program is clearly defined with a mission statement, operating policies and procedures, and performance expectations.		✓	13-8
2. The district regularly reviews the organizational structure and staffing levels of the food service program to enhance the efficiency of program operation.	✓		13-11
3. The district uses a comprehensive food service training program to increase productivity, improve employee performance, and enhance the food service program.		✓	13-14
4. The district identifies barriers to student participation in the school meals program and implements strategies to eliminate the barriers.	✓		13-16

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Best Practices	Is the District Using Best Practices?		
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<u>FOOD SERVICE OPERATIONS</u>	YES	NO	PAGE
5. The district has established cost-efficiency benchmarks based on comparable private and public sector food service programs and other applicable industry standards.		✓	13-21
6. The district regularly evaluates the school food service program based on established benchmarks and implements improvements to increase revenue and reduce costs.		✓	13-23
7. The district regularly assesses the benefits of service and service delivery alternatives, such as contracting and privatization, and implements changes to improve efficiency and effectiveness.		✓	13-24
8. The program budget is based on department goals, revenues, and expenditure projections.		✓	13-27
9. The district's financial control process includes an ongoing review of the program's financial and management practices.		✓	13-29
10. The district accounts for and reports meals served by category.	✓		13-32
11. The district regularly evaluates purchasing practices to decrease costs and increase efficiency.	✓		13-33
12. The district has developed an effective inventory control system that is appropriate to the size of the school food service program.	✓		13-34
13. The district has a system for receiving, storing, and disposing of food, supplies, and equipment.	✓		13-34
14. The district has a plan for the repair and replacement of equipment that includes preventive maintenance practices.		✓	13-36
15. The district provides school meals designed to meet the nutritional needs of students.	✓		13-38
16. The district's food production and transportation system ensures the service of high quality food with minimal waste.	✓		13-39
17. The district follows safety and environmental health practices and regulations.	✓		13-40

<u>COST CONTROL SYSTEMS</u>	YES	NO	PAGE
1. The district has established an internal audit function with its primary mission to (1) provide assurance that the internal control processes in the organization are adequately designed and functioning effectively, and (2) where appropriate, offer recommendations and counsel to management that will improve performance.		✓	14-6
2. The district obtains an external audit in accordance with government auditing standards.	✓		14-8
3. The district provides for timely follow-up of findings identified in the external audit.	✓		14-8
4. The district obtains and reviews required financial information relating to school internal accounts, direct service organizations (DSOs), and charter schools.	✓		14-8
5. Segregation of Duties: The district segregates responsibilities for custody of assets from record keeping responsibilities for those assets.	✓		14-12
6. Authorization Controls: The district has established controls that provide for proper authorization of asset acquisitions and disposals.	✓		14-13

Best Practices	Is the District Using Best Practices?		
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<u>COST CONTROL SYSTEMS</u>	YES	NO	PAGE
7. Project Accounting: The district has established records that accumulate project costs and other relevant data to facilitate reporting construction and maintenance activities to the board, public, and grantors.	✓		14-13
8. Asset Accountability: The district provides recorded accountability for capitalized assets.	✓		14-13
9. Asset Safeguards: Assets are safeguarded from unauthorized use, theft, and physical damage.	✓		14-14
10. Segregation of Duties over Inventory: The district segregates responsibilities for custody of inventories from record keeping responsibilities for those assets.	✓		14-15
11. Inventory Requisitioning Controls: The district has established and implemented controls that provide for proper inventory requisitioning.	✓		14-15
12. Inventory Accountability and Custody: The district has established controls that provide for inventory accountability and appropriate safeguards exist for inventory custody.	✓		14-16
13. Inventory Management: The district periodically evaluates the inventory function to determine its cost-effectiveness.		✓	14-16
14. General: The district has a process to set objectives for risk management activities, identify and evaluate risks, and design a comprehensive program to protect itself at a reasonable cost.	✓		14-19
15. Providing for Coverage Against Risk Exposure: The district has comprehensive policies and procedures relating to acquiring and reviewing coverage for risks of loss.	✓		14-21
16. Management Control Methods: District management communicates its commitment and support of strong internal controls.	✓		14-25
17. Financial Accounting System: The district records and reports financial transactions in accordance with prescribed standards.	✓		14-26
18. Financial Reporting Procedures: The district prepares and distributes its financial reports timely.	✓		14-26
19. Budget Practices: The district has a financial plan serving as an estimate of and control over operations and expenditures.	✓		14-27
20. Cash Management: The district has effective controls to provide recorded accountability for cash resources.	✓		14-27
21. Investment Practices: The district has an investment plan that includes investment objectives and performance criteria designed to maximize return consistent with the risks associated with each investment, and specifies the types of financial products approved for investment.	✓		14-28
22. Receivables: The district has established effective controls for recording, collecting, adjusting, and reporting receivables.	✓		14-29
23. Salary and Benefits Costs: The district has effective controls that provide accountability for the payment of salaries and benefits.	✓		14-29
24. Debt Financing: The district analyzes, evaluates, monitors, and reports debt-financing alternatives.	✓		14-31
25. Grant and Entitlement Monitoring: The district effectively monitors and reports grants activities.	✓		14-32

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<i>Best Practices</i>	<i>Is the District Using Best Practices?</i>		
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<u>COST CONTROL SYSTEMS</u>	YES	NO	PAGE
26. Segregation of Duties: The district segregates purchasing responsibilities from the requisitioning, authorizing, and receiving functions.	✓		14-34
27. Requisitioning: The district has established controls for authorizing purchase requisitions.	✓		14-34
28. Purchasing: The district has established authorization controls over purchasing.	✓		14-35
29. Receiving: The district has established controls to ensure that goods are received and meet quality standards.	✓		14-36
30. Disbursements: The district has established controls to ensure disbursements are properly authorized, documented, and recorded.	✓		14-37
31. Invoice Processing: The district has established controls for processing invoices to ensure that quantities, prices, and terms coincide with purchase orders and receiving reports.	✓		14-37

<u>COMMUNITY INVOLVEMENT</u>	YES	NO	PAGE
1. The district has developed a meaningful community involvement mission statement and maintains ongoing community involvement activities in its strategic plan directed toward performing that mission.	✓		15-3
2. The district has established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the Community Involvement Program.	✓		15-4
3. The district solicits and incorporates parent and community involvement and support.	✓		15-5
4. The district uses a variety of methods of communicating with parents.	✓		15-6
5. The district periodically reviews the organizational structure and staffing levels of the Community Involvement Program to minimize administrative layers and processes.	✓		15-7
6. The district has active Parent Teacher Associations /Parent Faculty Organizations (PTA/PFO) and other effective methods to involve and encourage parent leadership and participation.	✓		15-7
7. The district provides activities that encourage families to be involved in the schools.	✓		15-7
8. The district uses community resources to strengthen schools, families, and student learning and consistently offers school resources to strengthen communities.	✓		15-8
9. The district has developed school-business partnerships.	✓		15-9
10. District schools maintain active and effective programs to involve volunteers in the education process.	✓		15-9
11. District schools solicit economic support through school foundations.	✓		15-10

The Florida Legislature

Office of Program Policy Analysis and Government Accountability



Visit the [Florida Monitor](http://www.oppaga.state.fl.us), OPPAGA's online service. See <http://www.oppaga.state.fl.us>. This site monitors the performance and accountability of Florida government by making OPPAGA's four primary products available online.

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- [Performance-based program budgeting \(PB²\) reports and information](#) offer a variety of tools. Program evaluation and justification reviews assess state programs operating under performance-based program budgeting. Also offered are performance measures information and our assessments of measures.
- [Florida Government Accountability Report \(FGAR\)](#) is an Internet encyclopedia of Florida state government. FGAR offers concise information about state programs, policy issues, and performance. Check out the ratings of the accountability systems of 13 state programs.
- [Best Financial Management Practices Reviews of Florida school districts](#). In accordance with the *Sharpening the Pencil Act*, OPPAGA and the Auditor General jointly conduct reviews to determine if a school district is using best financial management practices to help school districts meet the challenge of educating their students in a cost-efficient manner.

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Florida Monitor: <http://www.oppaga.state.fl.us/>

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1

Introduction

Best Financial Management Practices Reviews are designed to help Districts meet the challenge of educating students in an effective and cost-efficient manner. Under the Sharpening the Pencil Act, the Florida Legislature established a five-year schedule in which to review all school districts in the state. The Sharpening the Pencil Act scheduled the Osceola County School District to be reviewed during the first year of that schedule.

Overview

In 1997, the Florida Legislature created the Best Financial Management Practices Reviews to assist school districts to meet the many challenges of educating Florida's students in an effective and cost-efficient manner. During these reviews, the school district's management and operational activities are evaluated in comparison to best practices established by the Florida Commissioner of Education. These best practices were developed in consultation with a variety of stakeholders, including published educational and operational research as well as school districts from across Florida.

In 2001, the Legislature also enacted the *Sharpening the Pencil Act*, making the Best Financial Management Practices Review the cornerstone of the act. The Act established a five-year schedule in which to review each of the state's 67 school districts. The act scheduled a review of the Osceola County School District during the first year of the Act.

Under these reviews, the Florida Legislature's Office of Program Policy Analysis and Government Accountability (OPPAGA) and the Florida Auditor General (AG) examine school district operations to determine whether districts are using the Best practices to evaluate programs, assess operations and performance, identify cost savings, and link financial planning and budgeting to district policies. The best practices were developed by OPPAGA and the Florida AG and adopted by the Commissioner of Education's office.

Given the depth and scope of these best practices and the high standard of performance set by the best practices, it is very unlikely that school districts will be using all best practices during their first review. When a district is not using a best practice, an action plan is developed with the district's assistance. When fully implemented, the action plan will result in a district's use of the best practice with the ultimate goal of improving its effectiveness and cost-efficiency.

Background and Scope

The mission of the Osceola County School District is to provide "education which inspires all to their highest potential." According to the district's Strategic Plan for 2001-06, the district expects to achieve its mission because it believes everyone can learn, there is strength in the district's diversity, education must be a shared responsibility between the home, student, school and community, and everyone must exercise personal responsibility and integrity. Accordingly, the district has pledged to treat each other with respect and dignity, provide safe, clean facilities, provide an environment where everyone succeeds,

Introduction

encourage shared decision making, ensure that all policies, programs, and procedures will support the mission and be fiscally responsible, and encourage risk-taking that supports its mission. Accordingly, the district has established five objectives for itself:

1. to seek and retain the most qualified people;
2. to build and maintain quality facilities to meet growth and program needs;
3. to guarantee all students the necessary skills and tools to succeed;
4. to improve accepted measures of success annually; and
5. to increase parent and community involvement annually.

The Osceola County School District's budget for Fiscal Year 2001-02 was \$394 million. A five-member board that appoints a superintendent to oversee the district's daily operations governs the district. During the 2000-01 school year the Osceola County School District employed more than 3,800 full-time employees. In October 2001, the district served 37,744 students in grades pre-kindergarten through twelfth.

Beginning in December 2001, OPPAGA and the Florida Auditor General assessed the operations of the district under the thirteen (13) best practice review areas illustrated in Exhibit 1-1.

Exhibit 1-1

Best Financial Management Practice Review Areas ¹

- | | |
|--|-----------------------------|
| 1. Management Structures | 8. Facilities Construction |
| 2. Performance Accountability Systems | 9. Facilities Maintenance |
| 3. Educational Service Delivery | 10. Student Transportation |
| 4. Administrative and Instructional Technology | 11. Food Service Operations |
| 5. Personnel Systems and Benefits | 12. Cost Control Systems |
| 6. Use of Lottery Proceeds | 13. Community Involvement |
| 7. Use of State & District Construction Funds | |
-

¹ Under the Best Financial Management Practices Review, districts are evaluated using best practices adopted by Florida's Commissioner of Education. These practices must be adopted in the fiscal year prior to their use. Thus, the Best practices must be adopted prior to July 1 of each year to be used for any review beginning July 1, or later. On July 1, 2001, the best practices consisted of the additional functional area known as Safety and Security. However, in 2001, in addition to the *Sharpening the Pencil Act*, the Legislature passed Safe Schools legislation, which provided a separate process for evaluating a district's safety and security practices. Therefore, although the commissioner has adopted Best practices related to safety and security, those practices are no longer part of the Best Financial Management Practices Review.

Source: Office of Program Policy Analysis and Government Accountability

OPPAGA thanks the employees of the Osceola County School District for their assistance, information, cooperation, hospitality, and courtesy throughout this review.

Methodology

In conducting this review, the Office of Program Policy Analysis and Government Accountability (OPPAGA) used a variety of approaches to gathering information related to the district's performance. The OPPAGA team made several site visits to the district between December 2001 and June 2002. Refer to Exhibit 1-2 for a timeline of major project activities. The review team conducted interviews with district administrators and staff, regional administrators and staff, and school board members. We held four public forums at locations throughout the district. Likewise, we established an e-mail address and toll-free telephone number to provide additional means for district stakeholders to provide input into the study.

Members of our team visited various schools, the district transportation center, maintenance offices, construction sites, and food service operations. In addition, we held a number of focus groups with district principals, interviewed district administrators, teachers, parents, and members of the school advisory council members. We also interviewed members of the Kissimmee-Osceola Chamber of Commerce's education task force.

We also reviewed documents provided by the district including program documents, reports, strategic plans, financial data, programmatic data, and performance data. Our staff also reviewed national, state and district web-based reports and databases related to the performance the district and its peer districts.

Exhibit 1-2

Timeline for the Best Financial Management Practices Review of the Osceola County School District

Activity	Date
OPPAGA conducts first site visit (Team members review the district's self-assessment with district staff, conduct initial interviews, request additional data, begin to identify potential issues and cost savings)	December 2001
OPPAGA conducts public forums (Four public forums were conducted to obtain citizen and community input on district performance)	December 2001–January 2002
OPPAGA conducts second site visit (Meetings held with district staff to present preliminary findings and recommendations and gather district feedback, determine issues requiring further investigation and check accuracy of findings)	January 2002
OPPAGA conducts third site visit (Meetings held with district staff to review draft report and obtain feedback to insure accuracy and to review and revise action plans)	March 2002
OPPAGA conducts fourth site visit (Meetings held with district staff to review recommendations and complete action plans)	May 2002
OPPAGA holds read-around for input and comments from district personnel	June 2002
Presentation of final report to school board	August 2002

Source: Office of Program Policy Analysis and Government Accountability.

Interviews

OPPAGA interviewed district staff members to gain an understanding of operations and programs of the district. The team interviewed district personnel representing all areas of operations and all levels of staff. Those interviewed included school board members, superintendent, deputy superintendent, associate superintendents, assistant superintendents, program executive directors, directors, supervisors, principals, assistant principals, teachers, instructional and non-instructional support staff. In addition, the team held numerous telephone conversations and exchanged e-mails with district staff to gather information and feedback on relevant issues.

On-Site Visitations and Observations

OPPAGA team members conducted on-site visitations and observations of all aspects of district operations. We also visited 26 district campuses and facilities, including ten elementary schools, five middle schools, four high schools, and seven other campuses or facilities. These campuses and facilities represented traditional school campuses, alternative school campuses, exceptional student education (ESE) centers, early intervention centers, food service operations, transportation centers, security and

Introduction

safety centers, and maintenance operations. We interviewed numerous district staff members during these visits and observed various operations and instruction. Exhibit 1-3 lists those schools, campuses, and other facilities we visited during our work in the Osceola County School District.

Exhibit 1-3

OPPAGA and the AG Visited 26 District Campuses and Facilities

Elementary Schools	Middle Schools	High Schools	Other Campuses or Facilities
Boggy Creek	Denn John	Gateway	Administration Complex
Central Avenue	Kissimmee	Osceola	Celebration Schools
Cypress	Neptune	St. Cloud	Kissimmee Charter School
Deerwood	Parkway	TECO/PATHS	Kissimmee
Hickory Tree	St. Cloud		Transportation and Maintenance Complex
Kissimmee			Narcoossee Community School
Lakeview			St. Cloud Bus Maintenance Facility
Mill Creek			Simpson Road
Reedy Creek			Transportation Facility
Thacker Ave.			

Source: Office of Program Policy Analysis and Government Accountability.

Public Forums

The review team conducted four public forums in different areas of Osceola County. We conducted two of these forums during our first site visit in December 2001 and two more during our second site visit in January 2002. We held these forums at four different locations throughout the district to allow all citizens to have input into the review process, to express their concerns regarding district issues, and to discuss outstanding district programs and/or operations. Those who attended the forums were able to meet individually or in small groups to share their thoughts.

Peer Districts

In collaboration with the district, OPPAGA identified five peer districts for the Osceola district: Alachua, Collier, Lee, Leon, and Manatee. OPPAGA uses data from peer districts to benchmark district performance, comparing the district with other districts facing similar challenges managing schools, transporting students, and educating students. Peer districts are selected based on the basis of factors related to

- size of the district (e.g., number of students, bus route miles);
- economics (e.g., percentage of revenue from local taxes, Florida Price Level Index);
- county demographic trends (e.g., growth in student enrollment, student mobility); and
- student demographic characteristics (e.g., English proficiency, economic status).

Surveys

To obtain input from district teachers, we surveyed a randomly selected sample of 372 instructional staff from throughout the district. Every school was represented in the sample. Teachers could complete the survey using the internet, reducing the time and costs involved. To maximize responses, we used several techniques to follow-up. For those who did not respond, we sent two more e-mails to prompt a response.

For those who responded to our follow-ups with questions, we provided additional information they could use to respond to the survey.

To gain additional information from stakeholders, we also surveyed a randomly selected sample of 50 school advisory council (SAC) members from throughout the district. We provided SAC members with three options for responding to our survey: internet, telephone, or telefacsimile. To maximize responses, we followed up with e-mail messages and telephone inquiries. To accommodate people's schedules, we made follow-up phone calls during the evening, as well as during the day.



Statistical Profile of the Osceola County School District

The Osceola County School District is facing many challenges including low student performance and rapid population changes.

County Profile

This section describes the statistical characteristics of Osceola County and the Osceola County School District. Statistics include socio-economic indicators, school district information, student population descriptions, student performance indicators, and staff descriptions. We compared these statistics with five peer school districts and the state as a whole in order to put these indicators into context. The peer districts were selected based on their similarities with the Osceola County School District across a number of categories, including the size of the student population and demographic information. For the Osceola County School District, the five peer districts are Alachua, Collier, Lee, Leon, and Manatee.

County History and Geography

Osceola County was formed from parts of neighboring Orange and Brevard counties in 1887. The county was named for one of the two Native American chiefs who resisted being removed from the lands of central Florida during the Second Seminole War (1835-1842). The name figuratively means, “black drink cry.”

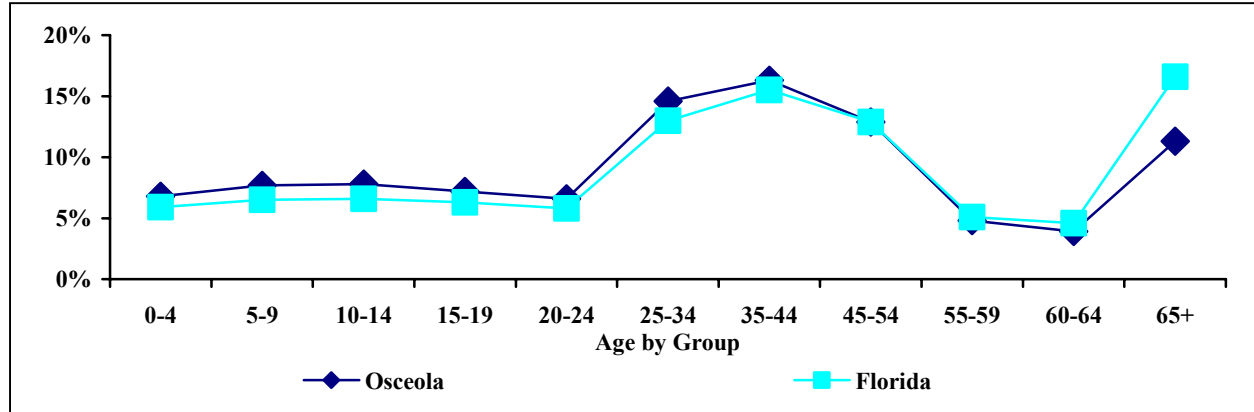
Osceola County is a medium-sized county located in the central part of Florida. It is bounded by Orange County (Orlando) on the north, Brevard (Melbourne) and Indian River counties to the east, Okeechobee (Okeechobee) and Polk (Lakeland) counties to the south and Polk County on the west. The county’s total land area is 1,506 square miles. The city of Kissimmee is the county seat, and the city of St. Cloud is the only other incorporated city in the county.

County Socio-Economic Demographics

Based on the 2000 Census, Osceola County has a total population of 172,493. This represents a 60.1% growth rate from 1990, which is a staggering growth rate with significant implications for the Osceola County School District. In comparison, Osceola County’s population growth rate was more than double the state’s growth rate for the same period of time (23.5%). Almost 27% of the residents of Osceola County were under the age of 18 and 11.4% of residents were 65 or older in 2000. This indicates that Osceola County’s population is generally younger than that of the state as a whole. Exhibit 2-1 compares the major age groups for Osceola County and Florida. In 2000, the largest difference between Osceola’s residents and the state’s was in the 65 and older group. The proportion of residents 65 and older in Osceola was about 6.3% less than the state’s.

Exhibit 2-1

The Size of Osceola’s School-Aged Population Was Slightly Higher Than That of the State, but the 65 or Older Population Was 6.3% Less Than That of Florida for the Year 2000



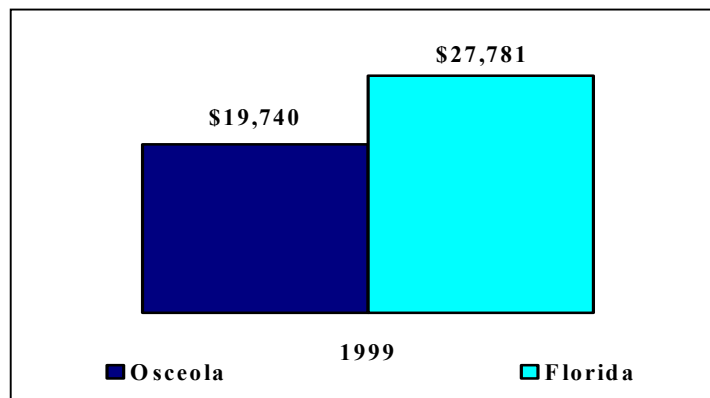
Source: US Census: Population Estimates by Age Group: April 1, 2000.

Osceola County has a workforce of almost 90,000 people. Osceola’s economic base is dominated by tourism, serving as a “gateway” to Disney World and other central Florida theme parks and attractions. Historical industries such as cattle ranching, citrus and other agriculture still provide a significant amount of employment in the district, although new forms of light industry are emerging. The county’s primary private sources of employment (within the district) include McLane/Suncoast Inc. (wholesale distributor, subsidiary of WalMart), Florida Hospital-Kissimmee, Osceola Regional Medical Center, Hyatt Orlando-Kissimmee, Walt Disney Imagineering (artistic production), Splendid China (amusement park), Orange Lake Resort and Country Club, Mercury Marine (marine electronic equipment), Tupperware Corporation (house wares), and Lerio Corporation (plastic products).

As shown in Exhibit 2-2, the per capita income of Osceola County residents is significantly lower than the per capita income of the state as a whole. In 1999, per capita income of Osceola County residents was \$8,041 below the state average.

Exhibit 2-2

Per Capita Income of Osceola County Residents Was \$8,041 Below the State Average in 1999



Source: Florida Research and Economic Database, 2002.

Exhibit 2-3 illustrates the level of poverty in Osceola County and five peer school districts in 1997. Osceola County has a similar percentage of total population and children below the poverty level compared to its peer districts, and almost identical to the state’s percentage of both.

Exhibit 2-3

Osceola Has Comparable Percentage of Persons Under the Poverty Level

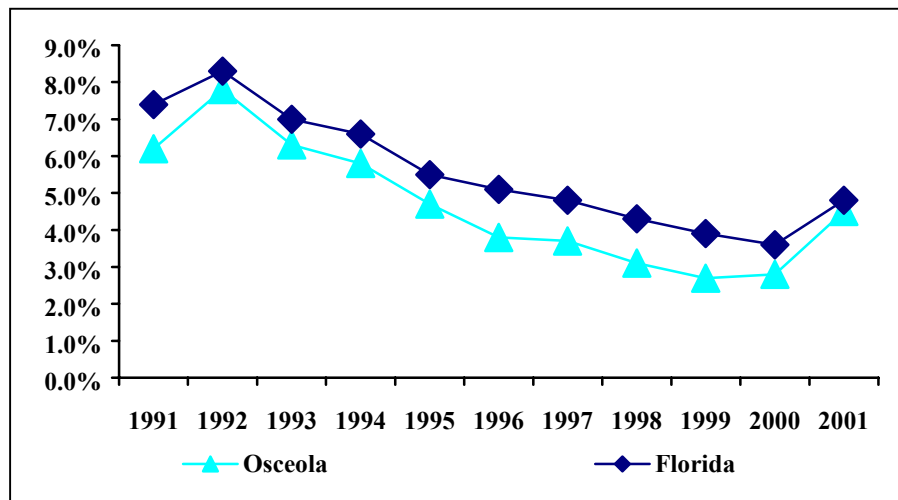
School District	Percentage of Total Population Below Poverty Level	Percentage of Children Below Poverty Level
Alachua	18.3%	23.0%
Collier	11.2%	20.5%
Lee	11.5%	19.9%
Leon	13.8%	17.4%
Manatee	11.7%	18.9%
Osceola	13.4%	21.8%
Florida	14.4%	21.8%

Source: State and County Quick Facts, U.S. Census Bureau, 2002.

Unemployment is low in Osceola County. As shown in Exhibit 2-4, the unemployment rate in Osceola County has been lower than the state’s rate for the years between 1991 and 2001. During these years, Osceola County’s unemployment rate has been on average 1% lower than the state’s unemployment rate.

Exhibit 2-4

Osceola’s Unemployment Rate Has Been Consistently Lower Than the State’s Over from 1991 to 2001



Source: Florida Agency for Workforce Innovation; Bureau of Economic and Business Research.

School District Profile

The following section provides a profile of the Osceola County School District in comparison with its five peer districts and the state. The information and data in this section is primarily obtained from standardized reports developed and published by Florida’s Department of Education (DOE). Any special circumstances in the district not accounted for in the DOE data, remain excluded from this section so that peer comparisons are standardized. Information in this section is presented across four main areas.

Statistical Profile

- District Information
- Student Performance
- Student Characteristics
- Staff Characteristics

School District General Information

The Osceola County School District has 17 elementary schools; 6 middle schools; 8 high schools, and 20 specialty schools and centers. ¹ The district's main administration building is located in Kissimmee. The district has five board members and an appointed superintendent.

According to state records as of October 2001, the district served 37,744 students in grades pre-kindergarten through twelfth. These children include 17,855 elementary students (PreK-fifth), 8,953 middle school students (sixth through eighth), and 10,936 high school students (ninth through twelfth). Exhibit 2-5 shows the growth in student population of Osceola and its peer districts for 2001 compared to 1997. ² Comparing fall 1997 student population with fall 2001, the district's student population has grown significantly more than any of its peers.

Exhibit 2-5

Growth in Student Population in Osceola Was Higher Than in Its Five Peer Districts in Fall 2001 Compared With Fall 1997

School District	Student Population		
	Fall 1997	Fall 2001	Percentage of Growth
Alachua	30,063	29,599	-1.5%
Collier	29,261	36,475	24.7%
Lee	53,787	60,661	12.8%
Leon	31,455	31,802	1.1%
Manatee	33,705	38,250	13.5%
Osceola	28,740	37,744	31.3%
Peer Average (excluding Osceola)	35,654	39,357	10.4%
State	2,290,726	2,495,426	8.9%

Source: Profiles of Florida School Districts (Survey 2 demographic data, October, 2001), Department of Education.

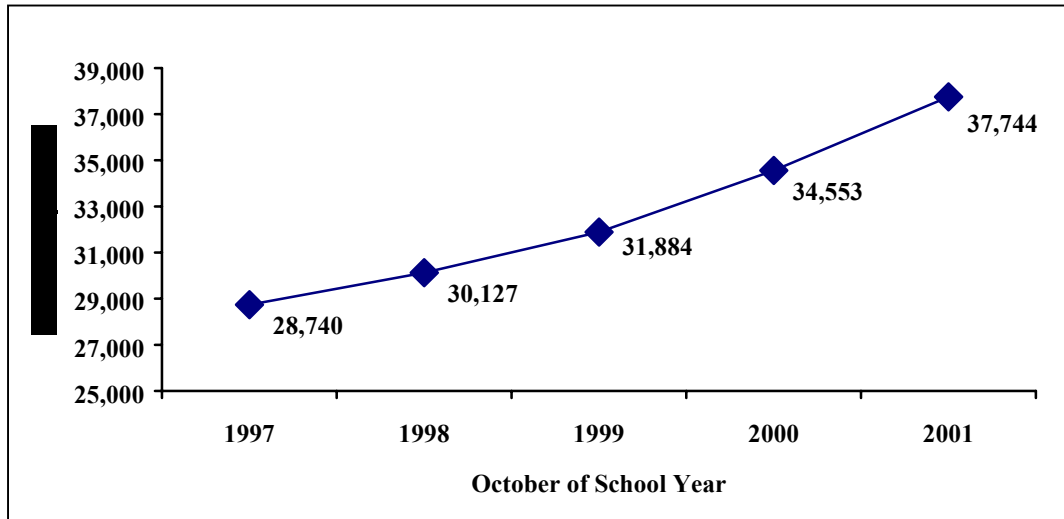
In fact, the growth rate in Osceola is much higher than the state's rate of 8.9% for the same time period. Exhibit 2-6 shows detail of the Osceola County student enrollment for fall 1997 through fall 2001.

¹ Specialty schools include partnerships with the Department of Juvenile Justice, vocational schools and charter schools. Because charter schools are authorized by the school district and are ultimately accountable to the school board (which can revoke a charter if the arrangement is detrimental to the district's students), students enrolled in charter schools are included in the overall student population for most statistics.

² October 2001 is the most recent comparable data available at the time of the review.

Exhibit 2-6

Osceola’s Student Enrollment Has Climbed Quickly Over the Past Five Years



Source: Profiles of Florida School Districts (Survey 2 demographic data, October, 2001), Department of Education.

School District Financial Information

The 2001-02 budgeted appropriations, other financing uses, and fund balances for the Osceola County School District are approximately \$384 million. The school district receives revenue from federal, state, and local sources. The majority of all state revenue is from the Florida Education Finance Program (FEFP). This funding source, established by the Legislature annually, prescribes state revenues for education as well as the level of ad valorem taxes (property taxes), which must be levied by each school district in the state. It also includes restricted funding called ‘categoricals,’ which are funds specified by the Legislature for selected district services, such as instructional materials (textbooks). Exhibit 2-7 shows the district’s budget for Fiscal Year 2001-02.

Exhibit 2-7

District Revenue, Appropriations, Other Financing Issues and Fund Balances for Fiscal Year 2001-2002

Category	Revenue-Ad Valorem Tax Levies	Revenue-Other Sources	Total Appropriations, Other Financing Issues and Fund Balances
General Fund	\$ 59,590,110	\$ 143,062,147	\$ 202,652,257
Special Revenue – Food Services		12,989,813	12,989,813
Special Revenue - Other		3,361,482	3,361,482
Debt Service Funds	3,752,038	23,658,996	27,411,034
Capital Projects Funds	18,437,534	111,305,959	129,743,493
Enterprise Funds			
Internal Service Funds		17,917,164	17,917,164
Trust Funds			
Subtotal	\$ 81,779,682	\$ 312,295,561	\$ 394,075,243

Category	Revenue-Ad Valorem Tax Levies	Revenue-Other Sources	Total Appropriations, Other Financing Issues and Fund Balances
Less Transfers			
From General Fund			
From Special Revenue – Food Services			
From Special Revenue - Other			
From Debt Service Funds		\$139,621	\$139,621
From Capital Projects Funds		10,201,685	10,201,685
From Enterprise Funds			
From Internal Service Funds			
From Trust Funds			
TOTAL	\$81,779,682	\$301,954,255	\$383,733,937

Source: School District of Osceola County, District Summary Budget 2001-02.

The Osceola County School District’s staffing ratios for 2000-01 are shown in Exhibits 2-8. In all three administrator to staff ratios, the district has the lowest district staff ratios of it peers. At the same time, the district’s teacher student ratio is the highest among its peers for most categories.

Exhibit 2-8

Osceola’s Staffing Ratios For Administrators to Teachers Are the Lowest Among Its Peers and Its Teacher to Student Ratios Are the Highest

School District	Staff and Faculty-Student Ratios					
	Administrators to Classroom Teachers	Administrators to Total Instructional	Administrators to Total Staff	Classroom Teachers to Students	Teacher Aids to Classroom Teachers	Guidance to Students
Alachua	1: 12.14	1: 14.21	1: 28.44	1: 17.71	1: 4.22	1: 404.12
Collier	1: 11.58	1: 13.29	1: 25.72	1: 17.21	1: 2.92	1: 271.44
Lee	1: 13.88	1: 15.35	1: 28.05	1: 18.04	1: 5.54	1: 481.52
Leon	1: 12.79	1: 14.66	1: 28.35	1: 16.66	1: 3.01	1: 414.98
Manatee	1: 14.58	1: 16.19	1: 32.54	1: 16.64	1: 2.99	1: 443.10
Osceola	1: 15.23	1: 18.07	1: 35.60	1: 19.19	1: 2.78	1: 461.98
State	1: 14.20	1: 15.89	1: 29.04	1: 17.68	1: 4.29	1: 438.18

Source: Profiles of Florida School Districts, Staff and Student Data, Department of Education, 2000-2001.

The Osceola County School District’s expenditures per FTE for 1998-1999 are shown in Exhibits 2-9 and 2-10.³ Osceola’s expenditures at \$5,377 per FTE was the lowest of its peer districts. The expenditures include funds from the General and Special Revenue Funds.

³ The most recent year available for comparison among peer districts was 1998-99.

Exhibit 2-9

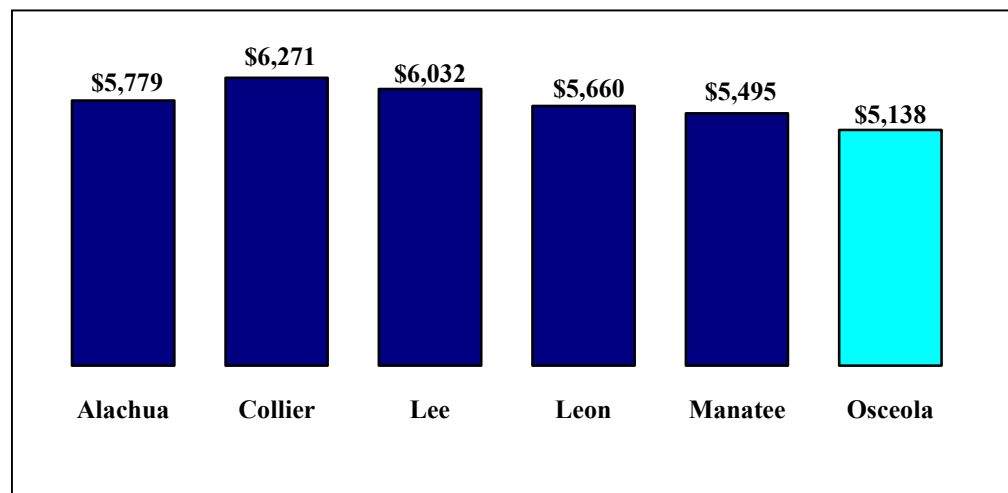
Osceola's 1998-99 Expenditures Per FTE Are Similar to Its Peers

School District	1998-99 Expenditures Per FTE		
	Unweighted FTE	Current Expenditures	Expenditures Per FTE
Alachua	29,072.51	\$168,016,975.68	\$5,779
Collier	31,011.28	194,458,102.59	6,271
Lee	54,006.55	325,752,593.51	6,032
Leon	31,168.62	176,402,026.31	5,660
Manatee	34,045.71	187,090,125.30	5,495
Osceola	30,235.88	155,364,401.22	5,138
Peer Average (excluding Osceola)	35,860.93	\$210,343,964.68	\$5,866
State Total	2,335,660.58	\$13,141,468,926	\$5,626

Source: Florida Department of Education. Profile of Florida School Districts Financial Data.

Exhibit 2-10

Osceola's Expenditures Per FTE Are Lowest Among Its Peers



Source: Florida Department of Education. Profile of Florida School Districts Financial Data.

Exhibit 2-11 details the per pupil expenditures in the districts based on category of student. The Osceola County School District's expenditures per FTE were the lowest among its peers and the state for both regular and at-risk students, and slightly above average for exceptional students.

Exhibit 2-11

Osceola's Expenditures Per FTE Are Higher for Regular Students, but Much Lower for At-Risk and Exceptional Students

School District	2000-01 Expenditures Per FTE		
	Regular	At-Risk	Exceptional
Alachua	\$4,511	\$6,302	\$7,340
Collier	4,708	5,018	8,722
Lee	4,329	5,794	6,787
Leon	4,516	5,522	7,446
Manatee	4,324	4,436	7,339

School District	2000-01 Expenditures Per FTE		
	Regular	At-Risk	Exceptional
Osceola	4,097	4,095	7,765
State	\$4,441	\$5,424	\$7,726

Source: Florida District Indicators Report, Department of Education, 2002.

Student Performance

The effective delivery of educational services is the first and most important aspect of all school district missions. Critical to the delivery of these services is how districts can maximize student performance while keeping within current budget constraints. Indicators of how well the district is accomplishing this include test scores, graduation rates, and dropout rates. This section profiles student achievement of the Osceola County School District, as well as performance information about its peer districts.

Student Test Scores

The Florida Comprehensive Assessment Test measures student performance on selected benchmarks in reading and mathematics that are defined by the Sunshine State Standards. The standards articulate challenging content that Florida students are expected to know and be able to do. The standards were developed in seven content areas and were adopted by the State Board of Education in May 1996. All public schools are expected to teach students the content found in the Sunshine State Standards. Students' proficiency in reading and mathematics in grades 3 through 10 is measured by the FCAT and is scored on levels 1 through 5. Exhibits 2-12 and 2-13 illustrate the standard lower and upper scoring ranges for the five levels in 2002.

Exhibit 2-12

FCAT Reading Achievement Levels and Lower and Upper Scoring Ranges for Tests Administered in 2002

Grade	Level 1	Level 2	Level 3	Level 4	Level 5
3	100-258	259-283	284-331	332-393	394-500
4	100-274	275-298	299-338	339-385	386-500
5	100-255	256-285	286-330	331-383	384-500
6	100-264	265-295	296-338	339-386	387-500
7	100-266	267-299	300-343	344-388	389-500
8	100-270	271-309	310-349	350-393	394-500
9	100-284	285-321	322-353	354-381	382-500
10	100-286	287-326	327-354	355-371	372-500

Source: Student Assessment Services Section, Department of Education.

Exhibit 2-13

FCAT Mathematics Achievement Levels and Lower and Upper Scoring Ranges for Tests Administered in 2002

Grade	Level 1	Level 2	Level 3	Level 4	Level 5
3	100-252	253-293	294-345	346-397	398-500
4	100-259	260-297	298-346	347-393	394-500
5	100-287	288-325	326-354	355-394	395-500

Grade	Level 1	Level 2	Level 3	Level 4	Level 5
6	100-282	283-314	315-353	354-390	391-500
7	100-274	275-305	306-343	344-378	379-500
8	100-279	280-309	310-346	347-370	371-500
9	100-260	261-295	296-331	332-366	367-500
10	100-286	287-314	315-339	340-374	375-500

Source: Student Assessment Services Section, Department of Education.

Exhibit 2-14 provides mean scoring results for the 2001-02 FCAT reading exam and their corresponding performance levels. Osceola County’s mean reading scores ranged from 271 to 293. As seen in this exhibit, all grades would be placed in level 2 for reading with the exception of ninth grade that scored a level 1. Osceola students scored lower in all grade levels compared to both the state and its peers.

Exhibit 2-14

Osceola’s 2001–2002 FCAT Mean Reading Scores Are Lower Than Those of Its Peers and the State

District	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Grade 9	Grade 10
Alachua	299 (3)	306 (3)	283 (2)	298 (3)	297 (2)	300 (2)	302 (2)	312 (2)
Collier	288 (3)	295 (2)	283 (2)	292 (2)	295 (2)	294 (2)	286 (2)	302 (2)
Lee	299 (3)	304 (3)	285 (2)	292 (2)	296 (2)	299 (2)	288 (2)	301 (2)
Leon	312 (3)	321 (3)	304 (3)	313 (3)	317 (3)	313 (3)	311 (2)	317 (2)
Manatee	296 (3)	299 (3)	293 (3)	299 (3)	300 (3)	298 (2)	289 (2)	304 (2)
Osceola	281 (2)	284 (2)	271 (2)	276 (2)	284 (2)	280 (2)	278 (1)	293 (2)
State Average	293 (3)	299 (3)	285 (2)	291 (2)	294 (2)	295 (2)	287 (2)	303 (2)

Source: Department of Education. District FCAT Reading and Mathematics Results 2002.

Exhibit 2-15 details the 2001-02 FCAT mean mathematics scores for Osceola County School District and its peers. Osceola County’s mean mathematics scores ranged from 276-311. Osceola’s students placed in level 2 in all grade with the exception of sixth grade that scored in level 1. Performance at a level 2 score indicates that the student has limited success with the challenging content of the Sunshine State Standards, and level 1 indicates that the student has little success. Students at this level answer many questions incorrectly and are not successful with questions that are most challenging. Osceola consistently scored at a lower level on average than the state and its peers.

Exhibit 2-15

Osceola’s 2001–2002 FCAT Mean Mathematics Scores Are Lower Than Those of Its Peers and the State

District	Grade 3	Grade 4	Grade 5	Grade 6	Grade 7	Grade 8	Grade 9	Grade 10
Alachua	300 (3)	297 (2)	315 (2)	304 (2)	300 (2)	312 (3)	298 (3)	324 (3)
Collier	297 (3)	295 (2)	315 (2)	303 (2)	299 (2)	311 (3)	292 (2)	322 (3)
Lee	298 (3)	293 (2)	319 (2)	295 (2)	292 (2)	309 (2)	287 (2)	318 (3)
Leon	326 (3)	317 (3)	331 (3)	314 (2)	316 (3)	322 (3)	308 (3)	330 (3)
Manatee	296 (3)	291 (2)	317 (2)	301 (2)	294 (2)	311 (3)	291 (2)	323 (3)
Osceola	284 (2)	283 (2)	296 (2)	277 (1)	276 (2)	295 (2)	276 (2)	311 (2)
State Average	302 (3)	294 (2)	318 (2)	298 (2)	292 (2)	305 (2)	286 (2)	319 (3)

Source: Department of Education. District FCAT Reading and Mathematics Results 2002.

The FCAT also provides a method for evaluating student performance compared to national standards. The Norm-Referenced Test (NRT) portion of the FCAT contains questions that are scored separately

Statistical Profile

from the rest of the test. Students receive a score for these questions and a National Percentile Ranking (NPR). The NPR indicates the percentage of students who earned the same score or lower on these select questions. Students who score at the national average earn a NPR of 50. Exhibits 2-16 and 2-17 present the mean NRT and NPR scores for reading and mathematics for students in Osceola County and its peer districts.

Exhibit 2-16

Osceola’s 2001–2002 FCAT Mean NRT and NPR Scores in Reading Are Lower Than Those of Its Peers and the State

District	Grade 3		Grade 4		Grade 5		Grade 6		Grade 7		Grade 8		Grade 9		Grade 10	
	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR
Alachua	625	59	648	60	655	53	665	55	680	56	702	64	697	52	706	56
Collier	621	55	644	57	653	51	664	54	681	57	698	61	688	44	703	52
Lee	629	61	649	61	656	54	663	53	681	57	700	63	690	46	700	49
Leon	641	71	660	70	667	64	674	64	695	70	712	73	703	57	713	61
Manatee	627	60	646	59	659	57	666	56	684	59	702	64	690	45	703	52
Osceola	616	51	639	52	646	46	654	44	675	51	690	53	683	39	695	44
State Average	624	57	644	57	654	52	662	52	680	56	697	60	688	44	701	50

Source: Department of Education. District FCAT Reading and Mathematics Results 2002.

Exhibit 2-17

Osceola’s 2001–2002 FCAT Mean NRT and NPR Scores in Mathematics Are Lower Than Those of Its Peers and the State

District	Grade 3		Grade 4		Grade 5		Grade 6		Grade 7		Grade 8		Grade 9		Grade 10	
	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR	NRT	NPR
Alachua	618	61	636	63	653	61	668	66	688	70	694	70	714	73	720	70
Collier	612	56	634	61	651	59	667	65	684	67	693	69	709	69	717	70
Lee	617	61	636	63	654	62	662	61	679	64	688	66	705	66	711	64
Leon	634	74	648	73	665	72	676	73	696	78	702	77	719	77	724	75
Manatee	619	63	636	63	655	64	667	66	683	67	691	69	708	68	718	71
Osceola	609	53	629	57	642	50	654	54	672	57	679	57	696	57	707	61
State Average	618	62	634	62	653	61	664	63	680	65	687	64	704	65	714	67

Source: Department of Education. District FCAT Reading and Mathematics Results 2002.

The FCAT Writing exam is also administered throughout each of the state’s 67 districts. The FCAT Writing test is an assessment that measures student writing proficiency in Grades 4, 8, and 10. The test requires students to write responses to assigned topics in a single testing period. Beginning in 2000, the Florida Writing Assessment Program (FWAP), also known as Florida Writes!, is called FCAT Writing. Prior to that year, writing was assessed separately through a test called Florida Writes! Scoring for the FCAT exams range from 1, the lowest score to 6, the highest score. Exhibit 2-18 provides 2002 FCAT Writing results. Osceola’s mean scores ranged from 3.1 to 3.6. Osceola’s results are lower when compared to the state average and to its peer districts for all grade levels.

Exhibit 2-18**Osceola's FCAT Writing 2002 Results
Are Slightly Higher Than Those of Its Peers**

District	Combined Mean Score		
	Grade 4	Grade 8	Grade 10
Alachua	3.5	4.1	4.1
Collier	3.2	3.7	3.8
Lee	3.5	3.8	3.8
Leon	3.5	4.0	4.1
Manatee	3.3	3.7	3.9
Osceola	3.1	3.4	3.6
Statewide Average	3.4	3.8	3.8

Source: Department of Education, 2002.

The 1976 Legislature created a competency test to be used as part of the requirements for a regular high school diploma. All eleventh graders must take the High School Competency Test (HSCT) and must pass both parts of the test (reading and mathematics) to qualify for a diploma.⁴ Exhibit 2-19 compares the percentage passing rate for the Osceola County School District and its five peers for the 2000 HSCT exam. Osceola County students had passing rates comparable to those of its peers and the state average.

Exhibit 2-19**Percentage of Students Passing the HSCT in Osceola County
Is Comparable to Its Peers and the State Average**

District	Grade 11: Percentage Passing	
	Communications	Math
Alachua	81	79
Collier	75	83
Lee	72	74
Leon	82	81
Manatee	77	79
Osceola	74	76
State Totals	75	76

Source: Department of Education.

Another indicator of performance of its students is the results of the college placement tests as taken by twelfth graders. Students are likely to take either the SAT (Scholastic Aptitude Test) or the ACT (American College Test) tests as they prepare to graduate high school. Exhibit 2-20 compares Osceola's results with its peers. The mean SAT score and the average ACT composite score for Osceola students were lower than those of the state and its peers.

⁴ This test is being gradually replaced with the FCAT given in the tenth grade.

Exhibit 2-20

Osceola Students' Average Score Was Lower Than the State Average on Both the SAT and ACT Test in 2000-2001

School District	SAT			ACT		
	Number Tested	Percentage 12th Graders Tested	Mean Score	Number Tested	Percentage 12th Graders Tested	Composite Score
Alachua	868	52.8%	1,063	559	34.0%	20.8
Collier	782	49.0%	1,019	640	40.1%	20.4
Lee	1,359	42.9%	994	977	30.9%	20.1
Leon	883	53.6%	1,051	697	42.3%	20.8
Manatee	705	46.5%	996	524	34.5%	20.9
Osceola	583	38.1%	945	484	31.6%	19.6
State	54,827	45.8%	993	40,508	33.8%	20.3

Source: Florida District Indicators Report, Department of Education, 2002.

Graduation and Students Continuing Their Education

The dropout rates and graduation rates for the Osceola County School District's previous three school years are compared against its peers in Exhibit 2-21. The district's dropout rate and graduation rate have remained stable since the 1998-99 school year. Osceola graduations rates are lower than both those of its peers and the state average.

Exhibit 2-21

Osceola's Dropout Rates and Graduation Rates Have Remained Stable Over the Last Three Years

School District	Dropout Rate			Graduation Rate		
	1998-99	1999-2000	2000-2001	1998-99	1999-2000	2000-01
Alachua	5.7%	6.3%	6.1%	63.3%	63.7%	61.2%
Collier	5.8%	5.6%	4.2%	63.0%	63.3%	64.5%
Lee	4.9%	4.6%	5.6%	69.4%	67.8%	65.9%
Leon	4.0%	3.5%	3.1%	64.7%	67.3%	64.2%
Manatee	7.4%	6.3%	4.5%	56.2%	61.4%	65.2%
Osceola	6.1%	5.5%	4.2%	55.7%	58.9%	58.4%
State	5.4%	4.6%	3.8%	60.2%	62.3%	63.8%

Source: Department of Education.

The percentage of Osceola high school graduates for school year 1999-2000 continuing their education was lower than its peers. The percentage of the Osceola County School District's graduates continuing their education is compared against its peers in Exhibit 2-22.

Exhibit 2-22

The Percentage of Osceola's 1999-2000 Graduates Entering Postsecondary Education Was Lower Than That of Its Peers

School District	Total Graduates Reporting	Total Continuing Education	Percent Continuing
Alachua	1,244	976	67%
Collier	1,118	746	54%
Lee	2,199	1,267	47%

School District	Total Graduates Reporting	Total Continuing Education	Percent Continuing
Leon	1,189	948	62%
Manatee	1,227	797	54%
Osceola	1,178	747	50%

Source: Postsecondary Plans Report, Department of Education, 2000-01.

Most Osceola high school graduates continuing their education are attending a community college. Exhibit 2-23 describes the type of continuing education being pursued by Osceola graduates and their peers.⁵

Exhibit 2-23

Graduates by Type of Postsecondary Education Being Pursued

School District	Total Continuing Education	Total Graduates				Private University/College	
		Community College		State University		Number	Percentage
		Number	Percentage	Number	Percentage		
Alachua	976	624	64%	346	35%	30	3%
Collier	746	282	38%	386	52%	70	9%
Lee	1,267	651	51%	519	41%	84	7%
Leon	948	529	56%	394	42%	20	2%
Manatee	797	484	61%	239	30%	36	5%
Osceola	747	516	69%	176	24%	47	6%

Source: Postsecondary Plans Report, Department of Education, 1999-2000.

Student Characteristics

This section provides information about the student population of the Osceola County School District, as well as information about five of its peer districts. The size and demographics of a school district’s student population is an important consideration in understanding the challenges it faces. For instance, a different set of challenges exists for a district that is growing versus one that has a declining student enrollment. Exhibit 2-24 shows a history of pre-kindergarten through twelfth-grade membership from fall 1997 to fall 2001 for Osceola and its peers. Student population has climbed rapidly in Osceola County over the last five years. The growth is more rapid than the statewide trend as well as the average for the peer districts over the same time period.

Exhibit 2-24

Student Population in Osceola Schools Increased Rapidly

School District	Fall 1997	Fall 1998	Fall 1999	Fall 2000	Fall 2001
Alachua	30,063	29,673	29,874	29,673	29,599
Collier	29,261	30,790	32,306	34,199	36,475
Lee	53,787	54,777	56,104	58,351	60,661
Leon	31,455	31,612	31,123	32,048	31,802
Manatee	33,705	34,077	35,450	36,557	38,250
Osceola	28,740	30,127	31,884	34,553	37,744

⁵ Students may be in multiple settings, therefore, sum of detail may exceed total unduplicated count.

School District	Fall 1997	Fall 1998	Fall 1999	Fall 2000	Fall 2001
Peer Average (excluding Osceola)	35,654	36,186	36,971	38,166	39,357
State	2,290,726	2,331,958	2,376,128	2,430,128	2,495,426

Source: Department of Education, 2002.

Exhibit 2-25 provides information regarding the racial/ethnic makeup of the 2000-01 student population of Osceola County and its peers. The Osceola County School District's percentage of white students was generally lower than that of its peers and the state average. The percentage of black students in Osceola County was considerably lower than its peers and the state's percentage, but Osceola's percentage of Hispanic students was significantly higher than that of its peers and the state's percentage.

Exhibit 2-25

Osceola's Hispanic Student Population Exceeded the State Percentage in 2000-01

School District	White	Black (Non-Hispanic)	Hispanic	Asian/Pacific Islander	American Indian	Multi-Racial
Alachua	54.5%	37.2%	4.1%	2.5%	0.2%	1.6%
Collier	56.1%	11.6%	30.0%	0.7%	0.5%	1.0%
Lee	65.4%	15.6%	15.9%	1.1%	0.3%	1.7%
Leon	55.1%	39.8%	1.9%	1.7%	0.1%	1.3%
Manatee	66.0%	17.3%	14.5%	1.0%	0.1%	1.0%
Osceola	49.1%	9.5%	36.7%	2.4%	0.2%	2.1%
State	52.5%	24.8%	19.1%	1.8%	0.3%	1.4%

Source: Profiles of Florida School Districts, 1999-2000.

Exhibit 2-26 provides information on the membership of Osceola's fall 2001 student population by grade. There were no grade level groupings in which Osceola County has the most students. The proportion of Pre-K and kindergarteners in Osceola is the smallest of its peers. This may indicate a shifting demographic in the population that will reduce the need for elementary resources in this district.

Exhibit 2-26

Osceola County's Student Population Distribution By Grade Level was Similar to Its Peers in Fall 2001

School District	Pre-K and Kindergarten	1 st – 5 th Grades	6 th – 8 th Grades	9 th – 12 th Grades
Alachua	3,046 (10.3%)	10,663 (36.0%)	7,044 (23.8%)	8,846 (29.9%)
Collier	3,819 (10.5%)	14,316 (39.2%)	8,391 (23.0%)	9,949 (27.3%)
Lee	5,939 (9.8%)	23,283 (38.4%)	14,821 (24.4%)	16,618 (27.4%)
Leon	3,407 (10.7%)	12,285 (38.6%)	7,122 (22.4%)	8,988 (28.3%)
Manatee	3,883 (10.2%)	15,076 (39.4%)	8,979 (23.5%)	10,312 (27.0%)
Osceola	3,209 (8.5%)	14,646 (38.8%)	8,953 (23.7%)	10,936 (29.0%)
Peer Average (excluding Osceola)	4,019 (10.2%)	15,125 (38.4%)	9,271 (23.6%)	10,943 (27.8%)
State	234,102 (9.4%)	963,913(38.6%)	599,259 (24.0%)	702,887 (28.1%)

Source: Department of Education, 2002.

Exhibit 2-27 provides further detail about the district’s student population. The Osceola County School District has a similar proportion of students with disabilities compared to its peers and the state, and a lower proportion of gifted students.

Exhibit 2-27

The Percentage Of Osceola’s Students With Disabilities Is Similar to That of Its Peers, While Its Percentage of Gifted Students Is Lower

School District	Percentage With Disabilities			Percentage Gifted ¹	
	Elementary	Middle School	High School	Elementary	Middle School
Alachua	15.6%	19.5%	15.2%	10.3%	15.3%
Collier	15.1%	17.8%	13.7%	2.2%	5.5%
Lee	15.5%	17.2%	11.2%	7.5%	14.1%
Leon	23.7%	16.1%	12.0%	3.3%	9.3%
Manatee	20.5%	18.9%	14.2%	2.1%	5.4%
Osceola	15.0%	15.0%	12.5%	0.5%	1.5%
State	15.2%	15.3%	12.0%	3.8%	7.0%

¹Percentage of high school students identified as gifted was not reported in these reports.

Source: Florida District Indicators Report, Department of Education, 2002.

Staff Characteristics

Staff characteristics provide a look at the personnel employed by the Osceola County School District, as well as information about five of its peer districts. Exhibit 2-28 provides information regarding the number of full-time staff (administrative, instructional, and support) employed by the district in 2000-01. The Osceola district had the lowest number of full-time staff compared to all of its five peer districts.

Exhibit 2-28

The Osceola County School District Had a Lower Number of Full-Time Staff Than Most of Its Peers in 2000-01

School District	Full-Time Staff								Total
	Administrators		Instruction				Support	Non-Pro	
	District Level	School Level	Elementary	Secondary	Exceptional Education	Other	Pro		
Alachua	62	77	661	690	322	303	181	1,658	3,954
Collier	74	88	849	709	294	302	129	1,723	4,168
Lee	66	159	1,179	1,221	639	416	281	2,352	6,313
Leon	41	107	769	707	368	327	202	1,676	4,197
Manatee	41	105	909	816	376	264	173	2,067	4,751
Osceola	38	71	663	684	245	378	133	1,669	3,881
Peer Average (excluding Osceola)	57	107	873	829	400	322	193	1,895	4,676
State	2,660	6,810	56,642	49,723	22,158	22,028	7,346	107,722	275,089

Source: Profiles of Florida School Districts, 2000-2001, Department of Education.

Exhibit 2-29 provides information regarding average salary for teachers in the Osceola County School District and its peers. Over the last 10 years, Osceola County School District teachers have generally had an average salary lower than those of teachers in its peer districts and the state as a whole.

Exhibit 2-29

Osceola Generally Has the Lowest Teacher Salaries Compared to Its Peers

School District	Average Teacher Salaries			
	1992-93	1997-98	2000-01	2001-02
Alachua	\$26,859	\$30,960	\$34,216	\$33,970
Collier	36,650	39,356	41,643	42,511
Lee	30,993	35,083	38,343	39,443
Leon	29,343	31,870	36,433	36,269
Manatee	29,899	34,097	36,997	37,444
Osceola	26,966	29,648	33,421	34,939
State	\$31,172	\$34,473	\$38,230	\$39,276

Source: Florida Department of Education, Average Teacher Salaries by Degree Level, 2000-01.

Exhibit 2-30 provides information regarding the number of teachers by degree level for the Osceola County School District and its peers for 2001-2002. The education attainment of Osceola County’s teachers was below the average attainment of all degrees for its peers. Alachua County is a significant outlier among all counties because of the presence of the University of Florida and the higher level of degree saturation that this generates.

Exhibit 2-30

In 2001-02, Osceola Had the Lowest Percentage of Educators With Master’s and Doctoral Degrees Compared to Its Peers

School District	Type of Degree (Number and Percentage of District Total)							
	Bachelor's		Master's		Specialist		Doctorate	
Alachua	772	40%	966	50%	129	7%	54	3%
Collier	1,206	56%	895	41%	33	2%	24	1%
Lee	2,094	61%	1,244	36%	54	2%	41	1%
Leon	1,061	52%	901	44%	61	3%	29	1%
Manatee	1,285	58%	849	39%	45	2%	26	1%
Osceola	1,305	64%	676	33%	40	2%	17	1%
State	92,222	61%	53,664	35%	4,244	3%	1,767	1%

Source: Florida Department of Education, Average Teacher Salaries by Degree Level, 2001-02.

Exhibit 2-31 provides information regarding the average number of years of experience for teachers by degree level for the Osceola County School District and its peers in 2000-2001. The experience level of Osceola County’s teachers was lower than its peers for all degrees.

Exhibit 2-31

In 2001-02, Osceola Educators Had Less Experience on Average Compared to Their Peers

School District	Type of Degree (Average Years of Experience)			
	Bachelor's	Master's	Specialist	Doctorate
Alachua	12.6	16.2	17.1	18.7
Collier	8.4	15.4	16.5	17.3
Lee	11.2	18.2	20.2	20.9
Leon	12.9	17.4	20.3	21.8
Manatee	10.1	15.0	19.9	14.2
Osceola	7.8	14.1	13.8	16.6
State	10.7	15.9	19.0	17.1

Source: Florida Department of Education, Average Teacher Salaries by Degree Level, 2000-01.

3

Management Structures

The Osceola County School District is paying significantly more for legal services than its peer districts and should evaluate how to obtain these services more economically. The district needs to develop written districtwide procedures and a system to link the budget to the strategic plan. The district also needs to periodically review administrative staffing levels. Lastly, the district should consider reorganizing to reduce the superintendent's workload and improve evaluation of educational programs.

Conclusion

The district's management structures are using 8 of 12 best practices. However, the district is paying significantly more for its legal services than peer districts and needs to evaluate how it could obtain legal services more economically. The district should also periodically review its administrative staffing levels. The district needs to develop a districtwide procedures manual and link its budget to its strategic plan objectives. The district also needs to develop a system to accurately project enrollment. On the positive side the school board and superintendent are operating effectively and overseeing the district's financial resources. The district has a multi-year strategic plan and has pursued options to increase revenues. Lastly, principals have sufficient authority to run their schools.

Exhibit 3-1

The District Has Had Several Notable Accomplishments in Its Management Structures in the Last Three Years

- It granted school principals the authority they need to manage their schools while also complying with district policies and procedures.
 - It received Master board Certification and school board meetings are run more efficiently. Board meetings now last two hours compared to six hours for previous board meetings.
 - It created the position of deputy superintendent for operational programs, thus greatly reducing the workload on the superintendent.
 - It created a program to assist charter schools with the application process.
 - It pursued options to increase revenues.
-

Source: Osceola County School District.

Overview of Chapter Findings

The management structure of the district is using 8 of the 12 best practices. Some of the notable used practices include defined roles and responsibilities of the board and superintendent; efficient and effective board meetings; clearly defined organizational structure; effective oversight of financial resources; sufficient authority for principals to run their schools; a multi-year strategic plan; a system to accurately project enrollment; and have considered options to increase revenues. Of the four best practices not used,

Management Structures

two are related to not evaluating legal costs and staffing levels; one is related to not having a written districtwide procedures manual; and one is related to not linking budgets to strategic plan objectives.

An overview of the chapter findings is presented below.

District Management

1. The roles and responsibilities of the board and superintendent have been clearly delineated, and board members and the superintendent have procedures to ensure that they have effective working relationships. (Page 3-3)
2. The board and superintendent have procedures to ensure that board meetings are efficient and effective. (Page 3-5)
3. The board and superintendent have established written policies that are routinely updated to ensure that they are relevant and complete but the superintendent has not established written districtwide procedures. (Page 3-10)
4. The district has not take steps to ensure that its legal costs are reasonable. (Page 3-12)

Operating Efficiently

5. The district's organizational structure has clearly defined units and lines of authority. (Page 3-15)
6. Although the district does not periodically review its administrative staffing, it has made changes to improve operating efficiency. (Page 3-20)
7. The superintendent and school board do exercise effective oversight of the district's financial resources. (Page 3-22)
8. The district has clearly assigned school principals the authority they need to effectively manage their schools while adhering to districtwide policies and procedures. (Page 3-24)

Planning and Budgeting

9. The district has a multi-year strategic plan with annual goals based on identified needs, projected enrollment, and revenues, but objectives are not measurable. (Page 3-26)
10. The district does not have a system to accurately project enrollment. (Page 3-28)
11. The district does not link its financial plans and budgets to its priority goals and objectives, so it cannot determine the amount of district resources focused towards achieving those goals and objectives. (Page 3-31)
12. The district has considered options to increase revenue. (Page 3-33)

Fiscal Impact of Recommendations ---

Three of the chapter's recommendations have a direct fiscal impact – the recommendation to evaluate district legal costs and the recommendation to modify the district's organizational structure. If the district were to hire in-house legal staff to do the work of the more expensive contracted school board attorney, the district could save an estimated \$1,626,000 over five years. Modifying the district's organizational structure will result in the addition of one new position with an estimated salary and benefits costs of \$575,000 over five years. Hiring a private consultant to develop a local corrective methodology for projecting enrollment could cost an estimated \$7,500 over five years.

Exhibit 3-2

Two Management Structure Action Plan Recommendations Have Fiscal Impact

Source	Five-Year Fiscal Impact
Action Plan 3-5: Create in-house legal staff to function as the school board attorney.	\$1,626,000 (savings)
Action Plan 3-6: Modify the districts organizational structure.	575,000 (costs)
Action Plan 3-11: Hire consultant to develop local corrective methodology.	7,500 (costs)
Total	\$1,043,500 (savings)

Background

1 The roles and responsibilities of the board and superintendent have been clearly delineated, and board members and the superintendent have procedures to ensure that they have effective working relationships.

One practice a school district should use to ensure that the roles and responsibilities of the board members and superintendent are clearly defined, and they have effective working relationships is to establish procedures to ensure effective working relationships between the board members and the superintendent and to delineate their roles and responsibilities. Accordingly, the district should

- develop written procedures that clearly delineate the responsibilities of the board and the superintendent;
- ensure that new board members receive orientation training when they first come on the board, including training on the roles and responsibilities of the board and superintendent;
- qualify the board as a master board and ensure board members receive ongoing training;
- conduct annual meetings of the board and superintendent to assess, among other things, their roles and responsibilities, the district’s performance on its goals and objectives, and their future plans for improving district performance;
- have procedures for how board members are to access district staff or direct staff to respond to constituent inquiries, and board members adhere to those procedures;
- ensure the board and superintendent advise each other when they become aware that an agenda item is likely to be controversial or that a controversial topic may arise at a board meeting; and
- have procedures for the board to evaluate its performance and, if the superintendent is appointed, for evaluating the superintendent’s performance too.

The board and superintendent have clearly defined roles and responsibilities and channels of communication

The responsibilities of the board and the superintendent are clearly delineated in the district’s school board rules and the bylaws of the school board. These responsibilities are discussed and clarified for board members at new board member orientation training, provided by district staff and the Florida School Board Association, and master board training, also conducted by Florida School Board

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Association. All board members should be master board certified by April 2002. As a result of this training the delineation of responsibilities between the board and the superintendent seldom need to be discussed at school board meetings or at the board's quarterly retreats.

The board and the superintendent have effective lines of communication. School board rules direct school board members to access district staff only through the appropriate administrative channels; this means by working through the superintendent as opposed to contacting district staff directly. Program directors report that they are seldom contacted directly by board members, and a few board members say they infrequently contact district staff directly. The superintendent notifies board members prior to the board meeting if a topic is likely to be controversial. These items tend to be identified during the pre-board meetings of the superintendent's leadership team. Examples of the types of controversial topics that have required notification in the past include proposals to institute school uniforms or to change the district's property and casualty insurance.

The superintendent is annually evaluated but the board's performance is not

The board has a form and a process for annually evaluating the job performance of the appointed superintendent. Categories the superintendent is evaluated on include overseeing student services, overall performance of the superintendent, educational leadership, working relationship with the school board, overseeing staff personnel management, overseeing facilities management, overseeing financial management, and directing community relations activities. Board members grade the superintendent's performance as above expectation, meets expectation, improvement expected, and unsatisfactory. As part of the evaluation, board members provide written assessments that identify strengths, suggest improvements, and provide general comments.

The board does not have a process for annually evaluating its performance. The reason the board has not evaluated its performance every year is because over the last six years the board has been in master board certification training as a team. This training takes two years to complete and in one year the board is trained to, and does, evaluate its work performance. Due to the fact that the board has done this evaluation every other year, it has not felt the need to do it on the off years. However, the board should develop a form and a process for annually evaluating its working effectiveness.

The board should annually review its performance in order to maximize its efficiency and productivity. By evaluating the working relationships between board members and between the board and the superintendent the board members may find policy areas and issues where they are not working together effectively or in which they are having difficulty reaching consensus on policy positions. Annual evaluations could identify these problems and allow the board and superintendent to work together to formulate solutions.

Recommendations

- *We recommend that the board annually evaluate its performance.*

Action plan 3-1 provides the steps to implement this recommendation.

Action Plan 3-1

Annually evaluate the school board's performance

Strategy	Annually evaluate how well the board performed its required duties and the working relationships between board members and between the board and district staff so that the board is operating as efficiently as possible.
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Action Needed	<p>Step 1: Establish a citizen-based committee to develop recommendations and alternatives for evaluating the board’s performance.</p> <p>Step 2: This committee should use the master board training module for evaluating the board performance as a guide in developing the form and process to be used to conduct this evaluation</p> <p>Step 3: The committee should develop methodologies for evaluating performance against potential performance measures. The form used in the superintendent’s annual review would also be a useful guide to use in developing these performance measures.</p> <p>Step 4: The committee should recommend to the board an approach to evaluating it performance along with alternatives (the advantages and disadvantages of each approach should be clearly documented).</p> <p>Step 5: The board should select the desired approach to evaluating it performance.</p> <p>Step 6: Processes for measuring performance should be put in place.</p>
Who Is Responsible	Board chairman
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

2 The board and superintendent have procedures to ensure that board meetings are efficient and effective.

One practice a school district should use to ensure the roles and responsibilities of the board members and superintendent are clearly defined and that they have effective working relationships is to establish procedures that ensure board meetings are efficient and effective. Accordingly, the district should

- train board members about sunshine law requirements regarding meetings and adhere to those requirements;
- prepare a master calendar showing the dates of major events, contract expirations, and board actions needed to meet legal requirements and uses it to ensure that these matters are placed on the board agenda in a timely matter;
- schedule school board meetings at a time and place convenient to the public;
- pull items from the school board meeting consent agenda for discussion and public comment when requested to do so by members of the public;
- structure board meetings to make effective use of staff and the public’s time;
- deliver agenda materials in sufficient time for board members to review them thoroughly prior to board meetings;
- allocate sufficient time on the agenda for the board to discuss, develop, or evaluate district policies, goals, programs, and strategies for improving student achievement and have the board actually address these issues;
- develop plans for the board and superintendent to effectively dealing with controversial issues;
- have district staff prepare a clearly-written executive summary that describes how each major agenda item supports the district’s goals and objectives and what impact it has on the budget;
- provide board members with clearly written information, for each major agenda item, showing the reason for recommended action on the item;
- how the action will be accomplished;

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- what the desired results are;
- what alternatives have been considered;
- what resources will be needed;
- who will be affected and whether they have been advised of and given opportunity for input on the proposed action;
- how the proposed action will affect students and parents;
- what policy or law may apply to the item;
- whether the item complies with, duplicates, modifies, or affects existing policies or procedures;
- whether a new policy is needed to implement the proposed action;
- what the time frame is for implementing and completing the proposed action; and
- who will evaluate the proposed action and how it will be evaluated.

Board meetings are efficient and include public participation

The superintendent structures board meetings to make effective use of staff and the public's time. School board meetings are held at the district offices, every first and third Tuesday of the month at 6:00PM, which is reasonably convenient for the public to attend. The agenda and procedures for running a school board meeting are contained in the bylaws of the school board and are written in great detail. The board follows this agenda at their meetings, which last from two to three hours. Under previous superintendents, school board meetings sometimes lasted as long as six hours because consent agendas were not used; there were no capital outlay workshops—instead every project and detail was discussed at board meetings; and during public comment there was substantial discussion of issues not on the agenda. Board members receive agendas in sufficient time to review them thoroughly prior to board meetings. Members receive agendas seven days before the meeting and background materials at least four days (96 hours) before the meeting. In addition, anyone placing an item on the school board meeting agenda that may need an explanation prior to the meeting is responsible for contacting all school board members and explaining the agenda item to them.

The board and superintendent have developed plans for effectively dealing with controversial issues. One way they have dealt with controversial issues is to create a committee to study it and make recommendations to the board or superintendent. The board may drop the issue or may ultimately vote on the issue. The school board will pull an item from its consent agenda for discussion and public comment when requested to do so by a member of the public. If a member of the public wishes to speak to an item on the consent agenda they fill out a form at the beginning of the meeting requesting to do so. The item will be pulled off of the consent agenda and discussed sometime during the meeting.

However, the board's agendas do not really allocate sufficient time for the board to discuss, develop, or evaluate district policies, goals, programs, and strategies for improving student achievement. Board meeting agendas are so full there is limited time available to discuss complex and involved items such as the strategic plan. Instead, the board addresses these broader policy and strategic plan issues at their workshops or quarterly retreats that last about four hours and offer adequate time to properly address such items.

Board members are trained about Sunshine Law requirements regarding meetings and adhere to those requirements. The Florida School Board Association and the school board attorney provide Sunshine Law training.

The master calendar and board meeting agenda item summaries need improvement

While board meetings are efficient and effective, there are two areas the district could improve on, the master calendar and agenda summaries for board meeting agenda items. A master calendar is a single

calendar that shows the dates of major school district events, contract expiration dates, and board actions needed to meet legal requirements and it is used to ensure that these matters are placed on the board agenda in a timely manner. The district has a master calendar that shows major school events and the dates and locations of meetings, but it has limitations. To complement the master calendar, the district is keeping contract expiration dates in a separate document called the master contract memorandum. This memorandum lists contracts in alphabetical order by contract name, rather than by contract expiration date. The school board attorney also maintains a calendar system that shows from 60 days to six months before a contract is due to expire, a deliverable is to be delivered, or some action has to be taken by the school board on the contract. The attorney then provides written notice to the appropriate district administrators.

However, the district is not using the master calendar as a management tool to ensure the board takes action on critical items, such as board actions needed to meet legal requirements, in a timely manner. We believe a master calendar should function as an effective management tool. The master calendar should list the months of the year and under each month is a list of critical items or actions the board needs to address that month (see Exhibit 3-3). Such a calendar would allow the board to foresee its workload for the coming months and the consequences to its workload of delaying action on items. Delayed action means more work will have to be done in subsequent meetings. This system allows the board to better balance their workload throughout the year and to focus on the critical items or actions to be addressed in a given month. Unfortunately, the Osceola school board is not using its calendar to ensure that critical matters are placed on the board agenda in a timely manner. While there is no evidence that these weaknesses in the current master calendar have delayed board action, as the district grows the board will want to ensure that its meetings continue to run efficiently.

Exhibit 3-3

Example of Master Calendar for Month of June

- | | |
|---|---|
| 1. Adoption of Salary Book | 9. Adopt organizational chart changes |
| 2. Authorization for sale of tax anticipation notes | 10. Teacher retention report |
| 3. Unitary School System Semiannual Status Report | 11. Board approves adequate progress report |
| 4. Education Equity Reports | 12. District program and procedures for ESE (due every three years) |
| 5. Request application approval for federal/state special funded programs | 13. ESE cooperative agreements and contracted services |
| 6. Pupil Progression Plan approved by board | 14. Summer FTE count (if providing summer school) |
| 7. Beginning and ending times for schools | 15. FTE survey |
| 8. Prepare for realtors tour of schools | |
-

Source: Composite developed by OPPAGA based upon prior reviews.

The district is not keeping a comprehensive master calendar because they do not believe one calendar can contain the information of all that is going on in the school district. By not maintaining a master calendar the district is at risk of not meeting legal requirements that are date specific and not taking specific action on critical items when needed. The lack of a master calendar denies the school board of a planning and management tool to ensure that items are put on the agenda and brought before the board in a timely manner.

The second way the district could facilitate board meetings is to prepare more clearly written executive summaries for agenda items submitted to the board. District staff do not always prepare a clearly written executive summary that describes how major agenda items support the district’s goals and objectives and what effect it will have on the budget. From reviewing agenda packets, we found that summaries were sometimes present with sufficient detail to allow board members to make an informed decision when voting on the issue. However, according to board members we spoke with, summaries were not always

present or were not always sufficient to enable board members to make informed decisions. This was particularly true of complicated budget items that board members often struggle with and the average citizen has significant difficulty understanding. In addition, these summaries did not make the connection between the agenda item and district goals and objectives. Board members could be better informed if executive summaries for each agenda item provided clear information such as:

- the reason for recommended action on the item; how the action will be accomplished;
- what the desired results are;
- what alternatives have been considered;
- what resources will be needed;
- who will be affected and whether they had been advised of and given an opportunity for input on the proposed action;
- how the proposed action will affect students and parents;
- what policy or law may apply to the item;
- whether the item complies with, duplicates, modifies, or affects existing policies or procedures;
- whether a new policy is needed to implement the proposed action; and
- what the time frame is for implementing and completing the proposed action; and who will evaluate proposed action and how it will be evaluated.

The district staff does not write adequate executive summaries for all agenda items because the district staff who submitted the agenda items did not take the time to fill out the board agenda summary sheet. A lack of clearly written executive summaries for school board meeting agenda items means the board cannot operate at its peak efficiency. This is because board members must spend too much time interpreting the information in the agenda packets. Second, incomplete executive summaries may mean board members do not have enough information to make an informed decision on how to vote on the item. Again, this is an inefficient use of board members' time. Third, summaries need to show how the proposed item ties into the district or program's strategic plan so board members can see that it is furthering actions they have already approved. Lastly, executive summaries will make it easier for the general public to understand what the agenda item is about and how it furthers education in the district.

Recommendation

- *We recommend that the district improve its master calendar by identifying and listing critical items or actions the board needs to complete each month of the fiscal year.*

Action plan 3-2 provides the steps needed to implement this recommendation.

Action Plan 3-2

Improve the district's master calendar	
Strategy	Improve the district's master calendar to make it an effective tool for the board to manage district activities and legal requirements.
Action Needed	Step 1: Select staff to develop recommends for the types of critical items or activities that should be included in a master calendar. Step 2: Review the St. Lucie school district's master calendar as an example of what a master calendar should include and how it should work.

Step 3:	Interview board members and selected district program directors to determine what are the critical items or activities the board must approve each fiscal year.
Step 4:	The staff should present the proposed master calendar critical items or actions to the superintendent.
Step 5:	The superintendent should review, edit, and select the preferred master calendar critical items.
Step 6:	The preferred master calendar should be adopted and implemented.
Who Is Responsible	Superintendent
Time Frame	July 1, 2003
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

- *We recommend that the district develop a format for writing executive summaries for major agenda items.*

Action plan 3-3 provides the steps needed to implement this recommendation.

Action Plan 3-3

Improve the format of executive summaries of major agenda items	
Strategy	Major agenda items should include executive summaries explaining the item in sufficient detail for board members to make an educated decision on whether to approve or disapprove the item without having to read all of the background material.
Action Needed	<p>Step 1: The district should develop an effective executive summary form for major agenda items, using best practices as a guide of what information items an executive summary could include.</p> <p>Step 2: Survey board members to determine what information they need to see in an executive summary.</p> <p>Step 3: Review successful executive summary forms developed by other school districts.</p> <p>Step 4: Present the preferred executive summary form to the board for comment.</p> <p>Step 5: After receiving board comments edit the form and present it to the board for approval.</p> <p>Step 6: The district administrator responsible for putting together the school board meeting agenda packet should review each agenda item for a completed executive summary and pull from the agenda any item that that does not include a completed executive summary.</p>
Who Is Responsible	Superintendent and board chairman
Time Frame	July 1, 2003
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

3 The board and superintendent have established written policies that are routinely updated to ensure that they are relevant and complete, but the superintendent has not established written districtwide procedures.

One practice a school district should use to ensure the roles and responsibilities of the board members and superintendent are clearly defined and they have effective working relationships is to establish written policies and procedures that are routinely updated to ensure that they are relevant and complete.

Accordingly, the district should:

- develop written policies and procedures for the district;
- establish a committee to develop, update, and evaluate its policies;
- have the committee annually recommend changes to the district's policies and procedures that are needed to reflect changes in law or district action;
- have the committee periodically (once every four or five years) evaluate and recommend changes to the district's policies to ensure that they are complete and relevant;
- have the board review, change (if necessary), and adopt the committee's recommended changes to district policies;
- not have district policies cover procedural matters;
- develop procedures dealing with districtwide administrative matters;
- have a process to annually update the procedures to reflect changes in law or board action that affect administrative matters;
- have a process to periodically (every four to five years) evaluate and revise the procedures to ensure that they are complete, relevant, and provide for the efficient operation of the district;
- have district policies and procedures readily accessible to all district staff, and have staff use them to guide their activities; and
- have the board's attorney review all proposed policies and procedures revisions to ensure that they comply with state requirements and are relevant and complete.

Written policies are reviewed and updated annually

The board and superintendent have developed written policies for the district. These policies are found in the school board rules and do not cover procedural matters. This is a proper separation of responsibilities. The school board should focus on setting policies for the district. It is the superintendent's responsibility to set procedures for major district programs. The board has established a committee to annually review, evaluate, and update its policies. Since 1990 a committee has annually reviewed the school board rules. The committee recommends changes that are reviewed by the board and the board's attorney to ensure they comply with state requirements and are relevant. The board reviews the proposed changes during workshops and the board, at public hearings, adopts necessary changes. These policies are readily available to district staff via the school district's Internet site.

There is no districtwide procedures manual addressing administrative matters

Most of the district's major programs have procedure manuals; however, the superintendent has not developed a procedures manual to deal with districtwide administrative matters. The district reported that districtwide procedures are contained in the school board rules. However, school board rules is a policy document established and approved by the school board. Administrative procedures are the responsibility of the superintendent. Procedures cannot be in the school board rules because that would mean the board

is making decisions on administrative matters that are not within the board’s role or sphere of responsibility. Therefore, whatever are considered districtwide procedures should be taken out of the school board rules and put in a separate document reviewed and approved by the superintendent and readily available to all district staff. Due to the lack of a districtwide procedures manual, we cannot evaluate district efforts to update, evaluate, and revise district procedures or evaluate if these procedures are readily accessible to and used by district staff.

The adverse result of not having districtwide procedures available to all district staff is that the same processes could be performed differently by each of the district’s major programs. It also requires the district to rely on the institutional knowledge of its staff for how to get things done. Relying on key staff for institutional knowledge does not make this information readily accessible to all district staff and does not make for efficient operations. As the district continues its rapid growth and as senior staff retire or leave, it will be extremely difficult to maintain consistent institutional knowledge throughout the district, eventually resulting in inconsistencies and confusion, and possibly inefficient operations.

Recommendation

- *We recommend that the district create a districtwide procedures manual and a process to annually review and update procedures.*

Action plan 3-4 provides the steps needed to implement this recommendation.

Action Plan 3-4

Create a districtwide procedures manual	
Strategy	A districtwide procedures manual and a process to update it is needed to ensure all staff are following the same procedures for activities that apply to all district programs.
Action Needed	<p>Step 1: Develop a districtwide procedures manual and an annual review process.</p> <p>Step 2: Identify and review any procedures that are in the school board rules and remove these from school board rules and put them in the procedures manual. The school board rules will contain a policy that provides the justification for the procedure.</p> <p>Step 3: Review program procedure manuals for any procedures that have districtwide application and place these in the manual.</p> <p>Step 4: Analyze this set of procedures and determine what other districtwide procedures are needed.</p> <p>Step 5: Finalize the districtwide procedures manual and present it to the superintendent for review and comment.</p> <p>Step 6: The superintendent adopts the districtwide procedures manual.</p> <p>Step 7: Use the same successful process used to annually review and update the district’s policies for reviewing and updating the procedures manual.</p>
Who Is Responsible	Superintendent
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

4 The district has not take steps to ensure that its legal costs are reasonable.

One practice a school district should use to ensure the roles and responsibilities of the board members and superintendent are clearly defined and they have effective working relationships is to routinely obtain legal services to advise the district about policy and reduce the risk of lawsuits; and the district should ensure its legal costs are reasonable. Accordingly, the district should:

- have an attorney (either in-house or on contract) with the primary responsibility of advising the school board, reviewing policy, and reducing the risk of lawsuits;
- demonstrate that the school board's agenda and meeting materials are provided to its legal counsel in a timely manner;
- have procedures for the board or individual board members to confer with the board attorney;
- have procedures for the superintendent or his designee to confer with the board attorney, and these procedures consider cost of providing attorney services and potential conflict-of-interest situations;
- have procedures for other staff to access the attorney. These procedures consider the cost of providing these attorney services and potential conflict-of-interest situations;
- have criteria for determining under what circumstances it should retain outside counsel (counsel other than the board attorney). These criteria include particular areas of expertise, cost, and potential conflicts of interest;
- regularly review its legal costs (cost of the contract attorney or salary and benefits for in-house attorneys) to determine whether it would be more cost-effective to obtain in-house or contracted legal services for routine legal work;
- review contract fees or salary paid to its board attorney to determine its comparability to those of similar districts;
- collect and monitor its legal costs, including cost of lawsuit settlements; and
- have a process for evaluating its legal services.

The district has contracted for legal services

The school board has contracted for the services of an attorney who, according to the district, will provide legal advice and legal services required by the school board and the superintendent. The contracted attorney is housed full-time in district offices so he/she is available to the board and superintendent. Under the contract the attorney is responsible for reviewing all contracts, reviewing all amendments to district policies and rules, and attending all regular and special school board meetings to provide legal advice to the board as needed. For school board meetings, the attorney works with the superintendent in preparing the meeting agenda. For regular and special school board meetings, such as construction workshops, the attorney receives the agenda seven days before the meeting and all background materials six days before the meeting.

The district has policies and procedures for board members, the superintendent, and other staff to access the attorney. School board rules state that the board or individual board member can request a written legal opinion from the attorney. Section 5 of the attorney's contract states that the attorney shall participate in communications with members of the board to discuss legal matters. This section also states the attorney shall communicate with superintendent and administration's staff to discuss legal matters. Section 8 of the contract provides that the attorney will work with and consult with appropriate district staff on the subjects of personnel and human resources, employment, employee investigations,

collective bargaining agreements, board policies, and contracting. According to the district the contract for legal services covers the possibility of a conflict of interest situation. Conflict of interest situations are assessed on a case-by-case basis. In the event of a conflict of interest situation, the district attorney coordinates the retention of outside counsel.

The district monitors its legal costs and evaluates its legal services

The district monitors its legal costs including the cost of lawsuit settlements. In Fiscal Year 2000-01 the district's total legal costs were \$782,087. From this total, \$730,154 was for the board's contracted attorney, which included a \$650,000 retainer, plus expenses, and office space at the district administrative building that was provided at no charge. The remaining portion of the total was \$51,932 for other contracted attorney fees to handle a non-instructional employee union negotiation and early retirement plans. There were no lawsuits settled for Fiscal Year 2000-01.

The school board, superintendent, and the district leadership team evaluate the district's legal services annually. A formal written evaluation form is used. Evaluation covers the areas of daily advice, public meetings, contracting documents, pending claims in litigation, training in-service seminars in legal updates. Evaluation appears to be qualitative in nature and the board has generally been satisfied with the legal services they are receiving.

District legal costs are significantly higher than peer districts and have not been formally evaluated since 1991

However, the district has not regularly reviewed its legal costs (cost of the contract attorney or salary and benefits for in-house attorneys) to determine whether it would be more cost-effective to obtain in-house or contracted legal services for routine legal work. The current legal firm has held the school board contract since 1991, and the district has not done a formal evaluation comparing district legal costs to peer districts. No evaluation has been done because the board has made it clear they are satisfied with the performance of the board attorney. Therefore, district staff has not done an evaluation that the board has not requested. The district did compare bond council legal costs to other districts because the bond counsel is paid from bond proceeds, not from general revenues.

The Osceola County School District is paying significantly more in total legal costs than any of the five peer districts we contacted, as shown in Exhibit 3-4. Using the Collier district as the closest comparable peer district in cost, Osceola legal expenses are \$130,624 or 20% more annually. Compared to the average legal cost for peer districts, the district's legal expenses are \$434,000 or 125% more annually. Furthermore, the district's legal costs have increased 18% over the past three years. We estimate that if the board hires in-house legal staff to meet its legal needs, the district could save \$325,000 per year or \$1,626,000 over five years.

According to the district one reason for these high costs is that in the mid-1990s the district had a number of personnel discrimination lawsuits filed against it. These suits went on for several years and required legal services beyond those covered in the annual retainer fee, which was approximately \$67,000 until raised in Fiscal Year 2000-01. However, the last of these personnel discrimination lawsuits were settled in 2002 so they will no longer be a factor in annual legal expenses. There also does not appear to be anything systemic in how the district operates that would systematically create situations for lawsuits to occur in the future. This provides the district with the opportunity to rebid the contract for legal services or evaluate whether it would be more cost-effective to hire permanent in-house legal staff. Due to the Osceola district not conducting a formal evaluation of legal costs, it is paying significantly more for legal services than any of the peer districts. These are funds that could be used to further educational programs.

Exhibit 3-4

The Osceola County School District Spends Considerably More for Its Board Attorney Than Its Peers

Fiscal Year 2000-01	Osceola	Collier¹	Alachua	Leon	Manatee	Lee
Staff or Contract Attorney	Contract	Contract	Combination	Contract	Combination	Combination
Total Cost	\$782,087	\$651,463	\$134,620	\$316,401	\$384,002 ²	\$254,046
Annual Retainer Fee ³	650,000	210,000	None	41,000	None	None

¹ Collier District experienced an unusually high degree of litigation in Fiscal Year 2000-01.

² Total budgeted amount.

³ The annual retainer fee is included in the total cost figure.

Source: Office of Program Policy Analysis and Government Accountability.

Recommendation

- *We recommend that the district issue a Request for Proposal to obtain legal services in the most economical way possible, either through contracting with private attorneys or developing in-house legal expertise.*

Action plan 3-5 provides the steps needed to implement this recommendation.

Action Plan 3-5

Provide legal services in the most economical way possible	
Strategy	Issue a Request for Proposal for legal services and implement the less costly option of continued contracting for legal services or in-house legal staff.
Action Needed	<p>Step 1: Form a committee to develop RFP criteria and specification and contact other districts to determine what their specifications have been for similar services.</p> <p>Step 2: Write the RFP.</p> <p>Step 3: Develop a mailing list of potential bidders and advertise in newspapers.</p> <p>Step 4: Mail the RFP.</p> <p>Step 5: Hold a pre-bid meeting to answer bidder questions.</p> <p>Step 6: Receive bid proposals.</p> <p>Step 7: Review the proposals and rank them to develop a short list.</p> <p>Step 8: The top candidates on the short list will be invited to an interview.</p> <p>Step 9: Interview top candidates.</p> <p>Step 10: Evaluate the proposals in conjunction with estimated costs of in-house legal staff.</p> <p>Step 11: Present these findings to the board along with a recommendation of the preferred bid.</p> <p>Step 12: The board should review the recommendations and implement the most economical alternative that will provide the same or better level of legal service.</p>
Who Is Responsible	Superintendent and the board
Time Frame	July 1, 2003
Fiscal Impact	This recommendation can be completed with existing resources. The district should continue to contract for legal services with selected attorneys if the proposals are for less than \$405,000. If not the district should develop an in-house legal function. This would result in a savings of \$1,626,000 over five years.

Source: Office of Program Policy Analysis and Government Accountability.

5 The district's organizational structure has clearly defined units and lines of authority.

One practice a school district should use to regularly assess its organizational structure, staffing levels and ensure it is operating efficiently is to have an organizational structure with clearly defined units and lines of authority. Accordingly, the district should:

- have an organizational charts that clearly and accurately depict its organizational structure;
- have clearly defined the responsibilities of each organizational unit and communicated these responsibilities to staff and the public;
- have an organizational structure that eliminates unnecessary overlapping functions and excessive administrative layers;
- have reasonable spans of control for its top administrators (directors and above);
- regularly (at least once every four years) review its business practices and organizational structure and present the results in a written report to the board; and
- make changes to streamline operations and improve operating efficiency.

Reorganization is needed to keep the superintendent's span of control reasonable

The district's organizational chart clearly and accurately depicts its organizational structure and eliminates unnecessary overlapping functions and excessive administrative layers see Exhibit 3-5. The district's top administrators appeared to have reasonable spans of control, and they do not believe there are any problems with the current organizational structure. However, if the school system continues its rapid rate of student population growth, the current spans of control for the superintendent may become too great.

Currently the superintendent supervises the deputy superintendent for operations, the assistant superintendent of curriculum and instruction, the coordinator of community relations, and 31 school principals. At the time of the April 2000 organizational structure change, it was the school board's policy that the role of the superintendent should be to directly oversee student achievement. To achieve this overriding goal, the superintendent was placed in a direct supervisory role for all principals, and for the assistant superintendent of instruction and curriculum. This is a total of 34 organizational units reporting to the superintendent. In addition, the superintendent maintains a network of five school board members and is the district's official representative for most external matters including meetings with the Department of Education officials; meetings of local chamber of commerce, realtor's association, Rotary Club, or other business or civic organizations; and attending all high school graduations. Curiously, the superintendent does not directly supervise the assistant superintendent for business and financial services even though this position handles six programs including large district wide programs such as transportation, food services, purchasing and warehousing, and finance. The chairman of the Osceola district school board believes the district may soon grow from 31 to 50 schools.

As the district continues to grow, the district could soon be at a point where it may not be able to afford to maintain such a span of control for the superintendent. To provide a more reasonable span of control we proposed an alternative organizational structure for consideration (see Exhibit 3-6). The new position of deputy superintendent for instruction would be created and would report to the superintendent. The assistant superintendent of curriculum and instruction and all school principals would report to this new position of deputy superintendent for instruction, for a total of 32 programs reporting to them. In addition, this structural change would allow curriculum and instructional staff to intervene directly when a school's student performance does not meet district or state standards. District intervention would be

triggered when a school failed to meet student achievement standards and could include requiring the school to set up remedial programs, conducting student level analysis of test scores, implementation of reading programs, or teacher staff development.

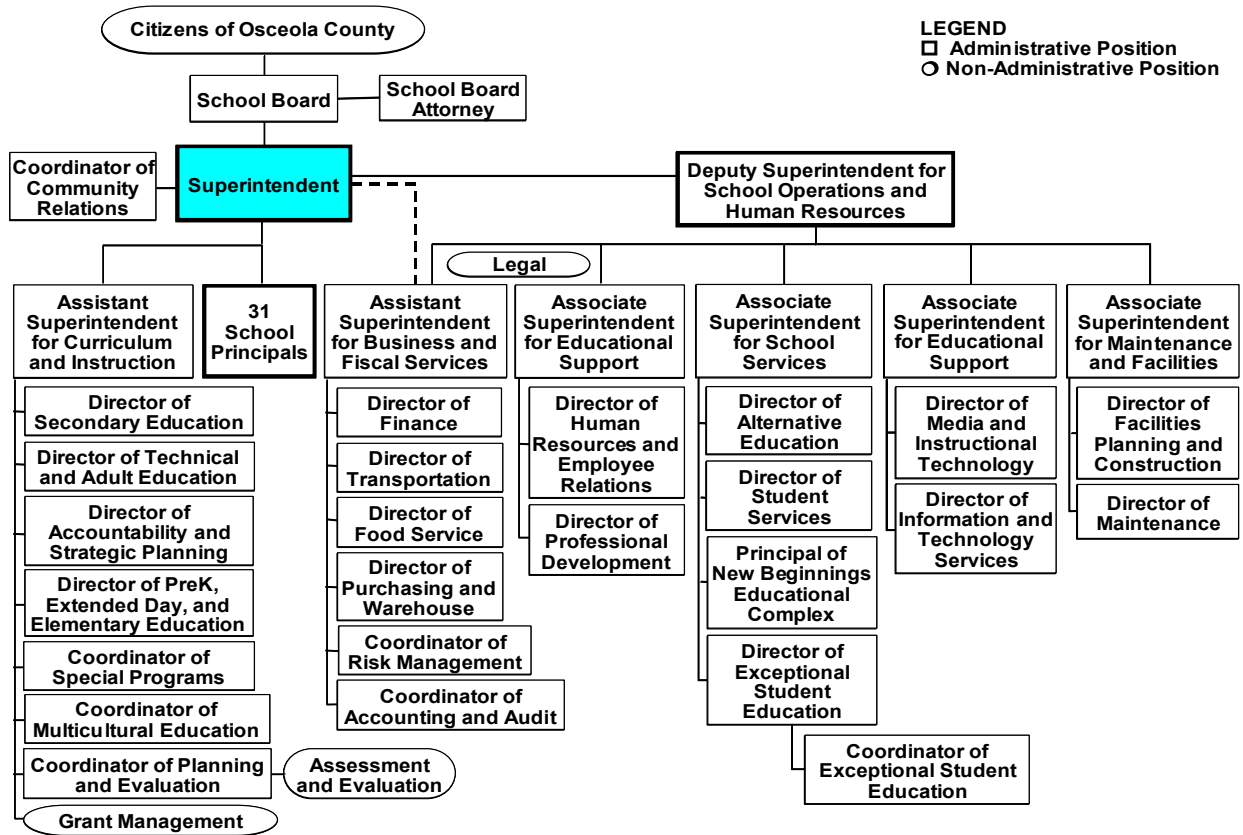
As the number of schools continues to grow, it may be necessary in the future to create two assistant superintendent positions just to administer the schools, and these two new assistant superintendents would report to the deputy superintendent for instruction. The assistant superintendent for business and financial services would no longer report to the deputy superintendent of operations, but would report directly to the superintendent with a total of six programs reporting to them. The deputy superintendent for operations would remain and would report directly to the superintendent with a total of five programs reporting to them. Four organizational units would report to the superintendent and the network of five school board members for a more manageable span of control.

Two departments should be combined to enhance evaluation of student achievement

From our review, we recommend that the Accountability and Strategic Planning Department and the Planning and Evaluation Department should be merged. In our review, we found the Planning and Evaluation Department needs to improve its evaluation of test scores to determine the cause of these low scores. This has not been done in part because of staff constraints. We also found that the Accountability and Strategic Planning Department does not have the staff needed to assure that the school improvement plans and the district strategic plan were created based on the needs of the district or individual schools. There was no evidence that program evaluations were conducted to determine the causes of problems and that the plans were written to correct the identified problems (see Chapter 5, Section 12). Therefore, we recommend that the district combine the Accountability and Strategic Planning Department with the Planning and Evaluation Department to create an Accountability, Planning, and Evaluation Department. This new department would be charged with improving schools, evaluating programs, and building evaluation skills in the organization through training of program managers in evaluation techniques. As shown in Exhibit 3-6, this new department would work in concert with the curriculum and instruction departments in developing interventions based on data analysis that determines an individual school's strengths and weaknesses. By merging these two departments and giving the curriculum and instruction staff more authority over individual schools (see Action Plan 5-9, page 5-59), the district will make data-based decision making and student performance the focus of the entire district and should assist in improving student achievement.

Exhibit 3-5

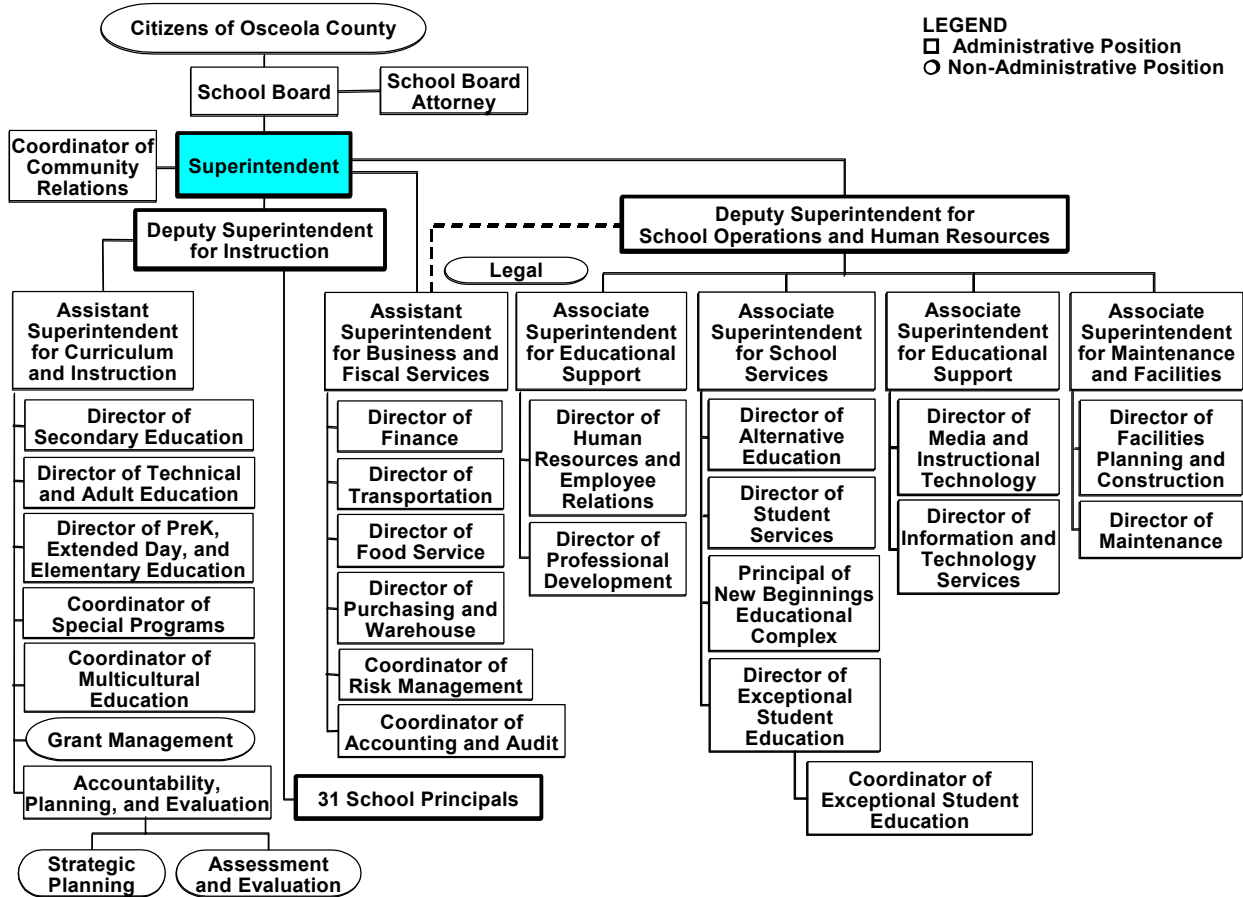
Current Organization Chart for the Osceola County School District



Source: Osceola County School District.

Exhibit 3-6

Proposed Organizational Chart for Osceola County School District After Creating Deputy Superintendent for Instruction



Source: Office of Program Policy Analysis and Government Accountability.

The district has reviewed and improved its organizational structure

In the future, when the district reviews its practices and structures, the district should consider the span of control of top level administrators. The district regularly reviews its business practices and organizational structure and presents the results in a written report to the board. In 1996, the Florida Association of District School Superintendents conducted an organizational and management review of the district and presented findings and recommendations to the school board. In 1998, the Blue Ribbon Task Force reviewed business operations and to a lesser extent organizational structure and presented findings and recommendations to the school board. As a result of these reviews, changes were made to streamline operations and improve operating efficiency. For example, to ensure that the latest construction techniques were used to build schools a Construction Advisory Committee was formed. To ensure appropriate management of the construction budget a new organizational unit of associate superintendents was created to assume these responsibilities. Additional budget training for principals and justification of administrative budgets were also implemented.

The district has not clearly defined the responsibilities of each organizational unit

The district should also ensure that it clearly defines the responsibilities of the various organizational units reporting to the supervisor. The district doesn't clearly define the responsibilities of each organizational unit and communicates these responsibilities to staff and the public. For example, the district believes a program director's job description is the same as the program's responsibilities. However, our review found that job descriptions do not delineate the scope and limits of position responsibilities. Because job and unit functions are not clearly defined, district staff are not always clear about what their responsibilities are. These job descriptions are not available through the district website so it is not clear how these job descriptions are communicated to the staff and public.

The district has not clearly defined the responsibilities of each organizational unit because it believes a program director's job description is the same as the program's responsibilities. Without clearly defined units, staff does not know the scope and limits of unit responsibilities. This could result in duplication of effort and create inefficiencies.

Recommendation

- *We recommend that the district create the position of Deputy Superintendent for Instruction to maintain a reasonable span of control for the superintendent and to combine the Accountability and Strategic Planning Department with the Planning and Evaluation Department.*

Action Plan 3-6 provides the steps needed to implement this recommendation.

Action Plan 3-6

Reorganize the district to maintain better spans of control and improve evaluation	
Strategy	Reorganize the district to maintain a reasonable span of control for the superintendent and to combine the Accountability and Strategic Planning Department with the Planning and Evaluation Department to provide enhanced evaluation of evaluation of student achievement.
Action Needed	<p>Step 1: Specify the duties, create a job-description, and develop qualifications for the deputy superintendent for instruction and the director of accountability, planning, and evaluation.</p> <p>Step 2: Prepare an agenda item for board consideration, authorizing the creation of the two new positions, re-aligning the reporting lines in the district's organization chart to show the organization placement of the positions, and establish the titles and pay grades for the newly created positions.</p> <p>Step 3: Submit the agenda item to the board for approval to create the two new positions and define their duties, responsibilities, and authority.</p> <p>Step 4: Advertise the newly created positions pursuant to current district policies and practices.</p> <p>Step 5: Receive and process applications for the position and interview qualified applicants.</p> <p>Step 6: Select a prospective candidates for the positions and follow the district's customary policies for hiring and contracting with the newly hired employees.</p>
Who Is Responsible	Superintendent and the board
Time Frame	July 1, 2003
Fiscal Impact	Salary and benefits for another deputy superintendent position; \$115,000 per year or \$575,000 over five years.

Source: Office of Program Policy Analysis and Government Accountability.

- We recommend the district clearly define the responsibilities of each organizational unit.

Action Plan 3-7 provides the steps needed to implement this recommendation.

Action Plan 3-7

Define the responsibilities of each organizational unit	
Strategy	The responsibilities of each organizational unit need to be clearly defined so staff knows the scope and limits of the unit’s responsibilities.
Action Needed	<p>Step 1: Each program director should review the organizational units assigned to them and define the responsibilities of his/her organization unit and submit this to the task force.</p> <p>Step 2: The program directors should review other districts to determine how they have defined similar organizational units.</p> <p>Step 3: Program managers should develop definitions of each organizational unit and review it with the program director for accuracy.</p> <p>Step 4: Program managers should report their findings to the superintendent, who should review the findings, and amending or approving such findings to be consistent with established district policy.</p> <p>Step 5: The superintendent should submit the approved program definitions to the board for approval.</p>
Who Is Responsible	Superintendent
Time Frame	July 1, 2003
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

6 Although the district does not periodically review its administrative staffing, it has made changes to improve operating efficiency.

Another practice a school district should use to regularly assess its organizational structure and staffing levels and ensure that it is operating efficiently is to periodically review its administrative staffing to eliminate unnecessary positions and improve efficiency. Accordingly, the district should:

- comprehensively review its administrative staffing levels to improve operating efficiency and present the results in a written report to the board;
- obtain feedback from its district- and school-level staff and school advisory council in conducting this review;
- compare its district administrative staffing levels to those of comparable districts using appropriate measures that may include classroom teachers per administrator, instructional personnel per administrator, total staff per administrator, and total administrators per 1,000 students;
- use appropriate benchmarks to demonstrate that its district administrative staffing levels are reasonable; and
- implement changes to its organizational structure and staffing levels and processes when necessary to improve its operating efficiency.

To improve efficiency the organizational structure has been changed

The district has changed its organizational structure to improve it operational efficiency. On April 18, 2000, the school board approved the new organizational chart. The organizational chart changes created

the deputy superintendent position overseeing all operational programs. This deputy superintendent position relieved the superintendent of direct supervision of six program sections. The curriculum and instruction program area was changed. A coordinator of charter and choice schools was created to help applicants through the process of applying for and operating a charter school. A coordinator of multicultural education was created to address the significant influx of students to this program that required additional staff to manage testing, ESOL endorsement and resolution of issues arising with the children’s educational protocol. Organizational chart changes also improved operations for the personnel program.

Administrative staffing levels are informally compared to peer districts, but results are not reported to the board

According to the district, it has not comprehensively reviewed its administrative staffing levels since 1996. The district does informally review its administrative staffing levels annually during the budget development process. The district reviews its ratio of administrative staff to the number of students and total staff. It then compares these ratios to its peer districts. However, the district could not provide us with written documentation of these reviews and the results of these reviews are not reported to the board. It appears the district’s low ratio of administrative staff is a result of its management philosophy and not from a comprehensive review of its administrative staffing levels.

Administrative staffing levels are lower than all peer districts

We analyzed district administrative staffing levels and found the ratio of administrators to teachers and other staff positions to be lower than all of the peer districts and the state average (see Exhibit 3-7). For each administrator, there are 15.23 classroom teachers, 18.07 total instructional staff, and 35.60 total staff. In comparison, the state average is one administrator for 14.20 classroom teachers, 15.89 total instructional staff, and 29.04 total staff. This analysis illustrates the district is not top-heavy in administrative staff and is being run with fewer administrators than any of its peer districts or the state average.

Exhibit 3-7

Osceola’s Staffing Ratios Are the Lowest Among Its Peers

School District	Staff Ratios		
	Administrators to Classroom Teachers	Administrators to Total Instructional	Administrators to Total Staff
Alachua	1: 12.14	1: 14.21	1: 28.44
Collier	1: 11.58	1: 13.29	1: 25.72
Lee	1: 13.88	1: 15.35	1: 28.05
Leon	1: 12.79	1: 14.66	1: 28.35
Manatee	1: 14.58	1: 16.19	1: 32.54
Osceola	1: 15.23	1: 18.07	1: 35.60
State	1: 14.20	1: 15.89	1: 29.04

Source: Profiles of Florida School Districts, Staff and Student Data, Department of Education, 2000-01.

Administrative staffing levels have not been comprehensively reviewed

The district has not comprehensively reviewed its administrative staffing levels to improve operating efficiency. The 1996 review by the Florida Association of District School Superintendents did examine administrative staffing levels to some extent. The 1998 Blue Ribbon Committee report did not examine staffing levels. The Price Waterhouse report also did not examine staffing levels. In fact, the Blue Ribbon Committee report identified problems with the organizational structure, and the accountability and responsibility of each division and individual. The report recommended an audit of each department

to determine what the department and the individuals in that department do. This audit, that would have provided a comprehensive review of administrative staffing levels, has never been done. The district has not compared its administrative staffing levels to those of its peer districts in four years.

By reviewing and comparing its administrative staffing levels to its peer districts, the district should be able to ensure that it is reasonably staffed. Spending too much money for staff positions reduces the resources available to educate students or fulfill the district's goals and objectives.

7 The superintendent and school board do exercise effective oversight of the district's financial resources.

Another practice a school district should use to regularly assess its organizational structure, staffing levels and ensure it is operating efficiently is for the superintendent and school board to exercise effective oversight of the district's financial resources. Accordingly, the district should

- have district school board members receive training in school district budgeting and finance practices;
- have the proposed budget presented to the board in an easy-to-read, understandable, and concise format that board members and the community can understand;
- provide the board with information about revenue and expenditures by major function over the past two to three fiscal years for use in evaluating budget proposals;
- have the district's budgeting process consider the needs of individual schools;
- establish procedures for how to handle budget reductions and, when necessary, implement these procedures;
- have procedures for informing, in a concise and easily understood format, the board about the short- and long-term fiscal implications of proposed budgets or budget amendments;
- maintain a reserve fund; the amount held in reserve considers the potential overestimation of FEFP funding due to the likely error in the district's enrollment projection, potential exposure to emergencies, and potential industry or community changes; over the long run, the amount of the district's reserve averages from 3% to 5% of its total budget;
- regularly monitor key financial indicators such as the reserve fund balance, debt ratio, inventory levels, and other relevant financial data to identify a decline in the district's financial condition; declines in financial condition are reported to the board in a timely manner, and the board takes necessary corrective actions;
- establish limits for how much various district staff can spend without approval and it reviews and approve all purchases that exceed these amounts; and
- make requests for budget increases easy-to-read, understandable, and in concise formats and are tied to priorities established in the board's long-term plan for the district.

There is effective oversight of the district financial resources

There is effective oversight of the district's financial resources by the superintendent and the school board. It begins when new board members receive budget training from the Florida School Board Association and district staff. The new board member manual contains a section on district budgeting and finance that is basically a copy of the DOE *Funding for Florida School Districts Statistical Report*.

District staff presents complex budget information to the board and provides additional explanation as needed. Budget workshops are held with board members prior to the beginning of the budget process and two or three times after that process has begun. At these workshops, staff and the board discuss millage

rates, revenue estimates, and upcoming legislative issues. Staff will inform board members, on a case-by-case basis, when there are items that could significantly affect the budget. This is sometimes done using narratives included with the budget amendments. Requested budget increases must include justification for the increase and how it is linked to the strategic plan objectives.

Separate workshops on the capital budget are also conducted throughout the year. The capital budget is prepared for a five-year period and is more likely to have amendments and items that could have long-term budgetary effects. Here again staff will inform board members if there is a budget item with long-term budgetary effects.

School needs are considered in the budgeting process

The district's extensive use of site based management and budgeting ensures the needs of individual schools are considered in the budgeting process. School principals create the budgets for their schools using expense and budgetary data provided by the district financial office. Principals are aware of how much money they have to spend, what their fixed facility costs will be, and what will be the average teacher salary. The school's SAC, the superintendent, and finally the school board then approves the school budget.

The school board has established limits for how much various district staff can spend without approval and it reviews and approves all purchases that exceed these amounts. School board rules generally stipulate that a designated person can issue the purchase order for less than \$1,000 and it does not have to go through the Purchasing Department.

Financial indicators are monitored and a reserve fund is maintained

The district regularly monitors key financial indicators to identify trends in the district's financial condition and informs the board in a timely manner so the board can take corrective action. The district and the board monitor three financial indicators. The first is the monthly financial report produced by the district finance department and distributed to the board members showing expenditure data for the same time period last year and this year. These reports include pie charts and are used to show the board if the district's rate of spending is similar this year to last year. A faster rate of spending could mean the district would run out of money before the end of the year. Second, board members are notified of expected state revenue shortfalls and are presented budget amendments to solve any problem. Third, board members usually know about budget amendments before they get on the agenda because the superintendent informs the board of potentially controversial agenda items.

Although the board does not have written procedures for handling budget reductions, it did take action to reduce spending during the state education 2001 budget shortfall. The Finance Department issued written budget instructions explaining to school principals that they were responsible for keeping their budgets solvent even if the school year beginning student enrollment estimates were wrong. Correspondingly, all principals were briefed by the Maintenance Department on ways to save money such as closing school buildings to after-school activities and turning out all lights by 7:00 PM. The superintendent cut expenses by canceling out-of-state travel and directing principals to formulate plans for potential cutbacks.

The district maintains a reserve fund to help cover possible errors in the district's enrollment projection and potential exposure to emergencies. The reserve fund balance has been between 3.21% and 5.88% for Fiscal Year 1995-96 through Fiscal Year 2001-02. This is in keeping with the best practices recommended reserve fund amount of 3% to 5% of the annual budget.

Budget information needs to be easier to understand

While the district is generally exercising effective oversight of its financial resources there are improvements that could be made. For instance, several board members told us that budget information is difficult to read and understand for board members and the public. They said budget information should be in a format not only required to satisfy Department of Education requirements but also to make it

easier for board members and the public to get a clear picture of the activities for which the funds are spent. Board members said they have difficulty ascertaining the cost to achieve specific program goals or objectives, including how many total dollars were spent to educate students, retain qualified teachers, to construct facilities to meet growing student enrollment, to feed students, to transport students, to maintain existing facilities, to build community support, and other goals and objectives the district or major programs have defined. These comments reflect another problem, the district’s strategic plan and budget expenditures are not effectively linked (see section 11).

Recommendation

- *We recommend that district budget staff continue to seek feedback from board members and the public about ways to present district budget information in ways that communicate such information more clearly and concisely.*

Action Plan 3-8 provides the steps needed to implement this recommendation.

Action Plan 3-8

Continue to seek feedback about making budget information easier to understand	
Strategy	To improve school board oversight of the district’s financial resources, budget information presented to the board needs to be clear and concise.
Action Needed	<p>Step 1: The district financial program should review the financial information and the format of this information that is presented to the board.</p> <p>Step 2: The financial program should seek input from board members to determine whether financial information is difficult to understand and what information, and its format, the board would like to see presented to them.</p> <p>Step 3: The financial program should review how other districts present financial information to their board.</p> <p>Step 4: The financial program should present its finding to the board and the superintendent. These findings should include what the financial program staff interprets to be the board’s preferred financial information and format, or a set of options of financial information and formats for the board to chose from.</p> <p>Step 5: The board selects the financial information and format it wants presented to them in the future.</p>
Who Is Responsible	Assistant superintendent for Business and Fiscal Services
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

8 The district has clearly assigned school principals the authority they need to effectively manage their schools while adhering to districtwide policies and procedures.

Another practice a school district should use to regularly assess its organizational structure and staffing levels and ensure that it is operating efficiently is to clearly assign school principals the authority they

need to effectively manage their schools while adhering to districtwide policies and procedures. Accordingly, the district should

- demonstrate that it has clearly communicated the authority it has assigned to school administrators; these administrators either know what is expected of them or where to find out;
- give school administrators staffing and budget flexibility;
- give school administrators sufficient authority over school operations to enable them to achieve school, district, and state education goals;
- have sufficient controls to ensure that school administrators adhere to districtwide policies and procedures; and
- regularly assess the authority it has assigned to school-based administrators and looks for ways to enhance school-based decision making.

Principals have sufficient authority to run their schools

The district has clearly communicated the authority it has assigned to school administrators and the administrators know what is expected of them. School board rules define school-based management and state that the school is the principal planning unit in the budget process. Each school develops an annual budget based on its unique needs with input from school-level administrators and teachers. School principals feel they know what is expected of them, that they have enough authority to run their schools, and they are satisfied with the process. Between 2% to 5% of a school's annual budget is discretionary and the principals have flexibility on how to spend this money. If achievement scores are deficient in some area the principals can construct their school budgets to hire these types of teachers and thus meet their school improvement plan objectives.

Principals have discretion in spending their schools budget. When a position is vacant, principals may vary the type of teacher they hire, depending upon their needs (e.g., science teacher versus physical education teacher, math teacher versus music teacher, etc.). Principals also have the option of changing the vacant position from a teaching position to multiple teacher's aide positions, for example, or leave the position vacant. Where principals are able to save money or reduce costs in one area (such as leaving a teaching position vacant) they can spend more money in other areas such as custodial work, the amount spent for school supplies, etc.

As long as the school meets Southern Association of Colleges and Schools staffing requirements and has the staff position allotment (determined by the Personnel Department), the principal has flexibility. The principal is responsible for ensuring that school goals are aligned with the district strategic plan and further state education goals.

Controls are in place to ensure that principals adhere to policies and procedures

The district has sufficient controls to ensure that school administrators adhere to districtwide policies and procedures. The district Finance Department and other appropriate departments, using the TERMS system (Total Educational Resource Management System), act as control mechanisms by reviewing payroll, work orders, and purchase orders and approve them before the product or service can be purchased. District custodial staff will review the school fiscal plant and tell the principal of custodial deficiencies. Curriculum program directors ensure curriculum standards are met by meeting with principals, visiting the schools, and sending out surveys and other communications to the schools. The superintendent also assesses each school twice a year to ensure the school improvement plan can further district educational objectives.

The district has regularly assessed the authority it has assigned to school-based administrators. During the principal's annual evaluation with the superintendent, the authority assigned to the principal is

assessed. The district has concluded that school-based administrators already have enough school based decision-making authority so the district has not looked for ways to enhance this authority.

9 The district has a multi-year strategic plan with annual goals based on identified needs, projected enrollment, and revenues, but objectives are not measurable.

One practice the school district could use to focus district resources on district priorities using the strategic plan to allocate resources is to have a multi-year strategic plan with annual goals and measurable objectives based on identified needs, projected enrollment, and revenues. Accordingly, the district should take the action described below.

- Maintain and publish a clearly written, multi-year (five years at a minimum) strategic plan to provide vision and direction for the district's effort. The plan links state and district education goals, including student performance goals.
- Develop a strategic plan in which the board
- identifies and formally adopts a limited number of (5 to 10) district priorities to guide the district's strategies and major financial and program decisions;
- considers issues such as fund balance levels, teacher salary increases, health benefit levels, and class size reductions; and
- instructs district staff on how these priorities should be considered in making program and budgetary decisions.
- Have a strategic plan that clearly delineates the district's goals and objectives and strategies for achieving them. In developing these strategies, the district considers alternative educational delivery systems such as charter schools, magnet schools, and school choice.
- Have the plan delineate the priorities the board assigns to its goals, objectives, and strategies.
- Make the objectives in the strategic plan measurable, and the district has set annual standards for each objective for at least five years into the future.
- Ensure that the district's goals, objectives, and standards are based on past performance, identified needs, projected enrollment, and revenues.
- Delineate the entities responsible for implementing the strategies in the plan and the time frames for implementation.
- Annually assesses the progress the district has made toward achieving its objectives.
- Annually review and, if necessary, amend its priorities and strategic plan to reflect changes in community standards, student needs, or board direction.
- Know if board action is inconsistent with the priorities in the strategic plan, the rationale for the action should be clearly stated in the board minutes or the board should amend the plan.

The district has a strategic plan

The school district maintains and publishes a clearly written, multi-year strategic plan that provides vision and direction for the district's effort. The strategic plan is adopted as part of each school's school improvement plan and requires teachers to meet the Sunshine State Standards. This requirement links state and district educational goals to the strategic plan. The goals, objectives, and strategies of the strategic plan are listed in their order of importance.

The adopted strategic plan consists of four objectives and six strategies that are listed by priority. In developing the strategic plan, the district provided the strategic planning committee with needs assessment data. This data was very relevant in developing action plans that were achievable. Eighty-seven action plans were developed to achieve the plans objectives and strategies. To make this process manageable, the board adopts and prints out tri-fold pamphlets stating which actions plans will be emphasized for the coming year.

The board is briefed by the director of Accountability and Strategic Planning annually on progress made on previously prioritized action plans. The Strategic Planning Update Notebook assesses how many action plans have been achieved. It is the district's position that as action plans are completed progress is being made toward achieving the objective. The board does annually review and, if necessary, amend its priorities and strategic plan to reflect changes in community standards, student needs, or board direction. The board discusses strategic planning issues at quarterly retreats. The board adopted a strategic plan in 1997 and again in 2001 so the plan better matched the priorities of the newly appointed superintendent. The strategic plan was amended from five to four objectives and from eight to six strategies.

The formation of charter schools is assisted by the district

The district has considered alternative educational delivery systems such as charter schools. The district has recognized charter schools as an alternative means to deliver education. To further the creation of charter schools, the district created an organizational unit dedicated to developing charter schools. This position develops forms and provides guidance making it easier for community groups to apply for and form charter schools.

Objectives need to be measurable

However, objectives in the strategic plan are not measurable and annual standards have not been set for objectives. Instead, the district sets objectives and develops strategies it believes are necessary to achieve those objectives. The district then prepares action plans necessary to implement those strategies. The district then determines whether it has implemented the action plans. By implementing action plans, the district believes that it will implement the strategy and thereby achieve its objective. However, without measurable objectives, the district cannot determine if its strategies have been successful.

Assign staff to implement the strategic plan

Another weakness of the strategic plan is that the entities responsible for implementing the strategic plan strategies and the time frames for implementation are not identified in the plan. In the older versions of the strategic plan some of the action plans identify the time frames and the entity responsible for implementing the strategies in the plan. However, this level of detail was missing from at least half of the current action plans because the district administration never assigned someone to implement the strategies. The person responsible for implementation needs to be included in all action plans.

Recommendation

- *We recommend that the district develop measurable strategic plan objectives. The recommendation should be implemented in conjunction with action plans 4-1 (page 4-5) and 4-2 (page 4-8).*

Action Plan 3-9 provides the steps needed to implement this recommendation.

Action Plan 3-9

Identify staff to implement action plans and time frames	
Strategy	In order to ensure strategic plan implementation the staff responsible for implementing action plans and the time frames to implement them need to be identified.
Action Needed	<p>Step 1: Identify and designate program managers responsible for implementing action plans.</p> <p>Step 2: Program managers should prioritize the action plans so the most important plans are implemented first, seeking guidance from the superintendent and the board as to which strategic plan objectives and strategies are priorities.</p> <p>Step 3: Program managers should work with program directors whose programs are affected by the action plans to identify the appropriate staff to implement these plans.</p> <p>Step 4: Program managers should set a time frame for completing implementation of the action plan after considering the activities involved with each action plan.</p> <p>Step 5: Program managers should report their findings to the superintendent and to the board.</p> <p>Step 6: The board and superintendent should review the findings, reprioritize action plans, if necessary, designate the staff responsible for implementing the change, and setting time frames for completion.</p>
Who Is Responsible	Director of Accountability, Planning, and Evaluation (new position)
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

10 The district does not have a system to accurately project enrollment.

One practice the school district could use to focus district resources on district priorities using the strategic plan to allocate resources is to have a system to accurately project enrollment. Accordingly, the district should

- periodically conduct a districtwide demographic study to identify current and potential future growth in the district;
- in determining how often to conduct the demographic study, consider its past performance in projecting school enrollment and initiates the study when enrollment projection errors are unacceptably high;
- strive to provide an accurate enrollment forecast and does not regularly overestimate or underestimate its enrollment;
- primarily base its enrollment projections on statistical enrollment techniques, such as a cohort survival methodology, that can detect turning points due to changing demographics;
- when making enrollment forecasts, consider additional factors such as planned enrollment changes in private schools, influences due changes in employment opportunities, city/county comprehensive plans, and planned new development in the district;
- in developing enrollment forecasts, use historical data it obtains from DOE or its records; the district audits the accuracy of the data and takes steps to improve data accuracy;
- document the methodologies and processes for key areas of its forecasting process;

- have previous enrollment projections been accurate (within acceptable error limits established by DOE);
- have enrollment projections for individual schools that consider the existing school populations, mobility, and housing starts within the areas served by each school; school-based administrators review the reasonableness of these projections; and
- make long-range enrollment projections that consider factors such as demographic trends within the district, changes in land use (residential, commercial, industrial, urban renewal, and agricultural), geographical limitations on developable land, local ordinances that regulate the rate of growth of the area, forecasts of economic conditions reported by the private sector, vocational opportunities in the community, availability of community services, and major highway and street networks and their probable future development.

Demographic studies are used to project enrollment

The district periodically conducts districtwide demographic studies to identify current and potential growth in the district. This is done using several studies. Among these studies are the *1997 Summary Analysis and Report of Osceola County School Service Area Boundaries 1997-2020*, which is a demographic study of Osceola County used to project the amount and location of future population growth and the need for new school facilities out to the year 2020. The district also uses the impact fee study that projected growth for elementary, middle, and high school students from 1996-97 to 2001-02. The EDULOG computer school bus routing software provides data useful in analyzing growth in the district. Demographic studies have been ongoing due to the high level of growth.

In developing enrollment forecasts, the district reviewed data on the Department of Education website and then uploaded this data into the state forecasting system that is used to create projections. The district's enrollment projection specialist audits all schools once every two years to ensure data accuracy. In addition to the state forecasting system, the district has documented and uses a calculus based model that uses the "least squares method" for projecting school enrollment growth. The "least squares method" is a widely accepted statistical method for plotting trend data. Once the total district population is completed, the district enrollment projection specialists and each school based administrator meet to construct each school projection by grade level and program and reviews this for reasonableness. Prior to this meeting with school administrators, each attendance zone is reviewed for factors that can affect the projection (mobility rates, employment opportunities, and affordable housing/new developments). The district primarily has based its enrollment forecasts on statistical enrollment techniques, such as a cohort survival methodology, that can detect turning points due to changing demographics. When making enrollment forecasts the districts uses data from charter school enrollment, the Bureau of Labor Statistics, the County Building Department for the number of certificates of occupancy issued and housing starts, the County Planning Department for the population in traffic analysis zones, and developers for the number of housing units they plan to build next year. However, the district has not included private school enrollment in its analysis.

Enrollment has been under estimated

The district strives to provide an accurate enrollment forecast but has significantly underestimated its enrollment numbers for the most recent fiscal years (Fiscal Year 2000-01 and Fiscal Year 2001-02) using computer models provided by the Department of Education. We believe the error rates for these years are high enough to warrant concern (-2.5% in Fiscal Year 2000-01 and -3.4% in Fiscal Year 2001-02).¹ The district reports, and our analysis agrees, that the high error rates are directly tied to sudden increases in the rate of growth in student enrollment above the regular rate of growth that should be expected in this district. In fact, the district has experienced similar sudden spikes in its enrollment growth rate over the

¹ Error rates calculated by DOE using unweighted FTE projections and actual FTE final counts provided by the district.

past three decades. Because surges in the growth rate significantly affect the district’s ability to accurately project its FTEs, the district needs to develop and document a better methodology to predict such sharp increases by coordinating with the Department of Education and the Legislative Services Education Estimating Conference.

The district reports that the rapid rate of student population growth has been difficult for the computer models provided by DOE to capture. In light of this problem, we believe that efforts should be made to develop a better local corrective methodology. Such a methodology could be developed by enlisting the help of experts at the Department of Education, the Bureau of Economic Business Research at the University of Florida that calculates the official population forecast for Florida, other state agencies, or private consultants. The inability of a district to accurately estimate enrollment based on the previously mentioned Department of Education models used by the district has significant budgetary implications. The district does not receive all of the state funds it is entitled to at the beginning of the school year if the projections are too low and, as a result, the district does not fully staff all of its programs until later in the school year. Thus, underestimating enrollment results in the district being unable to adequately plan and budget the resources it needs for the coming year. For example, principals sometimes do not hire enough teachers at the beginning of the school year because of the funding level uncertainty. If the error rate for estimating student enrollment were reduced from –3.4% to –2.0%, the district would have received \$1.1 million more in state revenue funds for the first six months of Fiscal Year 2000-01. Thus, by making more accurate projections the district can better plan for the use of its resources to ensure that it has enough teachers, transportation, facilities, food service, etc. to meet the needs of students at the beginning of the school year.

Recommendation

- *We recommend that the district develop a better local corrective methodology to project enrollment.*

Action Plan 3-10 provides the steps needed to implement this recommendation.

Action Plan 3-10

Project enrollment more accurately	
Strategy	To project enrollment more accurately so that the district will receive the state funds it is entitled to and can better budget its resources, a better local corrective methodology should be developed.
Action Needed	<p>Step 1: The district’s enrollment projection specialist should analyze and identify the deficiencies with the current methodology and computer models causing the enrollment projection inaccuracies.</p> <p>Step 2: The district specialist should meet or contact the appropriate Department of Education staff to discuss ways to correct these methodology deficiencies. The district should consider the use of alternative Department of Education computer models that account for the exceptional growth being experienced in the district.</p> <p>Step 3: If the district is unable to devise a methodology capable of correcting the identified problems, the district specialist should consult demographic experts in other state agencies, state university systems, or private consultants to determine if they can provide a methodology capable of correcting the identified problems.</p> <p>Step 4: The district specialist should report their findings to the superintendent and the board.</p>

Who Is Responsible	The district's enrollment projection specialist
Time Frame	July 1, 2003
Fiscal Impact	If a private consultant has to be hired to develop the local corrective methodology it is estimated the one-time cost could be \$7,500.

Source: Office of Program Policy Analysis and Government Accountability.

11 The district does not link its financial plans and budgets to its priority goals and objectives, so it cannot determine the amount of district resources focused towards achieving those goals and objectives.

One practice the school district could use to focus district resources on district priorities using the strategic plan to allocate resources is to link its financial plans and budgets to its priority goals and objectives, and focus district resources towards achieving those goals and objectives. Accordingly, the district should

- link its financial plans and budgets to its priority goals and objectives, including those for student performance;
- demonstrate that it assesses performance and adjusts its financial plans and budgets to improve its ability to meet its district goals; and
- ensure that district staff are aware of and direct their efforts toward the achievement of the district's goals and objectives.

District staff are aware of strategic plan goals, objectives, and strategies

District staff is aware of and directs its efforts toward the achievement of the district's goals and objectives. All district staff members have received the goal, objectives, and strategies of the strategic plan and have been encouraged to display it in their offices or work location. This page contains the strategic plan goal, objectives, and strategies. In our visits to the district we did observe this page displayed in many offices and common areas.

The budget and strategic plan are not linked

However, the district does not link its financial plans and budgets to its priority goals and objectives, including those for student performance. In our review, nothing in the district budget links budget items directly to the strategic plan objectives. The average citizen may not be able to determine from the budget and strategic plan documents how funds are used to achieve district objectives. We randomly reviewed some school improvements plans and found plan goals do not state the amount of funding which will be spent to achieve the individual goals defined in the plan. So there is no link in the school budget to the school improvement plan. Ideally we would be able to tell how much of the district budget is linked to the four strategic plan objectives.

The district has not shown that it adjusts its financial plans and budgets to improve its ability to meet district goals. As we discussed previously, the district cannot assess its progress towards meeting district objectives nor is the budget linked to the objectives. Without having these two conditions, the district cannot show how its spending was adjusted to improve performance.

Strategic plan objectives were not linked to the budget because the district never felt a need to do so. Another reason given for the district not linking its budget to goals and objectives, specifically the retaining teachers objective, is that it would weaken the district's negotiating position with the teachers union. If the union knew the amount of funds designated to retaining teachers it would provide them with

an advantage when negotiating a new salary contract with the district. However, by not linking the district financial plans and budgets to its strategic plan, the district will not know how much it costs to achieve strategic plan objectives. We would expect the majority of the district’s funds to be spent on activities that further achievement of plan objectives. However, without the budget to strategic plan linkage it is impossible to tell this. With this knowledge, the district could more effectively focus its funds toward its priority objectives and potentially achieve these objectives more quickly.

Recommendation

- *We recommend that the district and individual school budgets be linked to the strategic plan.*

Action Plan 3-11 provides the steps needed to implement this recommendation.

Action Plan 3-11

Link budgets to the strategic plan	
Strategy	In order to identify the amount of funds directed towards achieving the district’s strategic plan goals and objectives, the district’s and individual school budgets must be linked to the goals and objectives.
Action Needed	<p>Step 1: The district’s budget officer should work with program managers and principals to develop a method for linking district and individual school budgets to strategic plan objectives.</p> <p>Step 2: The district’s budget officer should research the methods used by other districts or governments that have been more successful in linking their strategic plan to their budget, as well as review literature pertaining to this process.</p> <p>Step 3: The budget officer should consider how performance and budgetary information is to be presented to the board to keep the board better informed as to how much money the district spends to achieve specific strategic plan objectives.</p> <p>Step 4: The budget officer should design a method or process for district programs and schools to use to link their budgets to the strategic plan.</p> <p>Step 5: The budget officer should test a prototype method on a sample of district programs and schools to determine its feasibility.</p> <p>Step 6: The budget officer should develop a report of findings and present the report to the superintendent along with a recommendation for the process to use.</p> <p>Step 7: The superintendent should review these findings, approve recommendations, and present the findings to the board.</p> <p>Step 8: The board should review the findings, make changes as necessary, and adopt the accepted process to be used by all district programs and schools.</p> <p>Step 9: The district should train all applicable staff on how to use this new budget process.</p>
Who Is Responsible	Superintendent and the financial program director
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

12 The district has considered options to increase revenue.

One practice the school district could use to focus district resources on district priorities using the strategic plan to allocate resources is to consider options to increase revenues when necessary. Accordingly, the district should

- have written procedures for obtaining information about new or better funding opportunities from private, state, and federal sources;
- if additional revenue is needed, consider pursuing various local options to increase revenues (e.g., half-cent sales tax, bonds underwritten by voted millage, property taxes); and
- have taken action to obtain private, state, and federal grants and other alternative funding.

The district has pursued grant funding

The district has written procedures for obtaining information about new or better funding opportunities from private, state, and federal sources. The district has established a Grant Management Department whose purpose is to assist other district programs and schools to apply for and obtain grant funding. To advertise its availability the Grant Management Department has produced pamphlets on what the department does, where to get grants, and guidelines for processing competitive grants. In Fiscal Year 2000-01, the district obtained \$7,964,181 in grant funding. The district also participates in the Osceola County lobbying effort to obtain state funds and has hired a lobbyist to try and obtain federal funds.

The district is also funded through a local government infrastructure sales surtax, impact fees, and bonding

The district has pursued various local options to increase revenues. On July 26, 1999, the county commission passed an extension of the one-cent discretionary sales surtax. From 2000-05 the school district will receive 10% of the revenues or \$19.7 million and from 2006-25 the district will receive 25% of the revenues or \$302 million. The voters approved this sales tax extension and the school board issued \$45 million in bonds based on the one-cent sales tax proceeds. In 1999, the county commission passed school impact fees that district staff claims are the highest in the state. The school board has also accepted donations of property to build new schools. No bond referendum based on millage has been put before the voters since 1986 because the district is still paying off this \$46 million bond. This bond was refunded in April 2002 at an interest rate of 3.17%, a balance of \$13.9 million, and a maturity date of August 2006. Instead of seeking a bond referendum the district issued \$59.7 million in Certificates of Participation that are funded from the 2 mills currently collected for school facilities construction. In total, as of May 2002, the district had long-term bonded debt of \$220 million.

The district has additional bonding capacity

While the district has considered options to increasing revenues, it has additional bonding capacity in the event it needs to substantially increase funding for capital projects. There are two other sources of additional revenue available to the district. The first is the school capital outlay half-cent sales surtax and the second is an ad valorem tax on property. Osceola County voters must approve both types of taxes. If they did, we estimate that the district could issue another \$186 million and \$236 million in bond to finance its capital needs (see Exhibit 3-8).

According to the Florida Joint Legislative Committee on Intergovernmental Relations, a half-cent sales surtax in Osceola County could produce about \$12,896,000 of recurring revenue. Because revenue associated with a sales-based taxing source is uncertain, we assumed that the district would only be able to bond about \$8,597,658 from the sales surtax (a debt service ratio of about 1.50). If such a revenue

stream were bonded for 20 years, at a rate of about 5%, the district could issue about \$107 million in bonds.

An ad valorem-based source of bonding revenue could finance between \$141 million to \$191 million in additional bonds, depending upon how the revenue is structured. If the district set its voted bonded indebtedness at the same level as it did in 1986 (about 1.70 mills), when the district last issued an ad valorem-based bond, the district could produce about \$14,729,269 in recurring revenue. Because ad valorem-based revenue is more reliable than sales-tax revenue, the district may be able to bond a higher proportion of the tax, or about \$11,330,207 (a debt service ratio of about 1.30). If the district bonded that amount of revenue for 20 years, assuming an interest rate of 5%, the district could probably generate about \$141 million in bonds. On the other hand, if the district bonded at a level comparable to its last ad valorem-based bond (\$46 million in 1986, or about 2.21% of the assessed taxable value), Osceola County would produce a bond of about \$191 million. Thus, depending upon how the amount is determined, the district has the potential to bond between \$141 million and \$191 million based upon a voter-approved ad valorem bond.

However, there are limitations on the district’s ability to fully use these other revenue sources. First, according to an inter-local agreement between the district and the county commission concerning the county’s optional one-cent surtax, if the district implements the half-cent surtax it will not receive the 25% of the county’s surtax it is scheduled to start receiving from the county in 2006. Substituting the school capital outlay half-cent sales surtax would double the amount of surtax revenues it will be receiving from the county’s optional one-cent sales surtax, but it could adversely affect non-capital funding. If the district implemented the half-cent surtax, it would have to freeze non-capital local school property taxes at the millage rate imposed in the year prior to the implementation of the surtax, for at least three years from the date of the imposition of the surtax. The district is already using two of these non-capital millage funding sources at the maximum millage, so the law would not affect these revenues. But the district could not access any other non-capital millage funding sources for at least three years after the imposition of the half-cent surtax. Third, both of these funding sources must be approved by Osceola County voters. While the district traditionally enjoys general taxpayer support, obtaining additional taxing authority could be difficult.

Accordingly, as shown in Exhibit 3-8, if both revenue sources were approved and bonded for 20 years at 5%, the district could issue \$248 million to \$298 million in bonds. If the district could issue bonds at less than 5%, it could sell more bonds; if it had to pay more than 5% interest, it would only be able to sell less bonds. However, because it would lose the revenue currently proposed from the county’s optional one-cent sales tax, the net result of this action would be to produce about \$186,545,000 to \$236,545,000 in additional bonds for construction projects.

Exhibit 3-8

The Osceola County School District Has Approximately \$186 Million to \$236 Million in Additional Bonding Capacity

	Capacity Range	
	Minimum	Maximum
Comparable effort for voted bonds—ad valorem bonds	\$141,000,000	\$191,000,000
Sales surtax for capital outlay	107,000,000	107,000,000
Total additional bonding capacity available	\$248,000,000	\$298,000,000
Existing outstanding bonds	61,455,000	61,455,000
Net additional bonding capacity available	\$186,545,000	\$236,545,000

Source: Calculations of the Office of Program Policy Analysis and Government Accountability.

Districts are cooperating to share funds and school facilities

The school board was also instrumental in supporting the Classrooms First Project legislation to allow school boards in Florida to loan their unencumbered Classrooms First monies to other school boards in immediate need. The Osceola County School Board then negotiated with Collier County School Board and Indian River County School Board to borrow those school boards' unencumbered funding. This innovative approach to accessing funding will allow the Osceola County School Board to construct a much needed high school several years ahead of schedule. Further, the Osceola County School Board partnered with the Lake County School District to jointly participate in the construction and operation of a school in Osceola County, near the border with Lake County. According to district staff, this joint use project allowed the Osceola County School Board to access \$2,865,484 in state joint use funds that paid 25% of the cost of the facility. Joint use funds will pay up to 25% of the total cost of the project and are appropriated by the Legislature and distributed as Public Education Capital Outlay funds.

4

Performance Accountability System

The Osceola County School District's performance accountability system lacks measurable objectives at the district, major program, and individual school levels. Once these measurable objectives are developed and adopted, the board and district administrators will be better able to monitor the progress district programs and schools are making toward achieving desired results.

Conclusion

The district is using none of the five best practices for performance accountability. The system lacks measurable objectives for the district strategic plan, major educational and operational programs, and school improvement plans. District programs also lack defined program outcomes and linked input, output, and outcome performance measures. Lastly, the district has not conducted many formal evaluations of district programs.

Exhibit 4-1

Notable Accomplishments

- Produced award winning publications to inform the public of the district's performance and cost of major programs.
-

Source: Osceola County School District.

Overview of Chapter Findings

While the district has several components of a strong program-level performance accountability system in place, it needs to make substantial improvements in this area. An overview of chapter finding is presented below.

Accountability of Programs

1. The district does not have clearly stated goals and measurable objectives that can be achieved within budget for each major educational and operational program. There are two major program components as shown below. (Page 4-3)
 - Educational Programs: Basic Education (K-3, 4-8, 9-12), Exceptional Student Education, Vocational/Technical Education, and English for Speakers of Other Languages.
 - Operational: Facilities Construction, Facilities Maintenance, Personnel, Asset and Risk Management, Financial Management, Purchasing, Transportation, Food Services, and Safety and Security.

2. The district has appropriate performance and cost-efficiency measures and interpretive benchmarks for its major educational and operational programs but cannot use them to evaluate programs, and they are of limited use in management decision making. (Page 4-6)
3. The district regularly assess the performance and cost of its major educational programs using performance measures and benchmark data and analyzes potential cost savings and/or cost avoidance of alternatives, such as outside contracting and privatization. However, the district should better assess operational program performance. (Page 4-9)
4. The district does not formally evaluate the performance and cost of its major educational and operational programs and uses evaluation results to improve program performance and cost-efficiency. (Page 4-11)
5. The district clearly reports on the performance and cost-efficiency of its major educational programs to ensure accountability to parents and other taxpayers. However, the district should report operational program performance information to the public. (Page 4-14)

Fiscal Impact of Recommendations

Over time, the recommendations to improve performance accountability systems presented in this chapter should yield significant savings in operational improvements. In the immediate term, however, implementation of these recommendations will not have any fiscal impact.

Background

The district's performance accountability system has many positive features, but the lack of measurable objectives in the strategic plan, for the major programs, and in the school improvement plans renders the system far less useful than it could be for monitoring the progress of the district. The district does have a district-level strategic plan with objectives, strategies, and action plans prioritized by the school board. The board decides which action plans are to be implemented each year. An action plan defines what activities are to be done, by whom, and the time frame for completing them in order to achieve strategic plan objectives. Progress towards completing these action plans is reported to the board annually. Each school annually develops a school improvement plan defining what the school will do to improve its educational and operational performance.

The district and the schools monitor their educational program achievement by comparing their FCAT test scores to peer districts. Operational program achievement is compared to peer districts using Department of Education program cost reports. However, program outcomes have not been defined and program performance and costs have not been linked. The district's programs are assessed but this information is not provided to the board. Furthermore, the district has performed few formal program evaluations. The district has assessed opportunities for privatization.

The district has reported the performance and cost-efficiency of its educational and operational programs to the public through its award-winning annual reports. The public has ways to communicate their concerns to the district.

School districts are accountable to parents and other taxpayers for the performance, efficiency, and effectiveness of individual educational and operational programs. Five practices a district can use to ensure accountability for its educational and operational programs are noted below.

- Establish goals and measurable objectives that can be achieved within budget for each major educational and operational program.
- Use appropriate performance and cost-efficiency measures and interpretive benchmarks to evaluate its major educational and operational programs and use these in management decision making.
- Assess the performance and cost of its major educational and operational programs using performance measures and benchmark data and analyzes potential cost savings and/or cost avoidance of alternatives, such as outside contracting and privatization.
- Evaluate the performance and cost of its major educational and operational programs and use evaluation results to improve program performance and cost-efficiency.
- Report on the performance and cost-efficiency of its major educational and operational programs.

Accountability of Programs

1 The district does not have clearly stated goals and measurable objectives that can be achieved within budget for each major educational and operational program. These major programs are shown below.

- **Educational Programs: Basic Education (K-3, 4-8, 9-12), Exceptional Student Education, Vocational/Technical Education, and English for Speakers of Other Languages.**
- **Operational: Facilities Construction, Facilities Maintenance, Personnel, Asset and Risk Management, Financial Management, Purchasing, Transportation, Food Services, and Safety and Security.**

One practice a school district should use to ensure that its educational and operational programs are accountable to parents and other taxpayers for the performance, efficiency, and effectiveness is to establish clearly stated goals and measurable objectives that can be achieved within budget for each major educational and operational program. Accordingly, the district should

- demonstrate that it has clearly stated goals and measurable objectives for its programs;
- establish goals that reflect the intent (purpose) and expected outcomes of the program;
- use goals and outcome-oriented objectives that can be achieved within budget, are up-to-date, in writing, easy to identify, and located in a single document;
- establish outcome-oriented objectives that are consistent with the program's goals;
- use outcome-oriented objectives that address the major aspects of the program's purpose and expenditures;
- have program goals and outcome-oriented objectives that are consistent with the district's strategic plan and board priorities; and

- demonstrate that it measures progress toward meeting its goals and outcome-oriented objectives.

The district has a strategic plan

The district has a strategic plan for 2001-2006. This strategic plan contains a goal and four objectives. The goal is “education which inspires all to their highest potential.” The four objectives are 1) guarantee all students an education that will prepare them for the challenges of the future; 2) increase parent and community involvement and support; 3) build and maintain quality facilities to meet growth and program needs; and 4) seek and maintain qualified staff: teachers, administrators, and support staff. The district strategic plan provides direction for school-based improvement plans.

Each school has a school improvement plan

The district has School Improvement Plans that identify what educational areas related to the state’s eight education goals the individual school will improve for the coming year. Each school Advisory Council prepares these plans with assistance from curriculum specialists. The school board reviews and approves the plans. Because the district has school-based management and budgeting, each school principal is responsible for preparing their own budget and focusing expenditures towards educational and operational areas identified for improvement in the school improvement plan. The control of the budget and improvement plans at the individual school level are key components of the district’s site-based management philosophy for running schools in the district.

There are no measurable objectives for the district or major programs

The strategic plan’s goal, “education which inspires all to their highest potential” could apply to most educational programs, but may not be applicable for all educational programs. This goal does not apply to the district’s operational programs. In addition, the four objectives are not measurable. There is no indication what degree of improvement is to be achieved, what individual is responsible for the achievement, the date the objective is to be accomplished, or what specific programs are responsible for achieving these objectives. Furthermore, the district’s major programs do not have measurable objectives.

The district strategic plan does not have objectives that are measurable. The district believes objectives should be general and that progress is measured by completing action plans. Therefore, district objectives have not been written in a measurable form. Because the district strategic plan lacks measurable objectives, it cannot gauge what progress it is making in educating students or operational cost-efficiency. If measurable objectives were developed at the district level, and data collected at this level, this could reveal trends of educational and operational efficiencies and inefficiencies that are districtwide. District administration could then take action to devise districtwide solutions to these problems that could improve both performance and cost-efficiency rather than trying to solve the same problem at each individual school through the school’s School Improvement Plan. This is particularly true for operational programs in which the majority of the expenditures are at the district level and school based operational program activities are similar between schools. Thus, the possibilities for cost savings would be most prevalent at this level.

The district has not established goals and measurable objectives for its major programs. Instead, the district uses Personnel Performance Plans for all program directors. The Personnel Performance Plan indicates what goals and activities that individual will achieve during the coming year. The district uses these Personnel Performance Plans as a substitute for program goals and objectives. Our review of Program directors’ Personnel Performance Plans found most did not have measurable objectives. There also is no indication that the performance goals of the program director are the same as those of the program as a whole. Furthermore, since there are no goals and objectives at the program level, program

staff do not know what they should be working toward. The posting of the objectives from the Personnel Performance Plans is at the discretion of the program director and the district does not know how many of these objectives are posted.

School Improvement Plans provide direction to each individual school. The School Improvement Plans focus on educational programs, which are the majority of the district’s spending. However, these plans lack measurable objectives for educational and operational programs. Therefore, the school cannot determine its progress toward achieving the objectives. And while operational programs are a small portion of a school’s budget, they do support education of the students and provide opportunities for cost savings.

Outcome oriented objectives have not been established

Major educational and operational programs have not established written goals and outcome oriented objectives that reflect the expected outcomes of the program and the major aspects of the program's purpose and expenditures. Therefore, there is nothing to update that is easily identified, or located in a single document. It is also impossible to know if the program’s budget is sufficient to perform what is expected of it since its expectations and objectives have not been defined. It is essential that program objectives encompass the program’s primary purpose and account for the majority of the programs expenditures. This is necessary if program objectives are to be linked to its budget. When program level goals and objectives are established, they will need to be consistent with the district strategic plan.

When individual programs lack goals and measurable objectives, program staff do not know what they should be working toward. In addition, these objectives should identify who is responsible for achieving the objectives. When programs lack objectives, it could result in the program having a lack of direction and possibly result in inactivity.

When individual programs lack objectives that are linked to the majority of their budgets it is difficult to determine if the program is operating cost efficiently. Linking program objectives to the budget will allow the district to know if its funds are being spent in areas the district wants to focus on. Similarly, the program budget can be adjusted based on program performance in meeting priority objectives. This would make it easier to know when a program activity is failing to meet its objective and should be revised or discontinued in favor of a new more efficient activity.

Recommendations

- *We recommend that the district develop goals and measurable outcome oriented objectives for the district and each major program.*

Action Plan 4-1 provides the steps needed to implement this recommendation.

Action Plan 4-1

Develop measurable objectives	
Strategy	In order to measure progress toward achieving the district’s and each major program’s goal and objectives, all objectives must be measurable. The objectives should be outcome-oriented objectives that reflect the expected outcomes of the program, major aspects of the program’s purpose, and expenditures.

Action Needed	<p>Step 1: Develop goal and measurable outcome oriented objectives for the district and each major program. The directors of the affected programs should be consulted in the creation of the program goal and objectives.</p> <p>Step 2: Review literature on developing measurable objectives. Program objectives should at a minimum include the following criteria:</p> <ul style="list-style-type: none"> • address major aspects of the program’s purpose and expenditures; • be specific; • be easily understood; • be challenging but achievable; • be measurable and quantifiable; • identify data needed to assess whether progress toward an objective is being made; and • indicate the performance outcome (result) of improvement target desired. For academic programs, objectives should be stated in terms of student outcomes (that is, the effect the program will have on participating students if the program is successful). For operational programs, objectives should be stated in terms of the quality and cost of service provided. <p>Step 3: The district will have to develop strategies and action plans for accomplishing each objective. The strategies and, at a minimum, the action plans must identify staff responsible for their implementation and time frames for their completion. The appropriate staff person may be the program director.</p> <p>Step 4: Develop measures by which the district will be able to assess whether it has reached its goal and objectives.</p> <p>Step 5: Present the district and program strategic plan to the superintendent and the board.</p> <p>Step 6: The board and the superintendent should review the plans, make changes they deem necessary and the board should adopt the plans.</p> <p>Step 7: Publish and disseminate, using the appropriate format, the results to district and program staff and the public.</p>
Who Is Responsible	Superintendent and the director for strategic planning
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

2 The district has appropriate performance and cost-efficiency measures and interpretive benchmarks for its major educational and operational programs but cannot use them to evaluate programs, and they are of limited use in management decision making.

Another practice a school district should use to ensure that its educational and operational programs are accountable to parents and other taxpayers for performance, efficiency, and effectiveness is to use appropriate performance and cost-efficiency measures and interpretive benchmarks to evaluate its major educational and operational programs and use these in management decision making. To ensure that it is using appropriate measures to evaluate its major programs, a school district should

- establish appropriate performance and cost-efficiency measures and benchmarks that are not cumbersome to use, expensive to implement, or difficult for the public to understand but are related to the activities of the program;
- link performance measures and benchmarks directly to the expected outcomes of each program and assist the district in determining whether it is achieving the program's goals and outcome-oriented objectives;
- up-to-date, written, easily identifiable, performance and cost-efficiency measure and benchmarks for each major program, which are kept in a single document;
- link performance measures for each program to inputs, outputs, and outcome measures;
- link performance measures to program costs; and
- base benchmarks on each program's performance and cost-efficiency measures, which benchmarks should include appropriate standards from comparable school districts, government agencies, and private industry.

The district has performance and cost-efficiency measures

The district has identified some data sources that are suitable performance measures and could be relevant to measuring objectives if measurable objectives were present at the district or program level. The district collects educational performance measure data such as FCAT tests. The district also collects data on new hires for staff retention purposes, and school safety data that is recorded as number of incidents. The district educational and operational programs have cost-efficiency measures.

Program costs reports, that are created by the Department of Education, record all district direct and indirect costs for all school districts. These reports are used to compare district program costs to other districts. The district has not documented these performance and cost-efficiency measures in a single document.

Program outcomes have not been defined

The district has not established outcomes for most educational or any operational programs at the district or program level. Furthermore, the district has not provided an analysis of how the School Improvement Plan measures relate to achieving district objects, which are not measurable. In our review, School Improvement Plan objectives were seldom linked to the corresponding district strategic plan objective. Thus, the district cannot use this data to determine whether it is achieving program goals and outcome-oriented objectives.

Program performance and program costs are not linked

The district has not established performance measures for each program that include linked input, output, and outcome measures. This linked input to output to outcome performance measures is necessary to analyze how well the program is performing compared to its cost. It tells school administrators and school board members if you want to increase a particular program outcome, what outputs (activities) and inputs (budget resources) will have to be increased. However, there is no evidence that performance measures are used to link program performance to program cost.

Benchmarks are used but have not been adopted

The district has not officially adopted benchmarks, but generally compares its performance to peer districts to see if Osceola's performance is comparable to the other districts. While the district does use the FCAT test to gauge individual school performance vs. the district and state results, the FCAT has not been officially adopted as a benchmark. While the district is using benchmarks based on peer school

districts, they have not been officially adopted by the school district nor are they documented in a single document that would be easy to update and for the public to review.

Because the district has not linked performance measures and benchmarks to program costs and program inputs, outputs, and outcomes, management decision making for major programs is not based on empirical evidence. This presents the problem that decision makers cannot tell if programs are performing as designed, are achieving the desired results, or if they are doing it in a cost-efficient way. Without such data, decision makers cannot tell what adjustments need to be made to programs or if current program activities should be discontinued in favor of more effective and efficient activities.

Recommendations

- *We recommend that the district define outcomes for each major program.*
- *We recommend that the district develop linked input, output, and outcome measures for each major program.*
- *We recommend that the district adopt benchmarks for each major program.*

Action Plans 4-2 and 4-3 provide the steps needed to implement these recommendations.

Action Plan 4-2

Define outcomes for each major program and subsequent linked input, output, and outcome measures

Strategy	In order to determine how budget decisions will affect program outcomes, the district should define the outcomes of each major program and identify data to measure the outcomes. The outcome measures should then be linked to the appropriate input and output measures.
Action Needed	<p>Step 1: The district should define the expected outcomes for each major program after consulting with program administrators.</p> <p>Step 2: Develop an appropriate outcome measure (a data source to measure the outcome).</p> <p>Step 3: Define the outputs (activities) that affect that outcome and the appropriate output measure.</p> <p>Step 4: Define the inputs (resources) that affect that output and the appropriate input measure.</p> <p>Step 5: Submit finding to the superintendent for approval.</p> <p>Step 6: Train program directors on the use of linked input, output, and outcome measures to develop their budgets and evaluate program performance.</p> <p>Step 7: Train school principals how to use linked input, output, and outcome measures to develop their budgets, school improvement plans, and evaluate program performance.</p>
Who is Responsible	Superintendent and program administrators
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Action Plan 4-3

Adopt benchmarks for each major program	
Strategy	In order to determine how the district is performing compared to its peers or accepted industry standards, benchmarks for each program should be developed.
Action Needed	<p>Step 1: The district should define the expected benchmarks for each major program consulting with program administrators.</p> <p>Step 2: Establish benchmarks for each major program based on comparisons to peer districts, accepted industry standards, or the program’s historical trends when no other benchmark information is available.</p> <p>Step 3: Submit the finding to the superintendent for approval.</p> <p>Step 4: Collect benchmarks in a single document and make them available to district staff and the public.</p>
Who is Responsible	Superintendent and program administrators
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

3 The district regularly assesses the performance and cost of its major educational programs using performance measures and benchmark data and analyzes potential cost savings and/or cost avoidance of alternatives, such as outside contracting and privatization. However, the district should better assess operational program performance.

To further ensure that its educational and operational programs are accountable to parents and other taxpayers for its performance, efficiency, and effectiveness, a school district should regularly assess the performance and cost of its major educational and operational programs using performance measures and benchmark data and analyze potential cost savings and/or cost avoidance of alternatives, such as outside contracting and privatization. Accordingly, the district should

- track performance measures and compares this data to established benchmarks to assess how well educational and operational programs are meeting their goals and outcome-oriented objectives;
- demonstrate that it determines the potential of alternative service delivery methods to save costs; the alternative service delivery method may include contracting out specific tasks or privatizing entire service delivery areas;
- summarize the results of routine assessments and share those results with program staff and, when necessary, take action to improve program performance and cost-efficiency; and
- have a process to provide school board members and top-level administrators with key assessment information.

Education programs are assessed

The district assesses information on the performance and cost-efficiency of its major educational and operational programs. The district is tracking its educational performance from year-to-year for elementary, middle, and high schools using the FCAT test results for reading, math and writing. The district is comparing individual school results to the statewide average and peer districts for FCAT. The district has also established assessments of some educational programs using the DART review and

Stanford Achievement Test to identify educational performance deficiencies. The results of FCAT are shared with school principals and used to formulate individual School Improvement Plans.

The vocational education program is tracking apprenticeships as a program performance measure. However, no goals, objectives, or benchmarks have been established for vocational education programs. Thus, it is not clear how this data will be used. Overall, the district is routinely tracking performance measures for all educational programs and the district is reviewing its educational program's progress using FCAT. The district is making the results known to school principals. However, there is no evidence of routine assessments being done to improve the cost-efficiency of educational programs.

Operational programs are assessed

The district tracks performance of some operational programs. For instance, the performance data of individual vendors and construction projects is reviewed at school board meetings. Building projects are monitored and their status is reported monthly, and some vendor contracts are also assessed. Actions have been taken to improve operational program's performance and cost-efficiency. One example is a study that was done of replacing air filters in schools. It was determined that it would be more cost effective and result in improved performance if the district maintenance program took over this responsibility from the individual school administrators. However, there are few examples of these types of assessments.

The Human Resources Department has taken actions to improve program performance. Actions include the district internet site, sending recruitment tapes to conferences, creating an easier job application system, and implementing an automated substitute teacher calling system.

While some operational programs are assessed, these assessments are not based on adopted program goals and objectives. Therefore, these assessments cannot determine whether programs are meeting district management and school board expectations.

Opportunities for privatization are assessed

The district has provided data to demonstrate that it evaluates the potential of alternative service delivery methods to save costs. The district evaluated and for a period contracted with Honeywell to operate school cooling and heating machinery and the Marriott Corporation to manage its transportation facilities. These contracts did not provide the cost savings that were anticipated and neither contract was renewed.

Key assessment information not provided to the board

While the district is assessing programs, a process for providing board members these assessments is not in place. The board sees assessments done at the project level but not program-level assessments. Operational program cost assessments are done informally during the creation of the district budget by the superintendent's leadership team and budget staff. However, these assessments are not written up and forwarded to the board.

Assessments could be more useful

The district is not using performance measures and benchmarks to assess the goals and outcome-oriented objectives of its major educational and operational programs because these program level goals and objectives have never been established. Therefore, tracking performance measures will show how the Osceola district compares to peer districts, but it will not indicate if educational and operational program achievement is at the level desired by the district. As a result, the district cannot know whether its programs are achieving the desired results or outcomes. Thus the district may not be making the most

efficient use of its finite resources to achieve the desired program results. This deficiency should be corrected with the implementation of Action Plan 4-1 (page 4-6).

Recommendations

- *We recommend that the district adequately assess operational programs and develop a process to provide key assessment information to the board.*

Action Plan 4-4 provides the steps needed to implement this recommendation.

Action Plan 4-4

Provide key assessments to the board	
Strategy	Adequately assess operational programs and develop a process to provide school board members key assessment information.
Action Needed	<p>Step 1: Based on goals, objectives, performance and cost-efficiency measures and benchmarks developed in Action Plans 4-1, 4-2, and 4-3, assess operational program performance. Report applicable information to the public.</p> <p>Step 2: The district should develop criteria for what constitutes 'key assessment information'.</p> <p>Step 3: Determine who is responsible for bring this information to the attention of top-level district administrators and the board.</p> <p>Step 4: Develop a process for how this information is to be provided to top-level district administrators and the board. For board members placing this information in their board meeting background materials packets may be sufficient. District staff will have to decide if the information is important enough to be placed on the board meeting agenda.</p> <p>Step 5: The task force present findings to the superintendent for his approval.</p> <p>Step 6: Instruct district staff how to use the approved process.</p>
Who is Responsible	Superintendent
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Source: Office Of Program Policy Analysis and Government Accountability.

4 The district does not formally evaluate the performance and cost of its major educational and operational programs and uses evaluation results to improve program performance and cost-efficiency.

A fourth practice a district could use to ensure that its educational and operational programs are accountable to parents and other taxpayers for its performance, efficiency, and effectiveness, is to formally evaluate the performance and cost of its major educational and operational programs and use evaluation results to improve program performance and cost-efficiency. Accordingly, the district should

- establish and implement an annual schedule to conduct formal evaluations, as appropriate, of major educational and operational programs;

- examine whether the program is meeting its intended purpose, goals, and outcome-oriented objectives within budget in the most cost-efficient manner;
- report evaluation findings and recommendations;
- issue a report that includes findings and recommendations for improvement for each formal evaluation conducted;
- have a process in place to provide school board members and top-level administrators with formal evaluation reports that include findings on and recommendations to improve the performance and cost-efficiency of its major educational and operational programs; and
- demonstrate how it uses formal evaluation results to improve program performance and cost-efficiency.

Two formal evaluations have been done in the last six years

This best practice focuses on formal evaluations done by the district. Formal program evaluations are more comprehensive and generally less frequent than assessments. Formal program evaluations focus on program results and effectiveness, are independently conducted, and examine broad issues such as program structure and administration and whether the program is meeting its intended purpose. The documentation presented shows that the district has only had two formal evaluations done, the 1998 blue-ribbon task force that focused on facilities construction and financial management and the 1996 Organizational and Management Review that focused on how the district operates and not on whether individual programs were achieving their intended purpose. Other evaluations have been done informally but no reports were published.

The district formed a blue-ribbon task force in 1998 to audit the practices and procedures of the school system. The specific programs the report focused on were facilities construction, financial management, and individual school budgeting (which is not a major program). This group was made up of participants from the business community and community leaders. Many of their findings and recommendations appear applicable to the district goal. The district provided us with a written response to the recommendations and what followed-up actions were taken. The district did say that it had followed up and taken some action on most recommendations.

The blue ribbon task force's findings and recommendations are clearly stated, understandable and do not require undue assistance to interpret their meaning or significance. The documentation provided, the blue-ribbon task force report and district superintendent's response, demonstrates how the district has addressed the reports concerns. For many of the reports observations and recommendations district administrators were able to detail how they have addressed the reports finding and recommendations and have improved program performance and cost-efficiency.

The 1996 Organization and Management Review of the Osceola School District which was conducted by the Florida Association of District School Superintendents is the second formal evaluation. It is a broad review of how the district is organized and managed. It is not an in-depth evaluation of any single program but it examined how each administrative position should fit into an effective management structure. The report's findings and recommendations are clearly stated, understandable, and do not require undue assistance to understand their meaning or significance. Based on this evaluation, a deputy superintendent position was created to oversee the operational programs.

SchoolMatch by Public Priority Systems, Inc., was commissioned by the local chamber of commerce to audit educational effectiveness of the school district and its 31 schools to determine if they meet the criteria for effectiveness compared to similar school districts in the U.S. This study was completed in April 2002 and provided general recommendations for improving performance of educational programs

but not for improving the performance of operational programs. The audit did not provide recommendations for improving the cost-efficiency of operational or educational programs. The firm of Price Waterhouse did a compensation study of salaries and the condensed job descriptions. However, it is not a formal evaluation of the district personnel program.

Formal evaluations are needed

The district has not established a schedule of formal evaluations nor has it done any evaluations that specifically addressed whether programs are meeting their intended purpose, goals, and outcome-oriented objectives within budget. There were some cost-efficiency recommendations from the 1998 blue ribbon task force report applying to the facilities construction and financial management programs. However, one recommendation we consider very applicable to this best practice was not implemented. The report recommended an audit of each department and all individuals with that department to determine what they do, the goal being to determine which processes and procedures are actually necessary. This audit has the potential to improve program performance, identify cost savings, and determine whether the program is meeting its intended purpose; the audit should be conducted.

A lack of formal evaluations by independent evaluators means the district is missing the opportunity for its major programs to be reviewed to determine if they are achieving maximum performance at the least possible cost. Independent evaluators are not constrained by the organization's culture or history from examining program structure, administration, and procedures and potentially recommending significant changes to improve both performance and cost savings. By the nature of their independence and expertise they are free to think "outside of the box" to create new systems that are more effective and cost-efficient. They have the freedom to introduce fresh ideas into programs that program staff may be inhibited from recommending if they know the district or program administrators' attitudes or management philosophy is against change. Such formal independent evaluations will ensure all public school stakeholders that the district is operating at peak efficiency and performance levels.

Recommendations

- *We recommend that the district develop criteria for determining when formal program evaluations of program performance and cost should be conducted.*

Action Plan 4-5 provides the steps needed to implement this recommendation.

Action Plan 4-5

Criteria for when to do a formal evaluation

Strategy	To ensure the public that the district is operating at peak efficiency and performance levels, the district should develop criteria for determining when a formal evaluation of a district program should be conducted and use this criteria to set priorities for program evaluation.
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Action Needed	<p>Step 1: Develop criteria for determining when formal program evaluations should be conducted.</p> <p>Step 2: Develop criteria to determine when evaluations should be done by Assessment and Evaluation program staff and when they should be done by staff of the evaluated program. The independence of the evaluation staff is critical to ensure the findings of the evaluation are not constrained by program administrators. To achieve this, when evaluations are conducted by program staff, they should not be supervised by program administrators. This could be done by having staff from the Assessment and Evaluation Program supervise the evaluation.</p> <p>Step 3: Assess the resources required to perform needed evaluations (both by program staff and by Assessment and Evaluation Program staff).</p> <p>Step 4: Assess the resources required to conduct follow-up evaluations to determine whether evaluation findings have been used to improve performance.</p> <p>Step 5: Use these criteria to develop a schedule for completing evaluations of major programs.</p> <p>Step 6: Submit report findings to the superintendent.</p> <p>Step 7: The superintendent should adjust priorities to reflect the resources available to perform evaluations.</p> <p>Step 8: Use the resulting schedule to perform evaluations.</p>
Who is Responsible	Superintendent and the director of the Assessment and Evaluation program
Time Frame	July 1, 2004
Fiscal Impact	No immediate impact.

Source: Office Of Program Policy Analysis and Government Accountability.

5 The district clearly reports on the performance and cost-efficiency of its major educational programs to ensure accountability to parents and other taxpayers. However, the district should report operational program performance information to the public.

Finally, to further ensure that its educational and operational programs are accountable to parents and other taxpayers for its performance, efficiency, and effectiveness, a school district should clearly report on the performance and cost-efficiency of its major educational and operational programs to ensure accountability to parents and other taxpayers. Accordingly, the district should

- publicly report on the performance and cost-efficiency of its major educational and operational programs;
- timely reports this information to school advisory councils, parents, and other taxpayers in a manner that is clear and understandable and does not require undue assistance to interpret its meaning or significance; and
- establish a mechanism to receive and respond to feedback from parents and other taxpayers as an avenue of accountability to improve poor performance and inefficiency.

District performance is reported to the public

Documentation provided demonstrates that the district does inform the public on the performance and cost of its major educational programs. This is done through two documents. The first is *Window on the*

Classroom, 2000-2001 Osceola School District Annual Report to the Community and is distributed as an insert to the *News Gazette* newspaper. The report shows what major programs the money went to by percentage and per student per day. The second is the Osceola County School Board and superintendent's *News and Views*, published in the *News Gazette* newspaper section B. It shows the revenue sources that went to each school and how that money was spent per student. Per student costs are given for the categories of substitute teachers, maintenance to the school, and textbook cost. The *News and Views* lists percentages for suspension rates, absentee rates, minority rates, mobility rates, and new staff. Portions of the strategic plan's action plans that have been completed are highlighted. The information appears to be in an understandable format. In addition, the annual report was awarded first or second place by the Sunshine State School Public Relations Association for the years 1997-98, 1998-99, and 1999-2000.

In addition to *Windows on the Classroom*, the district also publishes a myriad of other publications, newsletters mostly, that are used to communicate with parents and the public. While these publications do not include any cost or financial information, they do attempt to make the public aware of what is going on in their community's schools. These publications include those below.

- *FCAT Florida Comprehensive Assessment Test, Strategies for Success*. This pamphlet contains information on the FCAT broken into three sections; What is the FCAT? Why do we need to know about the FCAT? How do we begin? and contains basic information in response to these questions.
- *Academics & Curriculum*. A newsletter containing basic information on the FCAT, opportunities for accelerated graduation including dual enrollment, International Baccalaureate and the Double "A" Scholars Program. This newsletter also contains information about alternative and remedial education.
- *Report Card*. A list of each school and the school performance grade (school grade) awarded to them by the state.

While the district does a good job of publicly reporting on the performance of educational program, it does not provide similar information on operational programs. This information would enable the public to determine the efficiency and effectiveness of programs such as transportation, food services and facilities construction. For example, information that could be reported includes whether conservation projects are completed on time and within budget and whether buses are being fully utilized based on their capacity.

The public can provide feedback to the district

The district has established four mechanisms to receive and respond to feedback from parents and other taxpayers. The first is the *Windows on the Classroom Osceola School District Annual Report to the Community*, that has a phone number listed in that publication where parents can call and leave their comments, questions, or ideas. The district also has an email address for parents to send comments. Second, is meetings for parents of limited English proficient students. During these meetings an audience question session is provided to hear parents concerns and comments. The third mechanism is the public can speak at school board meetings held at 6:00 PM at the District's Administrative Center. And fourth, the public can attend the Construction Advisory Board Meetings, which are held at 4 PM at the district's Administrative Center. So the district has provided several different ways for the public to provide comments to the district.

Recommendations

- *Refer to Action Plan 4-4.*

5

Educational Service Delivery

While the Osceola County School District generally provides effective educational services and programs to its students, there are several areas for improvement. The district should ensure that all programs and services are evaluated and operating from a strategic plan with more specific outcomes, which focuses on measurable student performance targets and cost-efficiency.

Conclusion

The Osceola County School District (the district) generally offers students efficient and effective educational services and programs, and has had several notable accomplishments, as noted in Exhibit 5-1. OPPAGA has identified a number of improvements that, if implemented, will improve educational service delivery. OPPAGA examined the district's educational programs based on best practice standards established in the following four broad areas:

- operations of K-12 instructional programs;
- acquisition, replacement and disposal of instructional materials;
- analysis of performance data and evaluation of educational programs; and
- library media and support services.

Exhibit 5-1

The District Has Had a Number of Notable Accomplishments in Educational Service Delivery in the Last Three Years

- We commend the district for its efforts to provide mentoring activities for new teachers, particularly the CoMenTR program in partnership with the University of Central Florida.
- We commend the district for its timely evaluation of ESE students and for using OPS services during the summer to reduce the backlog of evaluations from one school year to the next.
- We commend the district for its efforts in serving Language Enriched Pupils and encourage the continuation of the Dual Language Program.
- We commend the district for its provision of adult and technical education services, particularly the SCORE program which serves students with special needs.
- We commend the district for its support of the new TECO Wireless Program and encourage staff to continue to investigate the possibility of opening this program to high school students.
- We commend the district for its careful attention to ensuring that their newly updated pupil progression plan is linked both to Florida's accountability standards, to the Sunshine State Standards and is extremely user friendly. The Osceola County 2002 Pupil Progression Plan should serve as a model for the state.
- We commend the district for its careful attention to informing the public of its progress and fiscal responsibility.
- We commend the district for developing their "Grow Your Own" program to address the need for school psychologists.

Source: OPPAGA.

Overview of Chapter Findings

OPPAGA reviewed the district's educational service delivery using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. The team employed several methodologies to develop chapter conclusions and action plans. For instance, OPPAGA staff conducted on-site interviews with district and school based administrators and visited 12 of 32 schools. OPPAGA staff conducted individual interviews and focus groups with teachers and administrators. In addition, we gathered and evaluated information on policies and procedures relating to educational service delivery activities. To receive additional input, OPPAGA surveyed a sample of 400 teachers and conducted telephone interviews with a sample of 50 SAC members.

An overview of chapter findings is presented below.

District and School Administrators Need to Better Use Data to Improve K-12 Education Programs.

1. District and school administrators need to better use data to improve K-12 education programs. (Page 5-6)
2. District administrators facilitate sharing effective instructional practices to improve student performance. (Page 5-13)
3. The district's Exceptional Student Education (ESE) program, while excellent in some respects, can improve student performance. (Page 5-15)
4. The district's provision of effective and cost-efficient instruction as part of its English for Speakers of Other Languages (ESOL) Program, while good in some respects, has areas of needed improvement. (Page 5-24)
5. The district provides effective adult/technical education programs. (Page 5-28)
6. The district's curricular framework is linked to Florida's accountability standards and to the Sunshine State Standards. (Page 5-33)
7. The district has a plan for the progression of students from kindergarten through grade 12 that emphasizes remediation and clearly defines retention criteria. (Page 5-34)
8. The district should work with schools to ensure that school advisory council membership represents the community the school serves. In addition, the district should work with schools to focus their school improvement plans on measurable objectives relating to student performance and strategies to address these objectives. (Page 5-37)

While the district's procedures for acquiring and disposing of textbooks are cost-efficient, the district's procedures for collecting fees for lost and damaged textbooks needs to be improved.

9. The district's process for selecting instructional materials ensures that instructional materials meet the needs of teachers and students. (Page 5-41)
10. Each student has access to current and appropriate instructional materials in core courses that are aligned with the Sunshine State Standards and the district's pupil progression plan. (Page 5-42)
11. While the district's procedures for acquiring and disposing of textbooks are cost-efficient, the district's procedures for collecting fees for lost and damaged textbooks needs to be improved. (Page 5-43)

The district needs to improve performance accountability mechanisms for its education programs, however the superintendent reviews the administrative organizational chart yearly for efficient staff placement and adequate program coverage.

- 12. The district needs to improve performance accountability mechanisms for its education programs. (Page 5-44)
- 13. The superintendent reviews the administrative organizational chart yearly for efficient staff placement and adequate program coverage. (Page 5-48)
- 14. The district does a good job of reporting the effectiveness and costs of major educational programs. (Page 5-50)

The district does a good job of providing library and media materials although current collections need to be updated.

- 15. The district does a good job of providing library and media materials although current collections need to be updated. (Page 5-51)
- 16. The student services department meets the challenge of providing student support services in a rapidly growing district. (Page 5-53)

Fiscal Impact of Recommendations

With the exception of one recommendation to automate FCAT data dissemination, there are no recommendations in the Education Service Delivery section containing fiscal impacts.

Exhibit 5-2

Recommendations With Fiscal Impacts

Recommendation	Five Year Fiscal Impact
<ul style="list-style-type: none"> • The district should make it a priority to implement an automated web application that will enable teachers and administrators to get real-time FCAT data. 	<ul style="list-style-type: none"> • Expenditure: \$6,390

Source: OPPAGA.

Background

In 2000-2001, the Osceola County School District enrolled 34,567 students with an ethnic breakdown of 49% White: Non-Hispanic, 37% Hispanic, 10% African American, and 4% other ethnic groups. The district has 32 schools, including alternative education and charter schools, distributed throughout the county's 1,322 square miles. For Fiscal Year 2000-01, the per pupil expenditures were less than the state average and peer districts (see Exhibit 5-3).

Exhibit 5-3

Osceola County's Per Pupil Expenditures Are Less Than Peer Districts

District	Regular	Exceptional	At-Risk	Vocational	School Operating Costs
Alachua	\$4,511	\$7,340	\$6,302	\$5,261	\$5,307
Collier	\$4,708	\$8,722	\$5,018	\$4,425	\$5,475
Lee	\$4,329	\$6,787	\$5,794	\$4,557	\$4,994

District	Regular	Exceptional	At-Risk	Vocational	School Operating Costs
Leon	\$4,516	\$7,446	\$5,522	\$4,536	\$5,292
Manatee	\$4,324	\$7,339	\$4,436	\$4,910	\$5,016
Osceola	\$4,097	\$7,765	\$4,095	\$4,464	\$4,688
State	\$4,441	\$7,726	\$5,424	\$4,982	\$5,151

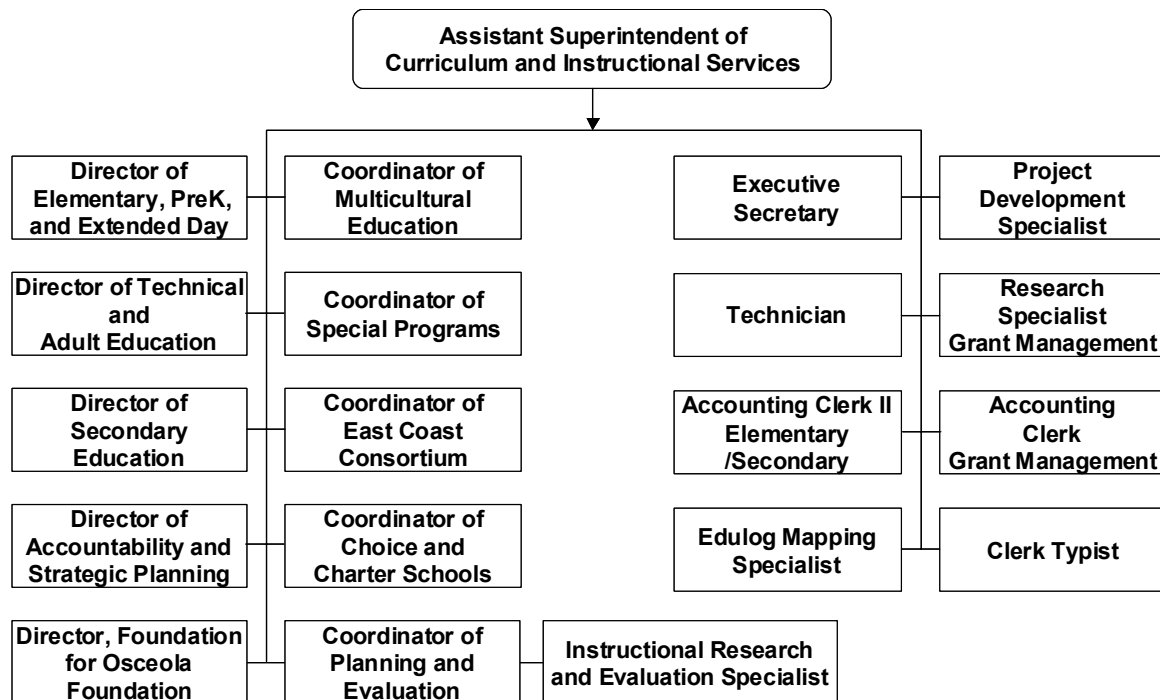
Source: Florida Schools Indicator Report 2000-2001, Florida Department of Education.

Curriculum and Instruction

In Osceola County, an assistant superintendent for Curriculum and Instruction supervises the district departments that provide services to support schools in their role of educating students. These support services include curriculum development, instructional strategies, school improvement, and administrative/reporting activities. As shown in Exhibit 5-4, the assistant superintendent is responsible for 11 departments that provide these services. The assistant superintendent of Curriculum and Instruction is not directly responsible for how well students are performing. Osceola uses a site-based management philosophy that has school principals primarily responsible for student performance. School principals report directly to the superintendent of schools.

Exhibit 5-4

Eleven District Departments and Several Support Units Perform the District Level Educational Service Delivery Functions



Source: Osceola County School District.

Osceola County Has a Diverse Student Population That Is Growing Rapidly

Compared to their peer districts Osceola County has a diverse population. The district has more Hispanic students than any of their peer districts and is substantially above the state average. Osceola County has the second highest English for Speakers of Other Languages (ESOL) population in the state, behind

Miami-Dade County. Twenty-two percent of Osceola County's students are ESOL and 25% of Miami-Dade's students are ESOL. Osceola County's percentage of students eligible for free and reduced price lunch, a commonly used poverty indicator, is higher than the state average and is higher than all of its peer districts. In addition, Osceola County was the fastest growing school district during the 2000-2001 school year with a 31.33% increase in the number of students attending school.

Exhibit 5-5

Osceola School District's Student Demographics

District	Total Students	Percentage Increase, Fall 1997 - 2001	Percentage Increase State Ranking, Fall 1997 - 2001	Percentage Limited English Proficient	Percentage Eligible for Free or Reduce Price Lunch
Alachua	29,686	(1.54%)	47	2%	44%
Collier	34,192	24.65%	2	16%	44%
Lee	58,384	12.78%	10	12%	43%
Leon	32,048	1.10%	41	1%	30%
Manatee	36,568	13.48%	8	8%	37%
Osceola	34,567	31.33%	1	22%	47%
State	2,431,521	8.74%	NA	11%	44%

The percentages listed for Limited English Proficient students in each of the peer districts reflects end of the 2001-2002 school year statistics.

Source: *Profiles of Florida School Districts 2000-01*, Florida Department of Education.

The District's Diversity Presents Challenges in Educating Students

In 1997, OPPAGA found that schools serving a large percentage of children from low-income families had significantly lower student test scores than schools serving a small percentage of these students.¹ Although high-poverty schools received more resources per student, they faced greater challenges to improving student performance. These challenges included high student mobility, absenteeism, and disciplinary problems. Excessive student absences and students enrolling in and withdrawing from a school during the year make learning more difficult for students and teaching more difficult for teachers. High percentages of ESOL and new students present similar challenges. Students new to the country as well as Osceola County have not always been following the Sunshine State Standards therefore may not be performing at the same level as the students in Osceola County are required to do. We noted that a critical step to improving student academic performance in high-poverty schools was implementing high expectations for all students. In addition, school principals who exhibited strong leadership behaviors and consistently focused on improving student performance could make a difference in the performance of their schools.

¹ *Improving Student Performance in High-poverty Schools*, OPPAGA Report No. 96-86, June 1997.

Effective and Efficient Programs

1 District and School Administrators Need to Better Use Data to Improve K-12 Education Programs.

The School District of Osceola County has many mechanisms in place for using academic and nonacademic data to improve K-12 education programs. The Planning and Evaluation Department provides district and school administrators a variety of data as well as training in the interpretation of these data. Although district office staff and several schools generally do a good job of using data in their decision-making processes, the district and schools need to improve their use of data to evaluate programs and increase student performance.

Osceola County Lags Behind Its Peers and the State in Most Student Performance Measures

Osceola County’s student performance on school grades, receipt of school recognition dollars, Florida’s Comprehensive Assessment Tests (FCAT), and graduation rate is, in most cases, below the state average and its peers. When comparing the academic performance of the Osceola County School District with the performance of other districts it is important – to the extent possible – to consider the characteristics of the student population served by each district. Osceola County School District has the challenge of educating a rapidly growing student population that has high percentages of students that are Limited English Proficient (LEP) and come from economically disadvantaged households. OPPAGA considered these factors and others in selecting the peer districts to compare with Osceola.

The district does not compare well to its peers on its School Accountability Reports. In July 1999, the Florida Department of Education (DOE) established criteria for identifying schools with similar performance characteristics using letter grades, based primarily on the FCAT reading, mathematics and writing scores.

Exhibit 5-6 illustrates Osceola’s most recent school grades compared to its peers. Osceola has the highest percentage of “C” and “D” schools and the lowest percentage of “A” and “B” schools. Only 38% of Osceola County’s schools received a grade of “A” or “B” on the state’s school performance grades, which is substantially lower than their peer districts.

Exhibit 5-6

The Osceola County School District Has Fewer High Performing Schools Than Its Peer Districts

District	Number Of Schools Receiving Grades	Percentage Of “A” Schools	Percentage Of “B” Schools	Percentage Of “C” Schools	Percentage Of “D” Schools	Percentage Of “F” Schools
Alachua	36	44%	19%	25%	8%	3%
Collier	33	42%	12%	21%	18%	6%
Lee	55	40%	35%	22%	4%	0
Leon	37	57%	8%	30%	3%	3%
Manatee	41	39%	29%	24%	2%	5%
Osceola	29	21%	17%	48%	14%	0

Source: *School Accountability Report 2001-2002*, Florida Department of Education.

Osceola County Received Fewer Schools Recognition Awards Than Peer Districts

The School Recognition Program was designed to recognize the high quality of many of Florida's public schools. The program provides greater autonomy and financial awards to schools that demonstrate sustained or significantly improved student performance. Schools that receive an "A" or schools that improve at least one performance grade category are eligible for school recognition.

Based on their school performance grades, four schools in Osceola County received recognition and financial awards for the 2001 School Recognition Program. Each eligible school received \$100 per student. Schools containing more than one level, for example grades K-12, received an award only for the level or levels meeting the eligibility criteria. The staff and school advisory council at each recognized school jointly decide how to use the financial award. The awards must be used for nonrecurring faculty and staff bonuses, for nonrecurring expenditures for educational equipment and materials, for temporary personnel to assist in maintaining or improving student performance, or for any combination of these.

Exhibit 5-7

Osceola County Received Fewer Schools Recognition Awards than Peer Districts

District	Percentage of Schools Receiving Awards	Amount Of Award
Alachua	33%	\$1,083,085
Collier	30%	\$1,006,488
Lee	37%	\$1,802,925
Leon	56%	\$1,614,927
Manatee	29%	\$1,153,293
Osceola	14%	\$329,206

Source: Florida Department of Education, 2001.

The District Scores Lower on the FCAT Than Its Peer Districts and the State

The FCAT Sunshine State Standards Test reports two types of scores. The first is a scaled score that is based on the number of items the student answers correctly. The second is a student achievement level score that is based on the students' scaled score. Florida has established scale score ranges for each of the five performance levels. Level one is the lowest and students performing at this level have little success with the challenging content of the Sunshine State Standards. Level five is the highest, and students performing at this level have success with the most challenging content and answer most of the test questions correctly. Osceola County School District students do not perform as well as their peer districts on these measures. As can be seen in Exhibit 5-8 the district's students score lower than most of its peers and the state on the FCAT Sunshine State Standards Test in Reading and Mathematics.

Exhibit 5-8

**Osceola County’s FCAT Test Scores
Are Lower Than the State and Its Peers, Spring 2002**

School District	Reading			Mathematics		
	Grade 4	Grade 8	Grade 10	Grade 4	Grade 8	Grade 10
Alachua	306/Level 3	300/Level 2	312/Level 2	297/Level 2	312/Level 3	324/Level 3
Collier	295/Level 2	294/Level 2	302/Level 2	295/Level 2	311/Level 3	322/Level 3
Lee	304/Level 3	299/Level 2	301/Level 2	293/Level 2	309/Level 2	318/Level 3
Leon	321/Level 3	313/Level 3	317/Level 2	317/Level 3	322/Level 3	330/Level 3
Manatee	299/Level 3	298/Level 2	304/Level 2	291/Level 2	311/Level 3	323/Level 3
Osceola	284/Level 2	280/Level 2	293/Level 2	283/Level 2	295/Level 2	311/Level 2
State	299/Level 3	295/Level 2	303/Level 2	294/Level 2	305/Level 2	319/Level 3

Source: Florida Department of Education.

The FCAT Writing portions of the test (Formerly known as Florida Writes!) scores are reported on a 1.0 through 6.0 scale. In addition, a student could receive a U (unscorable), which means that the writing is unrelated to the assigned topic or cannot be read. Exhibit 5-9 illustrates that Osceola County students score lower on the FCAT Writing test than the state and its peers in most cases.

Exhibit 5-9

**Osceola County FCAT Writing Scores
Are Lower Than the State and Its Peers, Spring 2001**

School District	Grade 4			Grade 8			Grade 10		
	Expository	Narrative	Combined	Expository	Persuasive	Combined	Expository	Persuasive	Combined
Alachua	3.3	3.6	3.5	4.2	4.0	4.1	4.2	4.0	4.1
Collier	3.1	3.3	3.2	3.7	3.7	3.7	4.0	3.6	3.8
Lee	3.3	3.6	3.5	3.7	3.8	3.8	4.0	3.7	3.8
Leon	3.5	3.6	3.5	4.1	4.0	4.0	4.1	4.0	4.1
Manatee	3.2	3.4	3.3	3.7	3.8	3.7	4.1	3.7	3.9
Osceola	2.9	3.2	3.1	3.4	3.4	3.4	3.6	3.5	3.6
State	3.3	3.5	3.4	3.8	3.8	3.8	4.0	3.7	3.8

Source: Florida Department of Education.

Osceola County’s Student Performance Shows Very Little Improvement and in Some Cases Declines

When compared over time, Osceola County shows little improvement in FCAT scores. As seen in Exhibit 5-10 Osceola County’s test scores have remained relatively flat for the past three years. There has been some fluctuation in scores but no substantial gains have been made.

In addition, when FCAT scores are broken out by the percentage of students scoring in each level, more than 50% of students every year in each grade level and subject (except 2002 tenth grade math which is 46%) scored at performance level 1 or level 2, the lowest range. This means that more than 50%, and in the case of 2002 grade 10 reading 72%, of the students in Osceola County Schools are not proficient in the Sunshine State Standards.

As demonstrated earlier in Exhibit 5-9, Osceola County’s current FCAT scores are primarily at level 2. According to State Board Rule, on January 1, 2004, the cut off scores for each performance level (levels 1-5) will be raised. If Osceola County’s FCAT scores do not improve and remain just as they were in 2002, the district average in half of the categories will be level 1. This could cause school grades to drop

and make any students in a school that received an “F” within the previous four years eligible to transfer to a higher performing public school and eligible for school vouchers.

Exhibit 5-10

Osceola County’ Student Performance Over Time Has Mixed Results and More Than 50% of FCAT Scores Are in Level 1 or Level 2

Subject and Year	Grade 4			Grade 8			Grade 10		
	Level 1	Level 2	Scale Scores	Level 1	Level 2	Scale Scores	Level 1	Level 2	Scale Scores
1999 Reading	42%	18%	278	32%	31%	288	36%	42%	296
2000 Reading	40%	17%	280	36%	32%	282	40%	38%	293
2001 Reading	40%	19%	281	34%	30%	285	36%	34%	299
2002 Reading	38%	16%	284	37%	28%	280	37%	35%	293
1999 Math	41%	34%	291	38%	26%	288	30%	31%	302
2000 Math	33%	33%	302	34%	26%	293	28%	25%	306
2001 Math	38%	28%	293	28%	27%	297	22%	24%	316
2002 Math	39%	28%	296	31%	25%	295	23%	23%	311

In 1999 and 2000 the Math Portion of the FCAT was not given to fourth graders, it was given to fifth graders only. In order to be consistent we have used grade 5 scores in math for 2001 and 2002 as well.

Source: Florida Department of Education.

The District Does a Good Job of Disaggregating Student Performance Data, However, May Not Always Be Using It Effectively

The Osceola County School District has integrated the DART Model (Data Assess Review Target) into all aspects of planning and instruction. The DART Model is described by the Florida Department of Education as a way to improve school performance through data analysis. Each school is directed to fill out the DART charts by first acquiring FCAT reports for all curriculum students and standard curriculum students from the district office. The DART Model goes on to explain to the school implementing the model that they will need the following reports:

- overall school results on subtests vs. district and state results;
- subtest results disaggregated by subgroups for each school; and
- overall school results and subgroup results for writing and the percentage of students scoring in Level 1 and above Level 2 and above Level 3 for reading and mathematics.

Each school completes the DART Model on an annual basis and district level administrators complete the model for the district as a whole. Although not specified in the Department of Education manual, Osceola County takes this process one step further by comparing the data across school years. The planning and assessment department plays a critical role in this process by providing the schools and district with the disaggregated data and reports required to complete the DART Model, through aiding in data analysis, and by providing technical assistance to any staff that requests it.

Implementation of this model results in a district-wide method for determining student needs in the areas of curriculum, classroom instruction and assessment. Teachers are able to see exactly which specific areas on the FCAT their students fell short, cross-reference those areas to the sunshine state standards, and adjust their teaching methods. Principals are able to target resources in the areas with the greatest need. Implementation of this model also results in clearer goals for the School Advisory Councils to focus on when composing their school improvement plans.

The DART Model Is Not Always Used To Its Fullest Potential

Through focus groups with principals and teachers and interviews with district staff, we learned that the DART Model is not always used to its fullest potential. School staff analyze the data, with help from the Planning and Evaluation Department, as required by the district, but some do not use it as an integral part of their school improvement process. It is important to note that not all schools underutilize the DART Model. We found a number of schools that drive their school improvement processes based on student outcome data.

Automation Needed for Timely FCAT Information

Because of the importance of FCAT scores in the evaluation of student progress, it is essential that teachers be provided with accurate and timely FCAT information for each student in each class. It is difficult for the district to provide this information in a timely manner since the information they receive from DOE has to be manually reorganized by class enrollment to make it usable for teachers.

The emphasis on FCAT is a statewide initiative that affects every school district. Districts scramble to provide teachers the tools they need to access the data in a timely manner. The Osceola school district would benefit, as would other districts, from a web application that would allow teachers, administrators and superintendents to access FCAT information in a format that would enable teachers to use the student data to target curriculum to better meet students needs. The most cost-effective solution for the district would be for DOE to provide such an application to all districts. The district should lobby for that solution. However, for now, the district should make it a priority to implement a web application that will enable teachers to get real-time FCAT data.

Interventions Are Made When a School Is in Danger of Failing

Although the district curriculum staff cannot require a principal to implement a program or method, they do work very closely with schools that are not performing well. For example, one elementary school has been a “D” school in danger of becoming an “F” school for three years. Schools in this situation are a first priority for intervention by the district and state. This school received a grant and has implemented the Project Child Program.

The district Planning and Evaluation Department also provides additional support to schools in need of assistance. They assist the principal analyzing and interpreting data and the curriculum department helps by providing services such as professional development and curriculum development. Another intervention implemented to help “D” schools to improve student performance is there are three psychologist positions that are funded by the ESE Department assigned to “D” schools. The district has also sought assistance from the state Department of Education’s Bureau of School Improvement and Educational Accountability. According to their staff, they have worked with Osceola County but have been focusing on schools, state wide, at risk of becoming an “F”.

The District Analyzes Data Other Than Standardized Test Scores to Assist Schools

The district analyzes more than just FCAT scores to assess student academic performance and improve academic programs. The district also does a school-by-school analysis of student grade point average. The analysis is broken down by race, gender and other sub groups to help district administrators get a clearer picture of the school.

The district also closely examines graduation and dropout rates. Exhibit 5-11 illustrates that Osceola’s graduation rate is the lowest of its peers and the state conversely; its dropout rate is also lower than the state and its peers. According to interviews with staff the low graduation is do in part to a problem with their data collection and report system. Upon finding this anomaly, the district reviewed the data used to calculate the graduation rate for 2001. They found that many schools counted students twice or included students who had moved as dropouts. Since that time the district has provided training and assistance to assure that all attendance clerks are using the same and correct methodology to report graduation rate.

They have taken steps to correct this problem and their efforts should be reflected in the 2002 dropout rate.

Exhibit 5-11

Osceola County’ Graduation Rate Is Below Peer Districts and the State Average

District	Four-Year Graduation Rate	Annual Dropout Rate
Alachua	61.2%	6.1%
Collier	64.5%	4.2%
Lee	65.9%	5.6%
Leon	64.2%	3.1%
Manatee	65.2%	4.5%
Osceola	58.4%	4.2%
State Average	63.8%	3.8%

Source: Florida Department of Education, 2001.

The District Also Uses Non-Academic Data as a Measure of School Effectiveness

In addition to academic data, the district also analyzes non-academic data such as number of in and out of school suspensions, non-promotions, and dropouts. Exhibit 5-12 illustrates that Osceola County recorded more out of school suspensions, non-promotions, and dropouts than its peer districts. The curriculum department tracks this data as well as parent, student, and community complaints. When a school reports anything out of the ordinary, for example a higher than normal suspension rate, then the district office staff meets with the principal and other relevant school staff to determine the cause for the increase and to help develop a plan to address the reasons for the increase. The district staff will continue to provide support until the situation is completely remedied.

Exhibit 5-12

Osceola County Compares Favorably in Some Non-Academic Areas and Could Improve in Others

District	Total Number of Students	Out Of School Suspensions	In School Suspensions	Expulsions	Referrals to Court/Juvenile Authorities
Alachua	29,686	11%	4%	0	<1%
Collier	34,192	1%	16%	<1%	<1%
Lee	58,384	8%	12%	<1%	<1%
Leon	32,048	6%	7%	<1%	0
Manatee	36,568	10%	9%	<1%	0
Osceola	34,567	14%	4%	<1%	<1%
State	2,431,521	9%	10%	<1%	<1%

Source: Profiles of Florida School Districts 2000-01, Florida Department of Education.

Recommendations

- *The district should develop and implement policies promoting the effective use of data at the school level. The district should improve its use of data by identifying strategies that are effective with the population the schools serve, sharing these best practices among the schools, and evaluating their implementation.*

- The district should make it a priority to implement an automated web application that will enable teachers and administrators to get real-time FCAT data.

Action Plan 5-1

We recommend that the district further strengthen the evaluation and accountability component of school-based management.	
Strategy	The district should further strengthen the evaluation and accountability component of the school-based management. In addition to the review of FCAT results of each school year, the district should establish a mechanism to continually evaluate schools to determine whether progress is being made towards the accomplishment of the goals, especially student achievement goals.
Action Needed	<p>Step 1: In addition to the review of results of each school year, the district should establish a mechanism to continually evaluate schools to determine whether progress is being made towards the accomplishment of the goals, especially student achievement goals.</p> <p>Step 2: If the school is not making adequate progress then district staff must intervene by developing an Academic Improvement Plan for the school. The plan must use data as a basis for any interventions.</p> <p>Step 3: The school’s Academic Improvement Plan will be implemented with assistance from the district staff.</p> <p>Step 4: Each school year the plan and the results will be evaluated to determine if interventions will be needed for the following school year.</p>
Who is Responsible	Assistant superintendent of Curriculum and Instruction, Curriculum and Instruction Staff, Planning and Evaluation Staff and school based staff.
Time Frame	To begin the 2002-03 school year based on 2002 student test scores.
Fiscal Impact	None

Action Plan 5-2

The district should implement an automated web application that will enable teachers to get real-time FCAT data.	
Strategy	The IT Services Department director should create a task force to develop a plan for implementing a web application that will enable teachers and administrators to get real-time FCAT data.
Action Needed	<p>Step 1: The task force should work with the Florida Department of Education to develop a plan to provide FCAT data to teachers on-site.</p> <p>Step 2: Propose the plan to the board for funding.</p> <p>Step 3: Develop and test the application.</p> <p>Step 4: Pilot the application to several schools.</p> <p>Step 5: Review the pilot projects and make any necessary adjustments.</p> <p>Step 6: Implement the application district-wide.</p> <p>Step 7: Evaluate the implementation of the application.</p>
Who is Responsible	Information and Technology Services Director
Time Frame	End of school year 2002-03
Fiscal Impact	Expenditure: \$6,390

Source: OPPAGA.

2 District administrators facilitate sharing effective instructional practices to improve student performance.

The district has an extensive professional development program and uses a variety of strategies to identify and communicate exemplary educational practices and strategies to teachers

The district uses a variety of mechanisms to identify and communicate exemplary education practices. These include

- Professional Development Plan tied to the School Improvement Plan;
- resource personnel to train teachers;
- recognition of teachers who pursue professional development; and
- in-Service training, orientation, and mentoring.

Professional Development Plan. Osceola teachers develop, in coordination with their supervisors, a Professional Development Plan, which details goals and aspirations for the year and provides the basis for part of their evaluation. The goals in the Professional Development Plan are tied to each school's School Improvement Plan, and include goals for student achievement. The plan identifies specific courses or training opportunities that will help the teacher attain their goals, such as attending a hands-on math workshop to help increase math comprehension among students.

Resource Personnel to Train Teachers. Personnel at both the district and school levels serve as resources to teachers. District resource specialists in the major content areas at the secondary school level and district learning resource specialists at the elementary level identify effective teaching methods and train school-based resource specialists. These school based resource specialists provide regular in-service training for teachers in their school. Resource specialists assess teachers' training needs through discussions and informal requests. Examples of topics include cooperative learning strategies and evaluating writing for the FCAT. In addition, the district uses teacher trainers. District staff select teacher trainers from the teacher ranks based upon their effective use of instructional techniques. Teachers commented in focus groups that the training by both district and school personnel is timely, useful, practical, and easily applied to their classrooms.

Recognition. The district encourages teachers to participate in professional development by recognizing teachers who use best practices.

- Osceola participates in the Teacher of the Year program.
- The district conducts an annual Academy Awards of Education in which outstanding educators, volunteers, and support staff are publicly recognized at a formal gala event.
- The district presents thank you letters and formal certificates to teachers acknowledging their participation and the value it brings to the district.

The district does not normally provide monetary compensation to teachers for taking courses offered through the district training program. However, some training activities, such as Accelerated Reader, Creating Independence through Student-owned Strategies (CRISS), and Dual Language training do generate modest stipends or provide allowances for materials.

In-service training, orientation, and mentoring. Osceola County has an extensive professional development program for both instructional and support staff. As one teacher said, "Staff development opportunities abound." Examples of professional training classes include Power Writing; COMPASS;

literacy writing; FCAT math, reading, and science; and technology. In addition, the district offers personal development courses for teachers, including weight reduction, Spanish, time management, and stress management.

Classes and workshops are voluntary and usually held during the workday. Generally, teachers use their planning period or attend sessions after school, beyond their usual work day. Teachers also have the opportunity to pursue staff development on Wednesdays, which is an early release day for the students. In addition, some teachers participate in training workshops during the summer. Teachers in our focus groups report that their school administration encourages them to participate in staff development activities.

In addition to the formal district offerings, teachers in our focus groups have noted that their schools provide informal training whereby experienced teachers serve as mentors to new teachers. Teachers also report that they provide informal help and consulting to one another when needed. This informal networking allows for teachers to stay informed and is seen as a way to keep up with professional development.

The district recently introduced an intranet that has increased the efficiency of communicating professional development offerings. Both teachers and administrators find this new system extremely useful. Faculty are able to access the training catalog via the intranet and sign up for courses electronically. Principals and teachers are able to easily access teachers' training records. Faculty are also informed of training opportunities via a newsletter that they receive monthly in their mailboxes. A sample listing of recently held workshops in the areas of instructional activities, curriculum, and understanding student behavior can be found in Exhibit 5-13.

Exhibit 5-13

A Sample of In-Service Offerings

Area Covered	Workshop Title
Instructional Activities	Cooperative Learning
	The Utilization of Audiovisual Materials in the Classroom
	Awesome Activities for Mathematics: Targeting FCAT Benchmarks, 6-8
Curriculum	Accelerated Reader for Media Specialists
	Teaching Reading in Content Areas
	Social Studies
Understanding Student Behavior	Behavior Intervention Strategies for Preschoolers
	Alcohol and Drug Abuse
	Behavior Management for Exceptional Students

Source: Osceola County School District.

The district has a “Preparing New Educators” orientation program for new teachers. This orientation provides mentors as well as assistance in portfolio documentation of teacher competencies. This district-wide orientation for first year teachers includes a series of 12 workshops that cover such topics as classroom management, drug abuse, recognizing child abuse, and ethics. Additional components of the program are portfolio development and a series of classroom observations in which new teachers observe more experienced teachers' effective instructional techniques.

In addition to the “Preparing New Educators” orientation program, the district has a new mentoring program for all teachers new to the district. This is a partnership program with the University of Central Florida referred to as CoMenTR, Collaborative Mentoring Teacher Renewal. School administrators select mentors for the CoMenTR program from the teaching ranks based upon effective classroom performance.

Some schools supplement the countywide mentoring program with a mentoring program of their own, using school funds to do so. Teachers from these schools report a very successful experience during that first ‘make or break’ year of teaching. They report an environment of caring and support which assists them through the uncertain terrain of being a first year teacher.

Recommendations

- *We commend the district for its efforts in providing incentives and recognition for teachers to identify and effectively use effective instructional practices.*
- *We commend the district for its efforts to facilitate the sharing of effective instructional practices. The Professional Development Program, the recently developed intranet, and the network of teacher trainers demonstrate that the district is committed to using professional development as a tool to enhance instruction and improve student performance.*
- *We commend the district for its efforts to provide mentoring activities for new teachers, particularly the CoMenTR program in partnership with the University of Central Florida.*

3 The district’s Exceptional Student Education (ESE) program, while excellent in some respects, can improve student performance.

Many aspects of the district’s ESE programs are positive

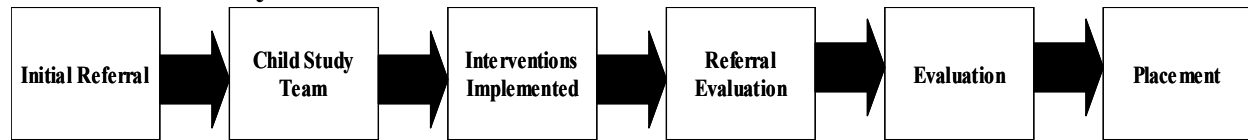
Many aspects of the district’s ESE program are quite good, despite inconsistencies. Notable features of the current programs include

- procedures consistent with federal and state laws;
- resource compliance specialists;
- identifying ESE students;
- timeliness of student placement;
- student to teacher ratio;
- medicaid reimbursement; and
- participation in statewide assessments.

Procedures Consistent with Federal and State Laws. The district’s procedures for identifying and assessing students, developing individual education plans, and providing and coordinating services for ESE students are consistent with federal and state laws. Teachers, parents, or guidance counselors begin the ESE process by referring students for assessment. A Child Study Team, which reviews the case, then assesses students. A four-week period follows in which a variety of interventions and accommodations are made. This is followed by another four-week period evaluation process. If the Child Study Team finds that these attempts prove unsuccessful, the student is then referred for a psycho-educational evaluation with the school psychologist.

Exhibit 5-14

The Child Study Referral Process



Source: Osceola School District.

The district has incorporated the state’s student performance standards for exceptional students into the curriculum. Using these parameters, the curriculum specialist develops the curriculum that a child follows based on specific elements found in his or her IEP. The curriculum studied by an ESE student is dependent upon the child’s disability and the type of diploma they are seeking. The goal is always for the student to achieve the Sunshine State Standards. The Pupil Progression Plan also includes specific guidelines for performance standards for exceptional students.

Resource Compliance Specialists. To help ensure that policies and procedures are followed, the district has placed a Resource Compliance Specialist (RCS) in each school, whose responsibility it is to oversee and guide the process. The RCSs follow the state Special Programs and Procedures for Exceptional Students distributed by the state Department of Education, a manual which provides guidance in making placement decisions for students. In addition to the state manual, the district has developed an RCS handbook which provides general information, ESE definitions and eligibility criteria, computerized procedures for completing Individualized Education Plans (IEPs), details about staffing and forms, and technical assistance papers covering such topics as temporary placement, permanent placement, and re-evaluation. Teachers in focus groups report that beyond ensuring that all procedures meet federal and state guidelines, the RCS is especially helpful in providing assistance when a teacher is experiencing difficulty with an ESE student. In addition, three district compliance specialists oversee the school-based RCSs and provide additional assistance as needed.

Identifying ESE Students. Students with special needs are identified through the Department of Student Services. The Department of Student Services employs 22 full time psychologists for identifying and assessing students. All referrals – initial, temporary placements, and re-evaluations – are sent to the office of the supervisor of Psychological Services where they are checked for compliance, entered into a database, and assigned to the appropriate psychologist. Each psychologist is provided a list, updated monthly, of the students who have been assigned for them to evaluate. The supervisor meets with each Psychologist individually to review every assignment and to ensure that the evaluations are completed in a timely manner.

Timeliness of ESE Student Placement. The Department of Education is currently considering establishing a 60-day rule for completing psychological evaluations. Based on district records, the median referral time from assignment date to date of evaluation to date sent to ESE is about 58 student days, within the 60 day proposed guideline.

Despite this timely referral of students for ESE, teachers have told us in focus groups that they felt that it took several months for their students to be evaluated. This may be due to a lack of understanding on the part of the teaching staff of the ESE referral procedure. When a child is initially referred for a problem, a series of pre-referral interventions must first be attempted before the child is referred for ESE evaluation. When teachers informed us it took ‘several months’ for an evaluation and placement, they may have been counting the pre-referral activities in addition to the time between actual referral and evaluation. This may be an area in which the district needs to better educate teachers about the overall ESE referral process.

The director of Support Services hires several psychologists during the summer on an OPS basis. This allows the district to continue evaluating students who have been referred for ESE services even though the school year has ended, thereby reducing the backlog of needed evaluations at the beginning of the new school year.

The percentage of ESE students identified and served in Osceola County is less than both its peers and the state averages. The federal Office of Special Education Programs closely monitors overidentification of students with special needs. That the Osceola County school district identifies and serves a lower percentage of disabled students than its peers is an indicator of appropriate identification and referral procedures. However, as Exhibit 5-15 shows, Osceola County identifies considerably fewer of its students as gifted. This may represent an underidentification of gifted students. The district has recognized this as an area for improvement and has established strategies to help increase the referral, evaluation, and identification of more gifted students in the district. For example, the district has hired a school psychologist whose only responsibility is to test for gifted students. In addition, the district has provided training and guidance to principals and school staff to assist them in recognizing students who may qualify for the gifted program.

Exhibit 5-15

The Total Percentage of ESE Students (Disabled and Gifted) Identified and Served in Osceola County Is Less Than Its Peers, 2002

District	PK-12 Population	Percent Disabled	Percent Gifted	Total ESE
Leon	31,802	20%	7%	27%
Alachua	29,599	18%	9%	27%
Manatee	38,250	20%	4%	24%
Lee	60,661	16%	7%	23%
Collier	36,475	15%	3%	18%
Osceola	37,744	15%	<1%	16%

Source: *LEA Profiles*, 2002, Florida Department of Education.

While the percent of students with disabilities served in the district is on par with the state average, Osceola County may be underidentifying gifted students in certain ethnic categories. As Exhibit 5-16 shows, while 9% of the overall student population in the district is African American, only 6% of gifted students are in this category. In addition, only 17% of Hispanic students in Osceola have been identified as gifted, while this group represents 39% of the overall student population. The district has recognized this as an area for improvement and continues to strive to increase minority student participation in the gifted program. For example, the district has hired a full time psychologist whose responsibility is to test for giftedness in students.

Exhibit 5-16

Osceola County Schools ESE Student Membership by Racial/Ethnic Category

	All Students	Students with Disabilities	Gifted Students
White	46%	51%	67%
Black	9%	10%	6%
Hispanic	39%	36%	17%
Asian/Pacific Islander	3%	<1%	7%
Amer. Indian/Alaskan Native	<1%	<1%	<1%
Multiracial	3%	2%	3%

Source: *LEA Profiles*, 2002, Florida Department of Education.

Student to Teacher Ratio. When compared with its peer districts, Osceola County’s Exceptional Student to ESE teacher ratio is well within the range of its peers and is on par with the state average. As Exhibit 5-17 shows, on average, there are 22 exceptional students per an exceptional education teacher.

Exhibit 5-17

Osceola County’s ESE Students to ESE Teacher Ratio Is Within Peer Average

District	Exceptional Education Teachers	Exceptional Student Population	Ratio
Collier	294	6,111	1:21
Lee	639	13,208	1:21
Manatee	376	8,233	1:22
Osceola	245	5,321	1:22
Alachua	322	7,543	1:23
Leon	368	8,562	1:23
Average without Osceola County	400	8,731	1:22

Source: *Profiles of Florida School Districts, 2000-2001*, Florida Department of Education.

Student Placement. Osceola County places ESE students in the least restrictive environment. The district uses three approaches to educating students with special needs: inclusion, pullout, and self-contained, depending on the needs of the child and the provisions of the Individual Education Plan. Osceola has no special schools exclusively for ESE students. This is in keeping with federal guidelines to serve students with special needs in the least restrictive environment. However, some schools have self-contained classes for the most severely challenged students, such as those with autism. The majority of the ESE population is included in the regular classroom and pulled out for one or two periods, such as for reading and language arts. As Exhibit 5-18 shows, just under half (48%) of students with disabilities are placed in a regular classroom. This is on par with the state average.

Exhibit 5-18

The District’s Regular Class Placement of Students With Disabilities Is About Average for Ages 6-21 Among Its Peer Districts and the State, 2002

District	1999-00	2000-01	2001-02
Alachua	44%	42%	45%
Collier	64%	62%	62%
Lee	43%	45%	47%
Leon	56%	57%	58%
Manatee	57%	59%	60%
Osceola	52%	52%	48%
State	49%	48%	48%

Source: *LEA Profiles, 2002*, Florida Department of Education.

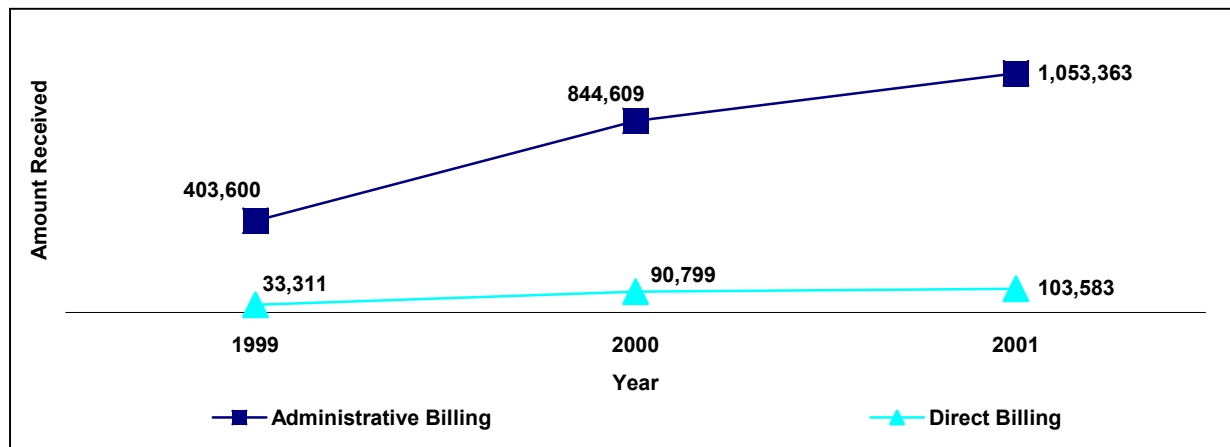
Medicaid Reimbursement. Osceola County Schools reduces its overall cost in serving ESE students by actively seeking Medicaid reimbursement. The district participates in the Medicaid School Matching Program, a program which provides for reimbursement of direct medical services provided by the school district to individual students, as well as for administrative services devoted to planning, preparing, and supporting the ESE student’s medical and emotional needs. The School District of Osceola County began involvement in this program in 1997 through a pilot program with six other school districts. Initially, claims were made exclusively for ‘fee for service,’ i.e., direct medical services provided by the district. The program was expanded in 1999 to include billing for administrative services. The district has spent considerable time and resources both in making computer systems

compatible with billing requirements and in training therapists and counselors in proper procedures for filing claims.

The district has recently hired an employee dedicated solely to Medicaid billing. With the help of this position, the district has greatly increased the amount of reimbursement it receives for both administrative and direct services it provides to ESE students. Exhibit 5-19 shows the increase in Medicaid funding for both administrative and direct services during the period 1999-2001. For the period 1999-2001, the district has generated a total of over \$2.5 million in Medicaid reimbursement funds.

Exhibit 5-19

The District’s Medicaid Reimbursement Has Increased Over the Period 1999-2001



Source Developed by OPPAGA based on data provided by AHCA/Medicaid (School Enrollment and Reimbursement Data 2001, 2000, 1999 Summaries) and Administrative Claiming, Jim Robinson, (Medicaid Program Analysis, 1999, 2000, 2001). Figures for 2001 are for first three quarters only.

The Student Services Department is currently billing for psychological services (including pre-referral activities, evaluations, and staffings), and administrative claiming time study (school nurses, the district guidance counselor, social workers, school relations specialists, and the drug counselor). The Student Services Department is proposing to pursue direct billing for social workers and counselors and continues to train cohorts of Health Assistants at each of the schools throughout the district, thereby increasing those services for which Medicaid can be billed. The district does not, however, currently bill Medicaid for transportation services that it provides to ESE students.

Participation in Statewide Assessments. The district’s participation rate of students with disabilities in statewide assessments in 2000-2001 was about average when compared with its peer districts. As can be seen in Exhibit 5-20, Osceola County School’s participation rate of ESE students in both FCAT reading and math is consistently within the range of its peer districts for grade eight. In addition, the district’s participation rate is higher than the state average in math for 1999-2000 and in math and reading for 2000-01. The participation rate of ESE students in statewide assessments is particularly important given the possibility that some districts may over-identify students with special needs, thereby having their scores dismissed from the school grade which is based largely on students’ performance on the statewide assessments. Since the participation rate of Osceola students is about average among its peers, there is no evidence that this is occurring in Osceola County.

Exhibit 5-20

The District’s Participation Rate of Students With Disabilities in Statewide Assessments in 2000-01 is About Average

District	Grade 8 – FCAT Reading			Grade 8 – FCAT Math		
	1998-99	1999-00	2000-01	1998-99	1999-00	2000-01
Alachua	74%	79%	77%	73%	78%	77%
Collier	76%	82%	81%	77%	83%	83%
Lee	70%	66%	82%	73%	67%	81%
Leon	75%	80%	77%	75%	78%	77%
Manatee	74%	80%	76%	71%	81%	77%
Osceola	67%	76%	81%	68%	78%	81%
State	70%	76%	76%	70%	76%	76%

Source: *LEA Profiles*, 2002, Florida Department of Education.

While many aspects of the district’s Exceptional Student Education Program are positive, student achievement needs to be improved

While aspects of the district’s ESE program are positive, such as timeliness of student placement, student to teacher ratio, Medicaid reimbursement, and school-based Resource Compliance Specialists, student achievement needs to be improved. For example, while ESE students taking the FCAT received the same or higher scores than the district’s peers in tenth grade reading and math, the district’s students scored lower than most of its peers in grades 4 and 8 in both subjects.

Exhibit 5-21

Average Scaled Scores of Students With Disabilities Taking the FCAT Are Lower Than Most Peers’ Scores at Most Grade Levels, 2000-2001

District	FCAT Reading			FCAT Math		
	Grade 4	Grade 8	Grade 10	Grade 5	Grade 8	Grade 10
Alachua						
Students with disabilities	236	242	268	252	252	283
Gifted students	378	369	--	387	376	--
Collier						
Students with disabilities	244	241	266	269	259	290
Gifted students	387	375	384	384	378	403
Lee						
Students with disabilities	242	239	254	253	248	270
Gifted students	359	353	—	373	361	—
Leon						
Students with disabilities	273	272	263	285	281	284
Gifted students	395	386	373	397	386	388
Manatee						
Students with disabilities	263	244	241	268	258	259
Gifted students	375	366	367	388	374	375
Osceola						
Students with disabilities	231	232	261	239	244	282
Gifted students	371	381	373	381	375	395

Source: *LEA Profiles*, 2002, Florida Department of Education.

Another indicator of program success is the rate of in-school and out-of school suspensions and expulsions of students with exceptional needs. A district with lower suspension rates for its students indicates a greater commitment of a district to work with all students despite the sometimes difficult behavior that can lead to student suspension. While the district's in-school suspension rates for students with disabilities is less than most of its peer districts and the state, as Exhibit 5-22 shows, its rate of out-of-school suspensions is higher than most of its peers and the state average. Moreover, the percentage of students with disabilities that receive out-of-school suspensions (19%) is almost twice that of their non-disabled peers (10%). While this is true for most of the peer districts, school and district administrators need to ensure that students with disabilities are not being suspended for behaviors related to their disability.

Exhibit 5-22

The District's In-School Suspension Rates for Students with Disabilities Is Lower Than Most of Its Peers and the State; Out-of-School Suspensions Are Higher Than Most of Its Peers and the State; Alternative Placement Rates Are Very Low, 2001

District	In-School Suspensions		Out-of-School Suspensions		Expulsions		Alternative Placement	
	Students with Disabilities	Nondisabled Students	Students with Disabilities	Nondisabled Students	Students with Disabilities	Nondisabled Students	Students with Disabilities	Nondisabled Students
Alachua	7%	2%	20%	7%	0%	0%	0%	0%
Collier	21%	11%	2%	<1%	<1%	<1%	<1%	<1%
Lee	15%	9%	13%	5%	<1%	<1%	4%	2%
Leon	7%	6%	7%	5%	<1%	<1%	0%	<1%
Manatee	11%	7%	17%	8%	0%	<1%	<1%	<1%
Osceola	9%	2%	19%	10%	0%	<1%	<1%	<1%
State	13%	8%	15%	7%	<1%	<1%	<1%	<1%

Source: *LEA Profiles*, 2002, Florida Department of Education.

A final indicator of a program's success in serving students with special needs is the graduation rate of students with disabilities, particularly those who graduate with a standard diploma. As Exhibit 5-23 shows, the district's standard diploma graduation rate for special needs students in 2000-01 was lower than all its peer districts as well as the state, though it has increased from 1999-2000.

Exhibit 5-23

The District's Standard Diploma Graduation Rate for Students With Disabilities in 2000-2001 Is Lower Than the State and All Its Peer Districts

District	1998-99	1999-00	2000-01
Osceola	56%	36%	40%
Lee	55%	45%	44%
Manatee	62%	39%	45%
Collier	54%	58%	47%
State	66%	56%	51%
Leon	0%	63%	58%
Alachua	51%	48%	67%

Source: *LEA Profiles*, 2002, Florida Department of Education.

Osceola County schools face a unique challenge due to their proximity to a large service economy with readily available employment (even for those without a high school diploma). Nonetheless, the district should work diligently to help parents and students raise their expectations and aspirations for more secure future success. Given the mixed success of the district in serving students with special needs, the

district needs to improve its evaluation of its ESE program, particularly looking at student outcomes. Currently, evaluations of the ESE program are completed at the school level. Although some reporting is sent to the district office, ESE students who take the FCAT, for example, are evaluated strictly at the school level. The district should establish mechanisms to systematically evaluate and improve processes through which ESE students are identified and placed, and systematically evaluate student data, particularly suspension and standard diploma graduation rates on a regular basis to ensure that ESE students are not disproportionately suspended and to improve its standard diploma graduation rate for ESE students.

Recommendations

- *We commend the district for placing a resource compliance specialist in each school to help ensure timely compliance with ESE procedures and to serve as a resource for teachers and students.*
- *We commend the district for its timely evaluation of ESE students and for using OPS services during the summer to reduce the backlog of evaluations from one school year to the next. We recommend that the district begin to track pending referrals at the beginning of each school year, and compare and evaluate these data from year to year.*
- *We commend the district for pursuing Medicaid billing despite the many challenges. We recommend that the district continue to work to increase its capacity to seek Medicaid reimbursement for both direct services (including transportation, social work, and counseling) and administrative services and ensure that all appropriate personnel receive the necessary certifications as required by AHCA. [For the Action Plan to pursue Medicaid billing for transportation services, please see Action Plan 12-4].*
- *We recommend that the district take additional steps to ensure teachers are familiar with referral processes and procedures to help ensure that there will be fewer inappropriate referrals and to ensure that teachers possess a greater understanding of the timelines involved in the overall referral process.*
- *We recommend that the district continue to focus its efforts to increase the number of Hispanic students identified as gifted.*
- *We recommend that the district regularly review student outcome data of ESE students, particularly non-academic achievement data such as suspension rates and implement strategies to ensure that disabled students are not being suspended from school for behaviors related to their disability.*
- *We recommend that the district evaluate its diploma data for ESE students and develop a plan to ensure that more ESE students pursue and obtain a standard diploma. This will involve establishing mechanisms to increase involvement of parents of ESE students.*

Action Plan 5-3

Systematically evaluate ESE processes and develop procedures to improve effectiveness.

Strategy	Systematically evaluate ESE processes and procedures, including tracking pending referrals. Establish mechanisms to increase the capacity for Medicaid reimbursement, educate teachers about the referral process, and improve the representation of minorities identified as gifted.
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Action Needed	<p>Step 1: Track pending referrals from one year to the next and establish mechanisms to reduce any backlog.</p> <p>Step 2: Continue to maximize Medicaid reimbursement, seeking cost recovery for transportation, nursing, and social work. When the state approves reimbursement for case management, incorporate into district cost recovery program.</p> <p>Step 3: Develop a plan to ensure that school personnel possess a greater understanding of the timelines involved in the referral process.</p> <p>Step 4: Within state guidelines, establish mechanisms to improve the representation of minority students identified as gifted.</p>
Who Is Responsible	<p>Pending referrals: associate superintendent for School Services, director of Student Services, supervisor of School Psychologists; Maximize Medicaid: associate superintendent for School Services, director of ESE, coordinator of ESE, director of Student Services, director of Transportation, principals; Understanding timelines: associate superintendent for School Services, director of Student Services, supervisor of School Psychologists, director of Professional Development, all school psychologists, district guidance counselor, Administrative Team at each school; Minorities identified as gifted: associate superintendent for School Services, ESE director, psychologist for evaluating for giftedness.</p>
Time Frame	August - December 2002; ongoing, thereafter.
Fiscal Impact	Can be attained with existing resources. For a discussion of transportation cost recovery, see Action Plan 12-4.

Action Plan 5-4

Systematically evaluate student data and establish mechanisms to improve student outcomes.	
Strategy	Review academic and non-academic student data, including rates of suspension of ESE students from middle and high schools and student diploma data
Action Needed	<p>Step 1: Develop systems to reduce the out-of-school suspension rate for students with disabilities and to ensure that students with disabilities are not being suspended for behaviors related to their disability.</p> <p>Step 2: Develop a plan to increase the number of ESE students who pursue and obtain a standard diploma, including training of guidance staff, ensuring use of effective learning strategies by teachers, and increasing parent involvement.</p> <p>Step 3: Review and modify strategies based on student data on a quarterly basis. This review should include analysis of data for trends (by school, grade level, other pertinent information).</p> <p>Step 4: Summarize data and training in annual report to associate superintendent for School Services</p>
Who is Responsible	<p><u>Suspension rates</u>: director of ESE, all principals and school-based administrative teams at each school; <u>Student diploma data</u>: associate superintendent for School Services, ESE director, coordinator of ESE, All principals and school-based administrative teams.</p>
Time Frame	June 2002 – January 2003; ongoing thereafter.
Fiscal Impact	This can be attained with existing resources.

4 The district’s provision of effective and cost-efficient instruction as part of its English for Speakers of Other Languages (ESOL) Program, while good in some respects, has areas of needed improvement.

The English for Speakers of Other Languages (ESOL) Program serves students whose first language is not English or who come from homes in which a language other than English has had a significant impact on their level of English Language Proficiency. The Osceola County School District has the second highest percentage (22%) of students who are Language Enriched Pupils (LEP) in the state. The program serves over 8,000 school-age students. As Exhibit 5-24 shows, the percentage of students receiving ESOL services is twice that of the state and considerably higher than any of the districts used for comparison in this study. Students in Osceola schools speak 83 different languages.

Exhibit 5-24

Osceola County Has the Highest Percentage of Students That Are Identified Language Enriched Pupils Among Its Peers, and Twice That of the State, 2000-2001

School District	Student Enrollment	Number of Students with Limited English Proficiency	Percent of Students with Limited English Proficiency
Leon	33,428	313	1
Alachua	32,422	728	2
Manatee	40,577	3,419	8
State	2,636,118	290,024	11
Lee	64,236	7,768	12
Collier	38,478	6,192	16
Osceola	39,542	8,543	22

Source: Florida Department of Education, Office of Multicultural Student Language Education.

The district’s policies and procedures are consistent with federal and state laws

The district’s procedures for identifying students eligible for ESOL programs are consistent with federal and state laws and the Multicultural Education Training and Advocacy (META) agreement. Osceola’s Language Enriched Pupil (LEP) Plan, which has been approved by the Department of Education, addresses services, procedures, and policies regarding LEP students. Topics covered in this document include identification of LEP students, placement procedures, ESOL program and services, equal access procedures, reclassification procedures, parent leadership council, ESOL programming, home/school communication, and monitoring procedures of program compliance.

The school board of Osceola County has created and approved a school-based position in every school known as the ESOL Compliance Specialist (ECS). The ECS is responsible for identifying, assessing, and monitoring LEP students and ensuring that they receive services in a timely manner. In focus groups, teachers have noted that in addition to their monitoring function, ECSs have been very helpful in providing assistance and in reinforcing instructional strategies that are effective with ESOL students. In addition to ECSs, some schools also have ESOL assistants available in every room to assist teachers.

Professional development for teachers of ESOL students

The district offers ESOL training to teachers that leads to ESOL endorsement, or certification to teach ESOL students, as required by the state. Depending on grade level and subject area taught, teachers must

complete 18, 60, or 300 hours of ESOL training. Based on focus groups, teachers have found many of the strategies learned during these in-service activities very useful, not only for their ESOL students, but for all students.

The district's ESOL curriculum provides students opportunities for specialized instruction combined with meaningful integration into all-English instructional environments. Subject area teachers instruct LEP students using the corresponding district curriculum that follows the Sunshine State Standards. The instructional personnel provide students appropriate and individualized instruction through the use of ESOL teaching strategies, appropriate instructional materials, curriculum modifications, and testing modifications.

Special features of the district's ESOL program

An especially notable feature of the Osceola County School District is its Dual Language Program. The district is host to three schools that offer this special program. In this bilingual program that is open to both English- and Spanish-speaking students, students have one English-speaking teacher and one bilingual teacher in addition to a bilingual assistant. Language arts instruction is provided in the native language. The remaining core classes are switched alternately between English and Spanish for science, social studies, and math, thus allowing the students to gain instruction alternately in both languages. In addition, there are special celebrations throughout the year, such as a Christmas celebration with traditional Spanish customs and foods.

Parents enroll their child in the program at kindergarten and sign a contract in which they make a six-year commitment. At the end of the first semester of first grade, no additional English-speaking students are admitted into the program, though Spanish-speaking students are allowed to enroll. Students are paired up to translate for each other. Teachers generally do not translate for the students in the Dual Language program.

The program is funded by a federal grant of \$2.6 million over five years. Two schools in the district are participating through this grant. They are currently in their second year of the grant. The district is funding the fifth grade since only K-4 is covered under the terms of the grant. In addition to the grant-funded programs, one other school in the district offer a Dual Language Program, doing so without a grant by using money from the school's own budget.

Placement of students in ESOL program

The Osceola County School District uses a variety of approaches to help ESOL students succeed, including inclusion, self-contained instruction, and home language instruction. The school board-approved LEP plan provides for the implementation of the self-contained or inclusion models in K-5 to insure the meaningful integration into all English instructional environments and as a way to save costs on the salaries of pullout teachers.

The length of time a student spends in an ESOL program is one indicator of program effectiveness. Exhibit 5-25 compares the length of stay of ESOL students in the program at Osceola with its peer counties in Florida. As can be seen in the table, Osceola students are exiting the ESOL program more quickly than most of its peer districts for the period 1998-99 through 2000-01 and more quickly than both the peer average and the state average based on 2000-01 figures. Moreover, the time Osceola students spend in the program has been decreasing over the past three years.

Exhibit 5-25

Osceola County’s LEP Students Are Served in ESOL Programs for a Shorter Length of Time Than Most of Its Peers and the State

School District	Overall Average by Year		
	1998-99	1999-00	2000-01
Alachua	1.58	1.86	1.84
Osceola	2.33	2.17	2.12
Leon	2.38	2.16	2.17
Collier	2.11	2.29	2.49
State	2.78	2.97	3.09
Manatee	3.13	3.14	3.16
Lee	3.23	3.36	3.46

Source: Florida Department of Education, Office of Multicultural Student Language Education.

ESOL student performance is mixed when compared with peer districts

Student performance on various academic assessments and non academic measures provide an indication of how well the district is accomplishing its goal of educating ESOL students. Academic assessments include the Florida Writing Assessment and the FCAT.

Academic Assessments. In a recent administration of the FCAT Writing test, ESOL students in Osceola County scored better than only one of its peers on the Persuasive section of the Grade 10 test (see Exhibit 5-26). For the Expository section of the Grade 10 test, Osceola students scored as well or better than four of its peers and higher than the state average. However, on both the Expository and the Narrative/Persuasive sections of the Grade 4 and Grade 8 tests, Osceola students in the ESOL program generally scored less well than their peers and the state average on both sections.

Exhibit 5-26

Performance of Osceola County’s LEP Students Enrolled in LEP Classes Is Mixed When Compared With Its Peers and the State on FCAT Writing 2000-2001

School District	Average Score					
	Expository			Narrative/Persuasive		
	4	8	10	4	8	10
Alachua	2.7	3.5	3.0	2.9	2.3	3.1
Collier	2.8	3.0	2.8	2.7	2.9	2.7
Lee	3.0	3.0	3.0	3.2	2.6	2.8
Leon	3.3	4.4	3.5	2.9	3.9	2.8
Manatee	3.4	2.7	2.6	3.0	2.5	2.6
Osceola	2.8	3.0	3.2	2.5	2.4	2.5
State	3.0	2.9	2.9	2.9	2.6	2.6

Source: Florida Department of Education, Office of Multicultural Student Language Education.

The gap between LEP and non-LEP students is apparent when analyzing FCAT reading and math data. As Exhibit 5-27 shows, Osceola County LEP students perform less well than non-LEP students and the state average of the FCAT reading and math. Eighty-five percent of LEP students in Osceola County scored below Level 3 on the reading portion of the Grade 4 FCAT compared with only 39% of non-LEP students. In addition, this percentage is higher than the state average for LEP students for that test. Similarly, in Grades 5, 8, and 10, the district’s LEP students overwhelmingly scored below 3, and in one

case, eighth grade reading, 100% of LEP students failed to score 3 or better. The average percentage of LEP students statewide scoring less than 3 on the FCAT tends to be high (the range is 81% to 98%). Nonetheless, the gap between LEP and non-LEP students in Osceola County is a considerable one.

Exhibit 5-27

Osceola County LEP Students Perform Less Well Than Non-LEP Students and the State Average on FCAT Tests, 1999-00

Indicator	District Students in LEP Program >2 Years	State Students in LEP Program >2 Years	District Non-LEP Students	State Non-LEP Students
FCAT – Grade 4 Reading (%<3)	85%	82%	39%	45%
FCAT – Grade 5 Math (%<3)	92%	81%	57%	47%
FCAT – Grade 8 Reading (%<3)	100%	96%	57%	52%
FCAT – Grade 8 Math (%<3)	94%	85%	48%	40%
FCAT – Grade 10 Reading (%<3)	98%	98%	72%	66%
FCAT – Grade 10 Math (%<3)	92%	84%	41%	47%

Source: Osceola County School District.

Nonacademic Data. Additional indicators of a program’s success in serving LEP students include nonacademic data such as the rate of graduation, dropout rate, and retention rate. As Exhibit 5-28 shows, fewer Osceola students who have been in the LEP program for more than two years graduate when compared with their non-LEP peers and more LEP students drop out of school than their non-LEP counterparts. Moreover, more LEP students are retained than non-LEP students.

Exhibit 5-28

Osceola County LEP Students Perform Less Well on Most Indicators Than Non-LEP Students and the State Averages, 1999-00

Indicator	District Students in LEP Program >2 Years	State Students in LEP Program >2 Years	District Non-LEP Students	State Non-LEP Students
Graduation Rate	25%	32%	60%	66%
Drop Out Rate	7%	7%	6%	4%
Retention Rate	8%	8%	6%	6%

Source: Osceola County School District.

Recommendations

- We commend the district for its efforts in serving Language Enriched Pupils and encourage the continuation of the Dual Language Program.

- *We recommend that the district continue to evaluate the effectiveness of its ESOL program, particularly focusing on student performance measures (FCAT and Writing Assessment) and other outcome measures such as graduation rate, retention rate, and dropout rate and establish mechanisms to improve ESOL student performance in these areas.*

Action Plan 5-5

Conduct Systematic Evaluation of the ESOL Program	
Strategy	Evaluate the effectiveness of the ESOL program at the school and feeder pattern levels and establish mechanisms to improve ESOL students’ academic and nonacademic performance.
Action Needed	<p>Step 1: Analyze academic and nonacademic data for ESOL students, disaggregated by school to determine trends or patterns.</p> <p>Step 2: Based on this analysis, establish mechanisms targeted specifically to improve ESOL student performance (both academic and nonacademic). Ensure that teachers are adequately trained in ESOL strategies and are using these effectively. Be sure that appropriate support mechanisms are in place for ESOL students and that all students and their families are actively encouraged to participate in these.</p> <p>Step 3: Continue to monitor ESOL student performance and make program and policy decisions based on data trends and performance results.</p> <p>Step 4: Report annually to assistant superintendent of Curriculum and Instruction.</p>
Who is Responsible	Coordinator of Multicultural Education, ESOL Compliance Specialist, Multicultural Education Committee.
Time Frame	July-November 2002; ongoing, thereafter.
Fiscal Impact	This can be attained with existing resources.

5 The district provides effective adult/technical education programs.

The district’s Adult Education and Technical Education Office provides a variety of education and career options for its secondary and post-secondary students

Technical programs for secondary and post-secondary students

Technical training for both adults and high school students is provided at the Technical Education Center / Professional and Technical High School, known as TECO/PATHS. Established in 1994, TECO is a state-of-the-art facility with over two dozen programs for both high school and adult students. It provides initial workforce development for new careers, continuing workforce education training, continuing education in licensure programs, and workplace training for local businesses and industries. Technical career programs are offered in the areas of business technology, health sciences, industrial technology, and public service.

Initially a post-secondary technical center, TECO began serving high school students in 1999. Known as the Professional and Technical High School (PATHS), the student body is drawn from throughout the district. Following their freshman year, students enroll in both academic and technical courses. Each tenth through twelfth grader takes two academic and two technical classes. Students may take a fifth period, and provided all academics are completed by the end of the eleventh year, may enroll full time in a technical program (for example, the LPN program) during their senior year.

Secondary programs

In addition to these program offerings, the district provides numerous internship opportunities for high school students who wish to pursue technical careers. These include

- Works Academy,
- Project Wings, and the
- Project Intern Program.

These alternative programs provide a business internship experience for high school students who are at risk for dropping out. They are the result of a partnership between Osceola District Schools and several corporate sponsors. Works Academy provides students an internship experience with Hyatt hotels, and Project Wings partners with the Greater Orlando Aviation Authority and HMS Host. Project Intern targets graduating juniors who need one-half to one credit in order to graduate with their class. Project Intern partners include Publix Supermarkets, Wal Mart Supercenter, Kissimmee Utility Authority, Florida Hospital, Osceola Regional Hospital and HMS Host at Canoe Creek Plaza and Turkey Lake Plaza. Additionally, Osceola district schools offers the Executive Internship Program to college bound seniors. This provides dual enrollment credit with Valencia Community College and gives real work experience to help students make decisions about future educational and career plans.

In addition, the district has an unpaid internship for students in the Exceptional Student Education Program. Known as the SCORE program, these internships provide students with real work experience and an opportunity to develop work-related skills. Approximately 50-60 students from four high schools participate each year. Each school has a resource person who serves as a liaison, maintains paperwork, ensures that transportation is available for students, convenes bi-monthly meetings of the local transition development team, and helps facilitate the student's transitioning to the community.

Students in these internship programs receive support and skills training, while the business and community benefit by having a trained, motivated workforce and ensuring the best possible return on their education tax dollars. The objective is to keep students in school until they graduate with marketable skills. Local businesses provide opportunities for students to develop employability skills through weekly on-site learning experiences. The district has found that participation in these programs reduces the dropout rate, increases school attendance, enhances student's self-esteem, and improves student's employability skills.

Post-secondary programs

Adult students are largely served at Community High School. Programs for adults include Adult Basic Education classes, support for those pursuing the GED, and ESOL classes. Given the very large population in Osceola County for whom English is not the first language, ESOL is the largest component of the Adult Education Program and comprises five distinct levels. Those on the waiting list for ESOL classes have numbered as many as 800 persons. Community High School also serves as an official GED test site for Osceola County and provides basic skills remediation for students who do not meet requirements for entry into technical and other post-secondary programs. In addition, staff coordinates testing for the GED exit option program located on the Community High School campus. The Opportunity Center, a community-based center funded through a grant, serves adults with disabilities. The district also provides programs at the Osceola County Jail and at worksite locations throughout the county, and holds evening classes at elementary schools and community centers. Community education is largely provided through the city rather than by the district.

Middle schools outreach

In addition to adult and secondary education programs, the district provides support and assistance to middle schools that implement the Exploratory Technical Program. This program provides enhancement

money and curriculum materials to schools to help students at the middle school level explore possible careers in the broad fields of business technology, family and consumer sciences, and technology/ industrial arts.

The district actively involves partners from business and industry, postsecondary education institutions, and labor organizations in the planning, programming and evaluation of its programs

Partnerships with business and industry

Osceola County schools actively encourage participation by the business community in planning and evaluating its programs. Staff from the Technical Education Center (TECO) meet regularly with industry advisory groups for all programs, such as nursing, criminal justice, construction trades, business technology, and wireless. These groups advise on all manner of program aspects and serve as a ready conduit of information. For example, minutes from a recent meeting held with the Health Advisory Board indicate that a particular health care institution in the area was still recruiting for health care workers to cover certain shifts.

Another example of active partnership between the district and the business community is the TECO Wireless Program. The result of a partnership with businesses such as Microsoft and Absolutely Wireless, this new, nine-month Wireless Communication Technology program uses a combination of industry-recognized certification courses combined with other instruction. These companies have provided considerable initial support as well as on-going feedback throughout the process of planning and implementation. The program includes 1,050 hours of instruction and offers internships to students. Business partners have been so impressed with the program that they have already expressed interest in hiring its graduates.

The district also has a thriving relationship with the apprenticeship community. For example, TECO contracts with FEAT (Florida Electrical Apprenticeship and Training) to provide the instruction, while TECO provides the space. TECO and FEAT share the training costs. Through the Academy of Construction Technology (ACT), Osceola County partners with Orange and Seminole counties and Seminole Community College whereby TECO houses the construction programs for all three counties. The program brings together contractors from throughout the three counties. In turn, students are connected to contractors all over the tri-county area, providing internship experiences for students. In the electrical wiring program, students complete one or two Occupational Completion Points and then enter an apprenticeship program that continues to grow in size.

Partnerships with postsecondary education institutions

The district also partners with postsecondary education institutions. In addition to those already mentioned, there is a special program with Valencia Community College whereby students from the Licensed Practical Nurse (LPN) Program at TECO can bridge into the Registered Nurse (RN) Program at Valencia. Students who successfully complete the TECO program perform much better in the RN program than their peers who did not attend the LPN program. In addition, a student who successfully completes the LPN program at TECO can bypass the waiting list for the Valencia RN program thereby reducing the overall time it takes to complete their education.

The district explores new options

In addition to the many partnerships that already exist, the district continues to explore additional opportunities for partnering. For example, the district is currently investigating the possible articulation of their auto mechanic program with Seminole Community College.

The district is sensitive to the needs of the community and makes program adjustments as necessary. For example, in response to the needs of the local community, Osceola District Schools applied for and

received a Florida Department of Education Adult Education Geographic Allocation Grant for 2001-02. This award, in the amount of \$114,671, is being applied to adult education in the district to encourage students to pursue ABE, GED, literacy, and English for Speakers of Other Languages instruction. The target population is 17-year-olds who have dropped out of high school, male and female Osceola County jail inmates, adults wishing to increase their basic skills to qualify for vocational, technical, and community college programs, adults 18-70+ who wish to earn a GED, and residents who speak languages other than English and need to learn or improve their English to succeed in today's economy.

In another example, in response to the large number of applicants, TECO sought to expand its LPN program. As part of the process to add a third, night class to accommodate their students, the district was required to submit a request to the Board of Nursing. The process, which took about one year, also involved determining clinical availability in the region. Thus, before expanding a given program, the district determines not only need but also likelihood of available local employment for its graduates, as well.

The district assesses the effectiveness of its programs using a variety of measures

The district uses the data maintained by the Florida Education and Training Placement Information Program (FETPIP) system as one way to assess the effectiveness of its programs. The FETPIP system is a state data collection system that obtains follow-up data on former students. This information includes employment, continuing post-secondary education, military service, public assistance participation, and incarceration data.

As Exhibit 5-29 shows, the district has a higher percentage of placements than both the state and all of its peer districts for postsecondary vocational students. However, as the exhibit also shows, Osceola has the lowest placement rate for its secondary vocational students. When asked about this placement rate, the district responded that because the state is encouraging all students to pursue post-secondary education, the secondary career programs have been de-emphasized in recent years. The district also noted that if the state were to offer an incentive similar to that of post-secondary education, districts would be in a better position to focus their resources in this area.

Exhibit 5-29

Osceola has a Higher Percentage of Placements Than the State and Most of Its Peers For Its Postsecondary Vocational Students, But Has the Lowest Placement Rate for its Secondary Vocational Students, 2000

School District	Placement Rate	
	Secondary	Postsecondary
Alachua	88%	--
Leon	95%	63%
Collier	82%	76%
Manatee	85%	76%
State	86%	76%
Lee	84%	82%
Osceola	82%	87%

Source: Florida Education and Training Placement Information Program, 1999-2000.

Workforce development education programs are funded by a formula based on both need and performance. Each district receives 85% of its previous year's appropriation as a base allocation. The remaining amount, up to 15%, is based on performance outputs and performance outcomes. Performance outputs measure achievement in the level of student skills and program completion. Performance outcomes measure student placement in the workforce. Outputs and outcomes are each assigned

performance points. In terms of appropriations, Osceola had the second greatest gain among its peer districts in 2001-02.

Exhibit 5-30

Osceola’s Workforce Development Education Appropriation Has the Second Greatest Gain of All its Peers, 2001-02

School District	Vocational Performance \$	Adult General Education Performance \$	Gain/Loss \$
Lee	\$1,025,222	\$372,976	\$5,786
Collier	\$500,183	\$338,847	\$29,325
Alachua	\$0	\$291,084	\$87,875
Leon	\$607,996	\$315,856	\$100,824
Osceola	\$461,782	\$271,767	\$138,945
Manatee	\$667,637	\$657,315	\$616,603

Source: 2001-2002 Workforce Development Education Fund, Final WDEF Allocation, April 28,2001.

In addition to FETPIP data, the district relies on advisory committee recommendations to assess program needs. As noted earlier, each trade group has an advisory committee that meets with school staff regularly to discuss program status and needs. The district focuses on high wage and high need areas of employment. When a program no longer meets these criteria, it may be eliminated. For example, the child care program was recently removed because it was not leading to high wage employment opportunities for graduates. Commercial art was likewise eliminated because placement rates were too low. Conversely, due to input from advisory committees, several programs have been added recently, including pipe trades, automotive, and wireless technology.

The district tracks the success rate of its students. For example, for the 2000-01 school year, 97.9% of the students who participated in COMPACT, the business internship program for students placed at risk, remained in school. A full 30% of COMPACT students were awarded perfect attendance in the program. Moreover, the average student GPA prior to entering the program was 2.16. The average student GPA after completing the COMPACT program was 2.46. For the period 1999-2001, 274 students completed the program. The program graduated 120 students, 38 of whom continued on to community college or public university and 13 of whom went on to a trade school or a technical institute.

Recommendations

- *We commend the district for its provision of adult and technical education services, particularly the SCORE program which serves students with special needs.*
- *We commend the district for its support of the new TECO Wireless Program and encourage staff to continue to investigate the possibility of opening this program to high school students.*
- *We commend the district for its high placement rate of postsecondary graduates.*
- *We recommend that the district continue to evaluate its technical programs for secondary students and develop mechanisms to improve placement rates for students in this group.*

Action Plan 5-6

Improve Placement Rate for Secondary Students in Technical Programs	
Strategy	Evaluate the district’s technical programs for secondary students and develop mechanisms to improve placement rates for students in this group.
Action Needed	<p>Step 1: Analyze placement data for secondary students, disaggregated by program and course of study.</p> <p>Step 2: Determine trends or patterns and develop a plan detailing effective strategies to improve student placement based on analysis.</p> <p>Step 3: Implement strategies based on analysis. Ensure that teachers are properly trained, materials are current and appropriate, delivery is relevant to student needs, and courses of study lead to readily available employment.</p> <p>Step 4: Monitor the implementation of the new procedure, evaluates its effectiveness, and takes steps to improve its effectiveness based on this evaluation.</p> <p>Step 5: Consider the use of mentoring to help students complete program and find employment in their field.</p> <p>Step 6: Reemphasize the secondary program by committing resources to these programs.</p>
Who is Responsible	Director of Technical and Adult Education, technical resource specialist.
Time Frame	August 2002; ongoing, thereafter.
Fiscal Impact	This can be attained with existing resources.

6 The district’s curricular framework is linked to Florida’s accountability standards and to the Sunshine State Standards.

The district aligns curriculum guides, textbooks, and other instructional materials with the Sunshine State Standards and district-level benchmarks.

The district reviews and updates curriculum guides on the same schedule as the state textbook adoption schedule. When a textbook has been selected for adoption, curriculum guides are created or updated to match the new textbook as well as any changes that may have been made to the standards since the last adoption.

The curriculum guides contain a description of the core curriculum at a glance with the Sunshine State Standards listed by subject area with benchmarks. This overview is followed with a listing of grade-level expectations, examples of cognitive questions for the benchmark, and learning strategies for ESOL and ESE students. Examples of vocabulary the students need to be familiar with to meet the benchmark are also included. In middle school math, for example, vocabulary words such as ‘absolute value,’ ‘decimal,’ and ‘fraction’ are listed. In some cases, vocabulary lists have been produced in Spanish, as well as in English. Each guide also provides detailed grade expectations, examples, and specific learning strategies for each benchmark in each subject area.

After the curriculum guide has been developed, the district distributes and conducts training on their guides to all teaching staff. In addition to regular curriculum offerings provided through the Professional Development Office throughout the year, resource teachers are available to visit schools as needed to provide additional training and support. In some cases, district Leadership Teams, composed of one representative from each school are established to train teachers at each school in the standards, benchmarks, and best practices of a particular level and subject area (for example, district Math Leadership Team for grades 3-5).

The district makes an effort to inform teachers and families of students with special needs about the various diploma options for ESE students and how the curriculum leading to these articulate with the Sunshine State Standards. The Exceptional Student Education Department provides teachers and assistants with documents addressing the Sunshine State Standards for Standard Diplomas and Sunshine State Standards for Special Diploma. The documents include State Standards for Special Diploma, Florida Course Descriptions for Exceptional Student Education Grades 6-12, Diploma Decisions for Students with Disabilities, Accommodations-Assisting Students with Disabilities: A guide for Educators, Sunshine State Standards K-12, ESE Instructional Manager (CD-ROM), and the Florida Course Description Database (CD-ROM).

To ensure that the district provides sufficient assistance to teachers for designing instruction to meet the Sunshine State Standards, the district distributes staff development calendars and flyers to every instructor and assistant, as well as to other related school personnel. In addition, the district presents an estimated 75 workshops each school year covering topics such as Modifications and Accommodations for ESE Students, Adaptations for Students, Precision Teaching, Inclusions, ESE Overview of Curricular Issues, and other program specific training.

Recommendations

- *We commend the district for its careful attention to ensuring that their curricular framework is linked both to Florida's accountability standards and to the Sunshine State Standards.*
- *We commend the district for its attentiveness to the curricular needs of its students with special needs and students with limited English proficiency.*

7

The district has a plan for the progression of students from kindergarten through grade 12 that emphasizes remediation and clearly defines retention criteria.

The district's pupil progression plan meets state requirements and includes policies related to evaluating student performance and prohibiting social promotion

We interviewed district staff and reviewed the current pupil progression plan and its recently revised version. The district has revised its current pupil progression plan and the school board is expected to approve it in July 2002. While the current plan has the required parts, the revised plan is better organized in a manner that is easy to use.

Florida requires school boards to establish a pupil progression plan that is based on an evaluation of how well the student masters the performance standards approved by the state board. In addition, the district's plan must be based on local goals and objectives that are compatible with the state's plan for education. Pertinent factors considered by the teachers before recommending that a pupil progress from one grade to another shall be prescribed by the district school board in its rules (s. 232.245, *Florida Statutes*).

The district's revised plan is organized into three sections, Elementary, Middle, and High School. Each section describes in detail the provisions required for a student to progress through the school system. The district's revised plan also includes statements articulating the goal and mission of the district as well as its commitment to maximizing students' potential. The district's pupil progression plan complies with state regulations including those pertaining to the subjects below.

- Student performance standards (Sunshine State Standards)
- Career awareness
- Non-discrimination
- Health education and substance abuse prevention
- Accelerated grade placement
- County Level Special Placement Committee and its communication with parents
- Promotion and retention
- Placement criteria
- Referral procedures
- Out-of-school youth
- Minimum levels of performance on statewide assessments
- Remediation activities
- Alternative placements
- Extended learning opportunities

Of particular importance, the revised plan includes the state's prohibition against social promotion and requires that students who do not meet established expectations receive intensive remedial assistance, including being retained in an intensive program different from what they received the previous year. The district has articulated specific factors that are to be considered by teachers. For example, the elementary school section explains, the system for informing parents of their child's progress, the process for determining if a student is promoted or retained, the interventions required if a student is behind and the assessments available to assist in determining if a student should be retained. The entire process is explained in the form of a matrix detailing every step and option based on several factors. Exhibit 5-31 is an example of an end of year decision-making matrix.

Exhibit 5-31

**Reading, Writing And Mathematics End-Of-Year Decision Making
Promotion – Remediation – Retention**

Grade Four

Classroom Performance	Factors to Consider When Decision Making					Decisions for Next Year	
	Student Performance Level	FCAT-SSS Reading & Math	FCAT-NRT Reading & Math or SAT-9 or Gates Reading	FCAT Writing or Osceola Writes	Did the student have an AIP this year?	Remediation Required Next Year?	Promote or Retain?
Teacher Judgment	Above Grade Level	Level 4 or 5	Stanine 7, 8, or 9	6.0, 5.0, 5.5	No	No	Promote to Grade 5
	At Grade Level	Level 3	Stanine 4, 5, or 6	4.0, 4.5, 3.0, 3.5	No	No	Promote to Grade 5
STAR Results	Below Grade Level Minimally (up to 6 months)	Level 2	Stanine 3	2, 2.5	Yes	Requires a new AIP	Write an AIP if remediation is indicated or promote and closely monitor
					No	Write an AIP or closely monitor	
Reading series daily performance and assessment results	Below Grade Level Considerably (6 months to 1 year)	Level 1	Stanine 2	1, 1.5	Yes	Requires a new AIP	*Retain with AIP or Promote with AIP (Document good cause)
					No	Must have an AIP	
Math series daily performance and assessment results	Below Grade Level Substantially (more than a year)	Level 1	Stanine 1	0	Yes	Requires a new AIP	*Retain with AIP or Promote with AIP (Document good cause)
					No	Must have an AIP	
Gates-MacGinitie Results							
LEP Students-English Language Development							
ESE-IEP performance goals and assessments							
Helping One Student To Succeed (HOSTS)							
Soar to Success Program							
Parent conference and consultation							
Principal Recommendation							

***Mandatory Retention:** Students who have been identified as having reading deficiencies in grades 1, 2, 3, or 4 AND who have received remediation, but score at Achievement Level 1 on the Grade 4 FCAT-SSS Reading AND who score at a national percentile rank below the 25th percentile on the SAT-9 or FCAT-NRT in Reading Comprehension **must be retained**, unless the School Board exempts the student from this mandatory retention for good cause.

Source: Osceola County School District.

The district’s plan describes the academic credit requirements for students, including criteria related to achievement from standardized achievement test results, state assessments, progress on district

benchmarks, and graduation standards. Academic improvement plans are generated for every student with FCAT scores below level 3 in reading and/or math.

Recommendations

- *We commend the district for its careful attention to ensuring that its newly updated pupil progression plan is linked both to Florida's accountability standards, to the Sunshine State Standards and is extremely user friendly. The Osceola County 2002 Pupil Progression Plan should serve as a model for the state.*

8

The district should work with schools to ensure that school advisory council membership represents the community the school serves. In addition, the district should work with schools to focus their school improvement plans on measurable objectives relating to student performance and strategies to address these objectives.

School advisory councils would benefit from recruiting more diverse members

School advisory councils assist schools in preparing and evaluating school improvement plans. State law requires all councils to include the principal, teachers, educational support employees, students, parents, and business and community members. The variety of groups specified for membership helps provide an appropriately balanced and broad-based approach to school improvement. State law also requires school advisory councils to reflect the ethnic, racial, and economic community served by the school. The district has adopted, and the Department of Education approved, a policy that does not require minority representation to be reflective of the school. For example, if the minority composition of the school is 20% African-American and 20% Hispanic, then 40% of the SAC must be minorities the minority group they represent does not matter.

In general, the school advisory councils in Osceola County were lacking business members and in some cases, did not reflect the diversity of the community that the school served. In a review of the membership lists included in 32 school improvement plans, 22 schools did not have members of the business community listed on their school advisory council membership roster. In addition, very few council rosters had instructional support staff listed as members.

School Improvement Plans Can Be Enhanced

The purpose of the school improvement plan is to direct school activities to improve student academic and non-academic outcomes. The school improvement plan should have goals, measurable objectives, and strategies to meet these objectives.

We reviewed all of the school improvement plans and asked the questions below.

- Are the school goals supported by measurable objectives of student outcomes?
- Is there evidence that the school improvement plan is based on the students' needs?
- Are the goals and objectives supported by clear implementation strategies (action steps)?

Most of the plans followed the district's standardized format. This standardization assures that School Advisory Councils address each of the eight state education goals and all of the elements required by law.

The format also mirrors the objectives in the district's strategic plan. However, very few of the school improvement plans' objectives were measurable. Further, in many cases, it was not clear that the objectives were based on students' needs, and the implementation strategies were not as specific as they could be.

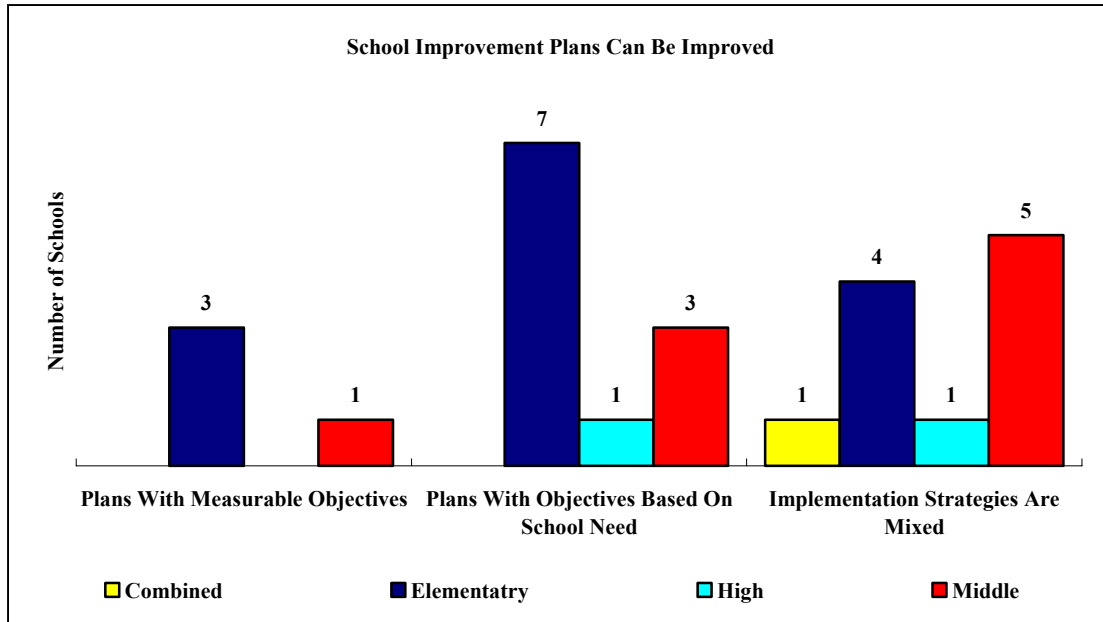
Objectives were most often not measurable, too broad, and vague. An example of this is "Improve student performance in reading, writing, and math." This objective does not state the amount of improvement expected in each subject or how that improvement is to be measured. However, it is important to note, in many cases more specific measures were included as part of the action plan or strategies. Test scores were frequently mentioned in this section. Typically, gains in FCAT test scores were the means by which they were measured. If the amount of expected gains were listed, they appeared in this section as well.

Although 60% of SAC members who responded to our survey indicated that they used student test scores when developing the SIP, our review of the SIPs found it was unclear in many cases whether the objectives were based on students' needs. In some cases, school advisory councils used the school's completed DART Model as their starting point and was included as an appendix to the school improvement plan. In the plans that utilized the DART Model as a starting point, it was clear that the objectives were based on students' needs. If other schools used the DART Model or another system of data analysis, it was not evident in their plans.

Implementation strategies were another area in need of improvement. Many of the plans simply had a list of programs. For example, if the objective was "Improve student performance in reading", there was a list of reading programs. There was no way to tell if these were new or existing programs or how these programs were going to be implemented. Were all students going to have the same programs or were they going to target programs to individual students needs? In addition, there were very few instances where programs were linked to specific student need, a time line for implementation of the program and the person responsible for implementing the program. Many of the plans had mixed implementation plans with some that were clear and others that were not. However, it is important to note that 78% of teachers who responded to our teacher survey indicated that the school improvement plan for their school is consistent with the main strategies used in the school to improve student performance. Exhibit 5-32 shows a breakdown of our plan review by school type, elementary, middle, high, and schools with more than one type of school grade levels called combined.

Exhibit 5-32

School Improvement Plans Can Be Improved



Source: OPPAGA analysis of Osceola County School District school improvement plans.

Although we found most school improvement plans to be lacking, there were some outstanding plans. Pleasant Hill Elementary School’s Plan contains school budget line item requests that correspond to the strategies described in the plan. In addition, the objectives listed are measurable. An example of one of these measurable objectives is: “In the 2000-2001 school year 60% of the 4th graders at Pleasant Hill Elementary (PHE) scored at level 3 or above on the FCAT reading test. In 2001-2002 there will be a 2% increase; in 2002-2003 there will be an additional 2% increase; and in 2003-2004 there will be a 2% increase in the students’ reading scores.”

While 90% of SAC members that responded to our survey indicated they were familiar with the School Improvement Plan, 77% indicated they did not have any training for their role on the school advisory council. This lack of training may explain some of the plans’ deficiencies.

The Link Between the District Strategic Plan and School Improvement Plans Should Be Improved

Although each school improvement plan begins with a statement of the district’s goals and objectives, there are no clear ties between the plans and the district’s strategic plan. It is not clear if the strategic plan considers the needs of individual schools during its development. The SIPs do not appear to feed into the district strategic plan and visa versa.

Recommendations

- *We recommend that the district increase efforts to recruit a more diverse membership for School Advisory Councils.*
- *We recommend the district provide training to SAC members with the purpose of producing more adequate and meaningful School Improvement Plans.*

- *We recommend the district further strengthen the evaluation and accountability component of the School Improvement Plans. In addition to the review of results of each school year, the district should establish a mechanism to continually evaluate SIPs to determine whether progress is being made towards the accomplishment of the goals.*

Action Plan 5-7

The District Should Increase Efforts to Recruit More Diverse School Advisory Council Members	
Strategy	The district should develop a recruitment plan to attract diverse members for school advisory councils including business and community as well as minority membership.
Action Needed	<p>Step 1: The district community relations department should work with the Planning and Improvement Department and schools to develop a strategy to recruit SAC members.</p> <p>Step 2: The strategy should be developed and implemented by the beginning of the school year.</p> <p>Step 3: The recruitment strategy should be evaluated on a semester basis to determine effectiveness.</p>
Who is Responsible	The Community Relations Department, Strategic Planning and Accountability Department and school based staff
Time Frame	Strategy to be developed and implemented by the beginning of the 2002-03 school year.
Fiscal Impact	None.

Action Plan 5-8

The District Should Provide Training to SAC Members With the Purpose Of Producing More Adequate and Meaningful School Improvement Plans	
Strategy	The Strategic Planning and Accountability Department should provide targeted training to each School Advisory Council on an ongoing basis.
Action Needed	<p>Step 1: The district should develop a training schedule for each school advisory council to receive general and school specific training.</p> <p>Step 2: The training should be in a large group of all SACs but MUST also include training at each individual school to cover individual school issues and specific SAC issues within the school year.</p> <p>Step 3: The training should include a roster and evaluation forms and the district should evaluate the training for effectiveness and usefulness and make changes to future training session based on the results of the evaluations.</p> <p>Step 4: The training should include but not be limited to SAC role and responsibility, using data in SIPs, sunshine law, the SAC/School Improvement law, and Robert’s Rules of Order and school board policy.</p>
Who is Responsible	District Strategic Planning and Accountability Department
Time Frame	To be implemented, completed and evaluated the 2002-03 school year.
Fiscal Impact	None.

Action Plan 5-9

We recommend the district further strengthen the evaluation and accountability component of the School Improvement Plans.	
Strategy	The district should further strengthen the evaluation and accountability component of the School Improvement Plans. In addition to the review of results of each school year, the district should establish a mechanism to continually evaluate SIPs to determine whether progress is being made towards the accomplishment of the goals.

Action Needed	<p>Step 1: The district should establish a mechanism to continually evaluate SIPs to determine whether progress is being made towards the accomplishment of the goals. This mechanism could be as simple as creating a database to track SIP goal attainment for each school.</p> <p>Step 2: The district should also establish a mechanism to verify that the SIP goals were based on school-based data (i.e., the DART Model) and that the goals and strategies match the school’s needs.</p> <p>Step 3: If a school’s SIP is found to be lacking these elements, then the district staff should intervene and assist the school in preparing a plan that is useful and targets the school’s needs.</p>
Who is Responsible	Director of Strategic Planning and Accountability, Planning and Evaluation Department, Assistant Superintendent of Curriculum and Instruction Services.
Time Frame	Beginning the 2002-03 school year.
Fiscal Impact	None.

Cost-Effective Instructional Materials

9 The district’s process for selecting instructional materials ensures that instructional materials meet the needs of teachers and students.

The district purchases instructional materials in accordance with Florida law and has a plan for purchasing instructional materials that adheres to the state adoption schedule. The district’s process for reviewing and selecting instructional materials involves teachers and other appropriate stakeholders. The district clearly has identified the flexibility schools have to make decisions regarding instructional materials and budgets for the cost of replenishing instructional materials that contain consumables.

The district purchases instructional materials in accordance with Florida law and in a manner that is consistent with the state adoption schedule

The district’s system for adopting instructional materials mirrors the system used at the state level. During the adoption year and following the state adoption schedule, a committee is formed with district staff and a representative from each school. The school representative must be elected to serve on the adoption committee. They are their school’s liaison linking the school to the adoption process by communicating feedback from the school to the committee.

The District’s Process for Reviewing and Selecting State and District Adopted Instructional Materials Includes Teachers

The district convenes committees comprised of teachers, instructional leaders, curriculum specialists and district leaders to select textbooks and instructional materials for district use from the list of state approved materials. The committee then identifies three choices from which district schools can select materials. At the school level, teachers and administrators select state approved textbooks and instructional materials from the district approved list. In addition, teachers can purchase other materials (including non-state adopted texts and instructional materials). The district has done an excellent job of ensuring that teachers and administrators understand their authority in selecting instructional materials.

The District Allows Schools Flexibility in Making Decisions Regarding Instructional Materials

Due to the system of school based management that is in place, individual schools have quite a bit of leeway when purchasing instructional materials. Each school is given an allocation to be used for instructional materials, including consumables. Each school then makes their selection from the district-adopted list and submits a line item budget request to the assistant superintendent for curriculum and instruction's office for processing. A single person in his office is responsible for ordering and maintaining inventory records for the district. To assure the principals understand the law and constraints involved with categorical funding streams, a memo is sent out at the time of textbook purchasing to remind principals that according to Florida law at least 50% of instructional materials must be spent on state-adopted materials.

10 Each student has access to current and appropriate instructional materials in core courses that are aligned with the Sunshine State Standards and the district's pupil progression plan.

Students in Osceola County have current state-adopted textbooks and other appropriate instructional materials in core courses. According to district records, the district complies with the state textbook adoption schedule. Instructional materials on the state adoption list are aligned with the Sunshine State Standards and these standards are incorporated in the districts pupil progression plan. In isolated cases, teachers in focus groups reported a shortage of textbooks in some subject areas. According to district staff, the shortage was due to past textbook purchasing policies when the district was operating under policies no longer in effect. When asked if student have current textbooks or other instructional materials in core courses to use in class, 47% of respondents to our survey of Osceola County's teachers indicated that they did have instructional materials to use in class. However, when asked if all students have access to current textbooks or other appropriate instructional materials in core courses to take home results were mixed. Thirty-seven percent of teachers indicated that students do have instructional materials to take home, and 35% reported that they did not.

The teacher focus groups and survey indicated that schools vary with respect to how they provide each student a textbook. Under Osceola County's strong school based management system, some schools purchase one book per student for each of the core subjects. The students are responsible for these books and may take them home. Other schools maintain class sets. These books remain in the school or classroom and are not available for the students to take home.

The District Obtains Feedback on Instructional Materials

In order to obtain feedback from teachers on instructional materials the district staff takes several steps. Each school is asked to elect a representative to serve on the adoption committee. It is then the representative's responsibility to bring the materials being considered for adoption to the school for the entire staff to review. The representative then distributes ballots and the teachers' vote for which book they think should be adopted. According to district staff, this process has worked very well and teachers feel they have an opportunity to provide feedback. However, teachers who responded to our survey indicated mixed results when asked if the district solicits their feedback on the usefulness of instructional materials after they have been adopted. Twenty-nine percent agreed that the district did solicit their feedback on instructional materials that have already been adopted, 30% were neutral, and 28% disagreed.

11 While the district's procedures for acquiring and disposing of textbooks are cost-efficient, the district's procedures for collecting fees for lost and damaged textbooks needs to be improved.

The District is Doing a Good Job of Disposing of Obsolete Textbooks

The district has a standard policy for disposing of textbooks. This policy required schools to dispose of obsolete instructional materials in one of four ways.

Material that can not be utilized in inter-district exchange programs may be given to

- other public education program within the district or state;
- teachers to use in developing supplementary teaching materials;
- students or others for personal use and not for profit; and
- any charitable organization, governmental agency, private school, or state.

The system used by the district to dispose of obsolete textbook is the same system used to discard obsolete furniture and other supplies. The books are sent to a warehouse, and once a year the district holds a sale. At this time anyone from the community, including teachers and other staff, may purchase textbooks and other discarded district supplies. Last year the district made \$212 on textbooks and \$135 on surplus library books. The district estimates it sells 10% of their surplus books and gives 90% away to members of the community. They also have donated surplus materials to civic and church groups.

The District Needs to Improve Its Tracking Of Collecting Fees For Lost and Damaged Books

The district has a policy governing the determination of and collection of fees for lost or damaged books. The policy determines the percentage of the cost of the book new based on the amount of damage and/or the number of years the book has been in use. However, elementary school principals and district staff members we spoke with indicated that they have difficulty in collecting these fees because, by law, they cannot withhold information such as the student report card because they have not paid for or turned in their books. Middle and high schools do not allow student to participate in school functions that are not mandatory until they have paid their fees. For example, according to district staff, one high school does not allow seniors to participate in the graduation ceremony until all of their fees are paid. A middle school does not allow students to attend the spring dance until all of their fees are paid. According to staff members, this method has been very effective.

The district does not maintain records of the number of lost and damaged instructional materials, their value, and whether fees were collected. The district does track the total amount of fees collected. Last year the district collected \$28,373.18 in fees for lost and damaged textbooks, which goes back into the district's instructional material fund. It is unclear what percentage of the total fees assessed this is; hence there is no way to determine the district's overall effectiveness in collecting these fees.

Recommendations

- *The district should develop and implement strategies to track the collection of fees for damaged and lost books.*

Action Plan 5-10

The district should develop and implement strategies to track the collection of fees for damaged and lost books.	
Strategy	The district staff along with school-based staff should develop and implement a strategy to track the collection of fees for lost and damaged books.
Action Needed	<p>Step 1: The district Curriculum and Instruction Department should convene a committee of school based staff, parents; and teachers and develop a policy to facilitate the tracking of and the collection of more fees for lost and damaged books.</p> <p>Step 2: The policy should include documentation of the number of books the school started with, ended with, were damaged, lost, paid for, the number not paid for, and the approximate value of the books that were not paid for.</p> <p>Step 3: The policy should be advertised to the public, students, and parents.</p>
Who is Responsible	Curriculum and Instruction Department and school-based staff
Time Frame	January 2003
Fiscal Impact	This will result in more fees collected for lost and damaged books.

Accountability

12 The district needs to improve performance accountability mechanisms for its education programs.

The district does not have clearly stated goals and measurable objectives that address the major aspects of each educational program (for example ESE and ESOL). However, it does use performance measures and benchmarks such as the FCAT, Stanford-9, and school performance grades for evaluating the overall effectiveness of educational programs but does not always use these to make management decisions. In addition, the district has implemented a schedule to formally evaluate major educational programs using regular assessments, legal requirements, and other reasonable criteria as factors. However, such evaluation is limited to the education program as a whole and does not apply to evaluation of individual programs.

The district does not emphasize student performance in strategic planning and does not set measurable targets for improving student performance

The central focus of any school district is to educate the children and citizens of their community and the district’s strategic plan should reflect this focus. The Osceola district’s strategic plan falls short in this area. The majority of the plan discusses various forms of public relations and not student academic improvement. For example, Strategy 1, “*Communicate the district’s mission, beliefs, and pledges to everyone regularly.*” Has 33 action plans associated with it. Student performance isn’t mentioned until strategy four “*Establish higher academic standards that will ensure student success.*” And only has 10 action plans associated with it. There is only one strategy in this section that is measurable, “*The district shall establish the goal of FCAT achievement in the upper quartile of school districts in Florida.*” There are no other goals, objectives, or strategies, which are measurable and focus on improving student performance. The strategic plan is a school district’s guiding document. A plan that does not establish clear measurable guidance is not as useful as it could be. The district should develop a new strategic plan that emphasizes academic achievement. The goals of this new plan must be measurable and the strategies

should be based on data analysis. It is also crucial that the new plan include an evaluation component to assure the district revisits the plan and evaluates student progress and program effectiveness.

District administrators monitor student performance and make program decisions with student performance in mind but data-driven school improvement efforts are mixed

As a whole, the department of Curriculum and Instructional Services meets to review new directives from various sources (state, district, principal input, SAC committees, etc.) to begin planning budgetary and staff needs. This review or “State of the Department” includes scrutiny of programs currently in place for performance and cost. Some of the questions the department addresses in its scrutiny of programs are noted below.

- Who is the targeted audience?
- What tool of measurement may be used to determine effectiveness of the initiative?
- How many staff/student members will be reached?
- What is the cost breakdown inclusive of materials, substitutes, travel expenses, or consultant fees?
- Is it possible to provide the same service of opportunity utilizing existing staff?

This information is compiled on each initiative and then displayed on a “whiteboard” in the department conference room where it becomes a visual tool in the development of both the budget and instructional programs for the upcoming year. Additionally, whenever possible, test scores and data gathered from the Planning and Evaluation area are aligned with both the curriculum and staff development programs sponsored by the department. The expenditures in current projects are tracked by school and initiative, which provides an opportunity to determine if the program is working at a given school by reviewing test scores and student gains. Comparisons may also be made with the district’s cost analysis report. The finalized review and recommendations become a part of the budget process as well as provide the basis of the department’s yearly goals.

The Osceola County School District has also integrated the DART Model (Data Assess Review Target) into all aspects of planning and instruction. Implementation of this model results in a district-wide method for determining student needs in the areas of curriculum, classroom instruction, and assessment. Teachers are able to see exactly which specific areas on the FCAT their students fell short, cross-reference those areas to the sunshine state standards, and adjust their teaching methods. Principals are able to target resources in the areas with the greatest need. Implementation of this model also results in clearer goals for the School Advisory Councils to focus on when composing their school improvement plans. However, through focus groups with principals and teacher and interviews with district staff, we learned that the DART Model is not always used to its fullest potential. The school staff analyzes the data, with help from the Planning and Evaluation Department, as required by the district, but some do not use it as an integral part of their school improvement process.

By holding only school principals accountable, the school based management model hinders district school improvement efforts

The district operates under a strong school based management model. Although the district analyzes data and provides input, very few decisions effecting schools are made at the district level. Interviews with district level staff members indicated that in some instances this method hinders their school improvement efforts. For example, if, after completing the DART Model, it is determined that a school is weak in reading. The district cannot mandate that the school implement a particular reading program even if all the research shows success with their particular student population. The district can merely suggest that the school implement the program. It is the principal’s decision. One of the few requirements the district does hold the school to is the accreditation standard required by the Southern Association of Colleges and

Schools. This association accredits all of the schools in Osceola County. If a principal is not abiding by these standards district office staff can require them to follow these policies.

Although the district curriculum staff cannot require a principal to implement a program or method, they do work very closely with schools that are not performing well. For example, one elementary school has been a “D” school in danger of becoming an “F” school for three years. Schools in this situation are a first priority for intervention by the district and state. The district Planning and Evaluation Department also provides additional support to schools in need of assistance. They assist the principal analyzing and interpreting data and the curriculum department helps by providing services such as professional development and curriculum development. Another intervention implemented to help “D” schools to improve student performance is, assigning psychologists to “D” schools. These psychologists are funded by the ESE Department. The district also has sought assistance from the state Department of Education’s Bureau of School Improvement and Educational Accountability. According to their staff, they have worked with Osceola County, but have been focusing on schools state wide, at risk of becoming an “F”. For more information on district staff’s span of control, please see chapter 3 section 5 of this report.

District administrators need to move beyond monitoring student performance to diagnosing systematic problems and designing interventions based on evaluations of major education programs

The district monitors overall student performance using the DART Model and by disaggregating standardized test scores. However, when low-test scores are found, the district does little to evaluate the cause. The Planning and Evaluation Department does disaggregate data for schools but does not disaggregate data for individual programs such as ESE, ESOL and Vocational programs. One reason for this could be the staff of the Planning and Evaluation Department simply does not have the time to do more in-depth analyses. There are three staff members in the Planning and Evaluation Department. They are responsible for collecting and disaggregating the district’s standardized test data, assisting school with any data needs, as well as for administering standardized tests. Administering the tests includes hiring proctors, distributing test booklets, and packing up the completed test booklets all following strict security protocols. In addition, the district’s Accountability and Strategic Planning office does not have the staff needed to assure the school improvements plans and the district strategic plan include an evaluation component or the staff needed to follow up to assure the schools are evaluating programs. The district should merge the functions of these two departments and create an Accountability, Planning, and Evaluation Department that is charged with just that, improving schools and evaluating programs. The new department should be the starting point for all planning and school improvement efforts in the district. This new department should work in concert with the curriculum and instruction departments in developing interventions based what data analysis determines an individual school’s strengths and weaknesses. By merging these two departments and giving the curriculum and instruction staff more authority over individual schools (see Action Plan 5-12), the district will make data-based decision making and student performance the focus of the entire district.

Recommendations

- *The district should develop a new strategic plan that emphasizes academic achievement. The goals of this new plan must be measurable, the strategies based on data analysis, and include an evaluation component to assure the district revisits the plan and evaluates student progress and program effectiveness.*
- *The district should combine the Accountability and Strategic Planning Department with the Planning and Evaluation Department to form the Accountability, Planning, and Evaluation*

Department. The purpose would be to build evaluation skills in the organization through training of program managers in evaluation techniques.

Action Plan 5-11

The district should develop a new strategic plan that emphasizes student academic achievement.	
Strategy	The district should develop a new strategic plan that emphasizes academic achievement. The goals of this new plan must be measurable, the strategies based on data analysis, and the plan must include an evaluation component for each program.
Action Needed	<p>Step 1: With the school board and key district staff a strategic planning committee should be formed and charged with the task of developing a strategic plan. The committee MUST include staff from the Planning and Evaluation department to assure decisions are based on data.</p> <p>Step 2: The plan should be adopted by the school board and shared with all staff members and the community as a whole.</p> <p>Step 3: All staff members should receive training and constant reminders on the elements of the strategic plan with emphases on student achievement as the purpose of the district school system. This will help promote an atmosphere of making teaching and learning the priority of the district.</p>
Who is Responsible	All district staff
Time Frame	To be completed before the end of the 2002-03 school year
Fiscal Impact	None.

Action Plan 5-12

The district Should Combine the Accountability and Strategic Planning Department with the Planning and Evaluation Department to Form an Accountability, Planning and Evaluation Department	
Strategy	The district should combine the Accountability and Strategic Planning Department with the Planning and Evaluation Department to form the Accountability, Planning, and Evaluation Department. This new department would be made up of staff from both departments and two new staff members who will facilitate evaluation activities. The focus of this department is to integrate the use of data in to all levels of decision making including in the development of school improvement plans; assist curriculum staff in identifying problem areas within schools and developing individual action plans as part of a system of continual school improvement; evaluate major programs (ESE, ESOL, Vocational Education) and smaller programs at individual schools.
Action Needed	<p>Step 1: Before combining the two departments, assess the skill sets of the current employees of each department to determine current strengths and weaknesses.</p> <p>Step 2: When the current director of Accountability and Strategic Planning retires, his salary will become available to fund two new evaluation positions.</p> <p>Step 3: To round out the department, hire two new staff members who have the skill sets the current staff members do not.</p> <p>Step 4: Conduct a training/information session with the rest of the staff (district and school based) to inform them of the new department and the changed focus of the department.</p> <p>Step 5: Send flyers and conduct trainings for School Advisory Council Members so they too are aware of the change.</p> <p>Step 6: Charge the new department with developing an evaluation plan and a school improvement plan for the district.</p> <p>Step 7: Train school based staff in evaluative techniques and set program evaluation expectations.</p>

Who is Responsible	Superintendent and board to make change and hire new staff; accountability, planning and evaluation staff to implement change.
Time Frame	Department to be established before the end of the 2002-03 school year
Fiscal Impact	None. Use the retired director's salary to implement this action plan.

13 The superintendent reviews the administrative organizational chart yearly for efficient staff placement and adequate program coverage.

The district reviews the organizational chart and makes changes as needed

Most recent changes in the administrative structure of Curriculum and Instructional Services include the addition of the Coordinator of Multicultural Education and Coordinator of Charter and Choice Schools. The Multicultural Department was experiencing a significant influx of students to its program, which required additional staff to manage testing, ESOL endorsement and resolution of issues arising with the children's educational protocol. The Osceola County School Board approved the Coordinator of Charter and Choice Schools during the summer of 2000. Osceola County is currently approaching its cap of 12 charter schools. To date, the district has one-half of an administrative position vacant. This position, coordinator of Prekindergarten, has been held vacant pending operational changes in the Prekindergarten program.

When compared to peer districts Osceola's staffing levels are comparable. The district has a greater percentage of support staff than the state average and smaller percentage of instructional staff. Exhibit 5-33 displays the comparison of staffing levels between the state and peer districts.

Exhibit 5-33

Peer District Comparison of Staffing Levels

District	Total Number of Staff	Percentage of Administrative Staff	Percentage of Instructional Staff	Percentage of Support Staff
Alachua	3,954	4%	50%	47%
Collier	4,168	4%	52%	44%
Lee	6,313	4%	55%	42%
Leon	4,197	4%	52%	45%
Manatee	4,751	3%	50%	47%
Osceola	3,881	3%	51%	46%
State	275,089	3%	55%	42%

Source: Profiles of Florida's School Districts 2000-2001, Florida Department of Education.

Minimal increases in instructional and professional support staff have occurred during the previous three years. The current staff, with careful planning, cross training, and an emphasis on prioritizing projects, has maintained a high level of service with very little growth. The most recent addition to the specialist's category is the Research and Evaluation specialist position. This position responds to the principal's requests for alignment between test data and curriculum and works very closely with other instructional resource staff members. Currently, two instructional positions remain open. They are social studies resource specialist and health/DFS resource specialist. It is the district's intent to continue to allow these two positions, which are not currently included in the testing process, to remain vacant until the economic uncertainty passes.

The professional support staff members have demonstrated the strength of their skills in providing all staff members with clerical and accounting support as well as a multitude of other responsibilities. Minimal change has occurred within this category.

The District Adjusts Their Staff Based on Student Growth and School Need

It is the primary intent of the various departments of Curriculum and Instructional Services to provide services and support to the schools and departments in Osceola County. This is in response to the establishment of school-based management by the Osceola County School Board. The administrative staff of Curriculum and Instructional Services provides encouragement, information, and guidance in response to requests received by our school administration, faculty, and parents. To achieve this initiative, the departments have been designed and staffed in response to population growth and program expansion.

Osceola County’s Teacher Student Ratio Is Above the State Average and Peer Districts

Osceola County’s teacher-student and guidance-counselor-student ratios are above most of their peer districts and the state average. One possible reason for this is the high rate of growth Osceola County is experiencing. Approximately 3,000 new students move to Osceola County each year. Although the teacher student ratio is higher than peers and the state average, Osceola’s teacher aide to teacher ratio is the lowest of their peers and the state average.

Exhibit 5-34

Peer District Comparison of Staff Ratios

District	Classroom Teachers To Students	Teachers Aides To Classroom Teachers	Guidance Counselors To Students
Alachua	1: 17.71	1: 4.22	1: 404.12
Collier	1: 17.21	1: 2.92	1: 271.44
Lee	1: 18.04	1: 5.54	1: 481.52
Leon	1: 16.66	1: 3.01	1: 414.98
Manatee	1: 16.64	1: 2.99	1: 443.1
Osceola	1: 19.19	1: 2.78	1: 461.98
State Average	1: 17.68	1: 4.29	1: 438.18

Source: Profiles of Florida School Districts 2000-01, Florida Department of Education.

As the District Grows, Changes in the District’s Organizational Chart Should Be Made

Currently the superintendent supervises the deputy superintendent for operations; the assistant superintendent of Curriculum and Instruction; the coordinator of community relations; and 31 school principals. This is a total of 34 organizational units reporting to the superintendent. The chairman of the Osceola district school board believes the district will soon grow from 31 to 50 schools.

With 50 principals reporting to the superintendent, the district will soon be at a point where it cannot afford to maintain such a span of control, for the superintendent. To provide a more reasonable span of control we proposed an alternative organizational structure for consideration. The new position of deputy superintendent for instruction would be created and would report to superintendent. The assistant superintendent of Curriculum and Instruction and all school principals would report to this new position of deputy superintendent for instruction for a total of 32 programs reporting to them. In addition, this structural change will allow curriculum and instructional staff to intervene directly when a school’s student performance does not meet district or state standards. District intervention would be triggered when a school failed to meet student achievement standards and could include requiring the school to set up remedial programs, conducting student level analysis of test scores, implementation of reading programs or teacher staff development.

Further down the road, as the number of schools continues to grow, it may be necessary in the future to create two assistant superintendent positions just to administer the schools and these two new assistant superintendents would report to the deputy superintendent for instruction. The assistant superintendent for business and financial services and would no longer report to the deputy superintendent of operations but would report directly to the superintendent with a total of six programs reporting to them. The deputy superintendent for operations would remain and would report directly to the superintendent with five programs reporting to them. This would be total of four organizational units reporting to the superintendent and a more manageable span of control.

14 **The district does a good job of reporting the effectiveness and costs of major educational programs.**

Documentation provided demonstrates that the district does inform the public on the performance and cost of its major educational and operational programs. This is done through two documents. The first is *Window on the Classroom*, the 2000-2001 Osceola School District Annual Report to the Community and is distributed as an insert to the News Gazette newspaper. The *Windows on the Classroom* shows what major programs the money went to by percentage and per student per day. The second is the Osceola County School Board and superintendent's *News and Views*, published in the *News Gazette* newspaper. It shows the revenue sources that went to each school and how that money was spent per student. Per student costs are given for the categories of substitute teachers, maintenance to the school, and textbook cost. The *News and Views* lists percentages for suspension rates, absentee rates, minority rates, mobility rates, and new staff. Portions of the strategic plan's action plans that have been completed are highlighted.

In addition to *Windows on the Classroom*, the district also publishes a myriad of other publications, newsletters mostly, that are used to communicate with parents and the public. While these publications do not include any cost or financial information, they do attempt to make the public aware of what is going on in their community's schools. These publications include those below.

- *FCAT Florida Comprehensive Assessment Test, Strategies for Success*. This pamphlet contains information on the FCAT broken into three sections; What is the FCAT?, Why do we need to know about the FCAT?, How do we begin?, and contains basic information in response to these questions.
- *Academics & Curriculum*. A newsletter containing basic information on the FCAT, opportunities for accelerated graduation including dual enrollment, International Baccalaureate and the Double "A" Scholars Program. This newsletter also contains information about alternative and remedial education.
- *Report Card*. A list of each school and the school performance grade (school grade) awarded to them by the state.

Recommendations

- *We commend the district for its careful attention to informing the public of its progress and fiscal responsibility.*

Library Media Services

15 **The district does a good job of providing library and media materials although current collections need to be updated.**

The district’s school libraries or media centers generally do a good job of supporting students’ need. However, many of the collections are out of date. The district uses procedures to reduce library and media costs, such as coordinating orders to take advantage of a state discount. Osceola County also annually evaluates library and media services to ensure that resource materials are accessible to all students, represent current research, and are automated.

Few schools meet the standards for library collection age; most collections are older than they should be

The district does an annual analysis of the age of the library collections in Osceola County. According to district staff, this analysis has pointed out that library media books collections are older than they would like them to be. Osceola County has adopted the following standards for determining the acceptable age of their library collections:

- at least 70% of books should be 10 years old or less;
- no more than 20% of books should be 11 to 20 years old; and
- no more than 10% of books should be more than 20 years old.

Using this standard, only five (Kissimmee Elementary, Horizon Middle, Celebration, Discovery Intermediate and the Narcoosee Community School) of the Osceola County school library collections comply with this standard. However, 59% of teachers who responded to our teacher survey indicated that their media center is current and up-to-date. Only 11% of teachers indicated their media center did not have up to date resources.

School spending on library books varies widely, only one school meets standard.

Related to the age of collections is the amount each principal spends on library books. The district collects data on the number of books per pupil and the amount each school spends on library and/or media center materials. The indicators vary widely across the district. For the 2001-02, school year the amount spent on library books ranged from \$0 to \$10,939.81 (see Exhibit 5-35). Under school-based management, principals have discretion over the amount they spend on library materials; however, they must follow school board policy on purchasing materials. Before the district went to a school based management model principals were required to spend \$7 per student on library books. In the 2000-01 school year, 12 principals did not purchase any library books, 7 of the remaining principals spent less than \$1 per student on library books. Only one school, Horizon Middle School, met the standard for the 2001-02 school year by spending \$9.95 per pupil on library books.

Exhibit 5-35

The Number of and Amount Spent on Library/Media Books Varies Widely From School to School

Indicator	Minimum	Maximum	Median
Books Per Student	6.08	111.05	11.77
Amount Spent on Library Books	\$0	\$10,939.81	\$133.27

Source: Osceola County School District.

Annually all media centers conduct a program evaluation that evaluates whether services and resources are accessible to students. The results of this survey are compiled and a letter grade is assigned to the school's Library/Media Center. The 2001 report states most school staff members are pleased with their library and media services. However, it could be improved. As seen in Exhibit 5-36, the majority of schools rated their media centers as above average or a grade of "B". In addition, 52% of teachers responding to our teacher survey indicated their media center has sufficient materials for all students.

Exhibit 5-36

Most Schools Rate Their Library/Media Centers as "Above Average"

Number Of "A" Media Centers	Number Of "B" Media Centers	Number Of "C" Media Centers
4	21	4

Source: Osceola County School District.

All library media centers in the Osceola District Schools are automated. The district has a contract with the Follett Software Company that not only provides the software used to automate district media centers but also provides software updates, service packs, data repair, email and fax assistance, CD-ROM replacement and toll-free telephone technical support. In addition, the media centers use an inter-library loan system.

Recommendations

- *We recommend that the district work toward updating its library/media collections.*

Action Plan 5-13

The District Should Work Toward Updating Its Library/Media Center Collections	
Strategy	The director of Media and Instructional Technology and her staff should develop and implement a policy requiring school library/media collections to meet the standard.
Action Needed	<p>Step 1: The director of Media and Instructional Technology and her staff should develop a policy requiring schools to meet accepted library/media center policies at their schools.</p> <p>Step 2: Once the policy is developed it should be approved by the school board to assure their support on this issue.</p> <p>Step 3: Once the policy is approved by the board, the director of Media and Instructional Technology and her staff will work with schools not meeting the standards in developing a plan to meet the standards in a reasonable amount of time.</p> <p>Step 4: The implementation of these plans must be monitored by the director of Media and Instructional Technology and trainings quarterly reports of progress reported to the school board and superintendent.</p>
Who is Responsible	Director of Media and Instructional Technology and her staff.
Time Frame	To be implemented, completed and evaluated before the end of the 2002-03 school year.
Fiscal Impact	None.

16 **The Student Services Department Meets the Challenge of Providing Student Support Services in a Rapidly Growing District.**

The Student Services Department provides quality services to meet the needs of Osceola County’s diverse and growing population. Included under the student services umbrella are psychological services including ESE testing, guidance counseling, social work, health services, attendance and truancy assistance, drug, alcohol and substance abuse counseling, and coordination with the Juvenile Justice Court System. Historically, the Student Services staff has been assigned to serve a specific number of schools. However, since Osceola County operates under a strong school based management model, principals assess the needs of their student body and hire student services staff to meet those needs.

The District Uses Innovative Methods to Meet Increasing Demands

The department employs 62 professional and paraprofessional personnel who are responsible for the delivery of student support services. Exhibit 5-37 shows the funding; including personnel and operation, for the Student Services Department for school years 1998-2001. While the department’s funding has increased an average of 5% a year since 1998-99, the district’s student enrollment has increased an average of 16% each year and increased 31% during the 2000-01 school year. The rapid growth in students increases the demands on all student support services staff.

Exhibit 5-37

Osceola County’s Student Services Budget Has Increased by 15% Percent Since 1998-99

Year	Budget Amount
1998—99	\$2,173,860
1999—00	\$2,194,407
2000—01	\$2,385,955
2001—02	\$2,494,272

*Budgets include paybacks to the district due to missed enrollment projections.

Source: Osceola County School District.

Exhibit 5-38 shows the impact on this increased demand for psychological evaluations needed for determining Exceptional Student Education eligibility. The number of assessments has increased 49.8% over the past four years. The growth is affecting student support services ability to complete assessments during the year the assessments are assigned.

Exhibit 5-38

The Rapid Growth in Students Needing Psychological Assessments for ESE Eligibility Is Increasing the Percentage of Pending Referrals

School Year	Psychological Assessments for Exceptional Student Education Eligibility (Temporary placements, re-evaluations, and new referrals)	
	Assigned	Percentage completed during the school year
1996-97	1,902	84%
1997-98	2,029	79%
1998-99	2,232	78%
1999-00	2,451	80%
2000-01	2,849	73%

Source: Osceola County School District.

The Largest Group of Professionals Within the Department Is Psychologists

Osceola County employs 22 school psychologists and two psychologist interns. There are two types of psychologists. Itinerant school psychologists are assigned to several schools. Their primary task is evaluating students for ESE services. In addition, they have administrative activities such as reviewing records and provide a variety of services such as group and individual counseling services, conduct classroom observations and write a variety of reports. School-based school psychologists are assigned to a single school and have the same duties as the itinerant psychologist except they provide more individual and group counseling. Fifty-five percent of teachers responding to our survey agreed with the statement, “I receive needed support from school psychologists.”

The district uses several innovative methods to address the increased demand for psychological services

Shared Costs. The district has instituted several innovative funding mechanisms. The Student Services Department shares the cost of several positions with other departments or other schools. In the case of individual schools, the district level student services budget pay one-third of the cost of a school psychologist and the school pays two-thirds. By sharing the cost, the school is able to continue to provide the direct services that students need and the district maintains a psychologist position.

Hiring OPS Psychologists During Summer Break. In addition to sharing the cost of position with schools, for the past three summers the Student Services Department has been able to hire school psychologists on a part time temporary basis (OPS). The department determines the amount of money available. After projecting the workload for the summer and the number of psychologists interested in working during the break, the department then figures out how many hours will work and how much the psychologists will be paid. The OPS psychologists are the same psychologists that work for the district during the school year so they are familiar with internal procedures. As mentioned in the ESE section of this chapter, this practice has minimized the backlog of pending referrals at the beginning of each school year.

“The Grow Your Own Program.” Another innovative practice is the district’s “Grow Your Own Program” in which the district employees two psychologists interns and they spend the year being trained as a school psychologist. Six years ago, the district formed a close relationship the University of Central Florida’s Psychology Department to train School Psychologists who then intern with Osceola County Public Schools. In most cases, the district, upon completion of their internship hires the interns. Through this program, new employees (former interns) begin their jobs with a working knowledge of the internal systems of Osceola County and require very little additional training in order to fulfill their job requirements. This program has helped the district keep up with the needs of their booming student population.

Guidance Counselor to Student Ratio Is Slightly Higher Than Most of Their Peer Districts

The district’s ratio of guidance counselor to student is higher than the state average and the second highest of its peer districts. However, 72% of teachers responding to our survey agreed with the statement, “I receive needed support from guidance counselors.” Principals have the ability to increase guidance counselor staffing based on their schools individual priorities. Exhibit 5-39 indicates the ratio of counselor to students in peer districts. Some examples the duties of a guidance counselor are listed below.

- To advise students of program offerings and requirement
- To maintain current records and interpret information for each student
- To assist students in developing a positive and realistic self concept
- To refer students to appropriate community agencies

- To confer with students and teacher regarding individual student progress
- To advise students of career and/or higher education requirements
- To maintain and properly submit accurate complete records as required by law, district policy and administrative regulations

Exhibit 5-39

Peer District Comparison of Staff Ratios

District	Guidance Counselors To Students
Collier	1: 271.44
Alachua	1: 404.12
Leon	1: 414.98
State Average	1: 438.18
Manatee	1: 443.1
Osceola	1: 461.98
Lee	1: 481.52

Source: Profiles of Florida School Districts 2000-01, Florida Department of Education.

By Hiring Health Aides Instead of RNs or LPNs the District Is Able to Provide Full-Time Health Services in Every School

While the district only employs two registered nurses, each school has their own health aide. The district is able to continue to offer health services at each school by hiring health aides for every school instead of registered nurses (RNs) or licensed practical nurses (LPNs). Through this practice, the district saves money on salaries and is able to continue providing health services. Sixty-five percent of teachers responding to our survey agreed, “Students have access to appropriate health services.” The health aides are certified in CPR, first aid, and medication safety. Each performs health services and screenings. Each also assists in office personnel duties, bus duties as assigned, and morning attendance. During the 2000-01 school year, health aids recorded 107,730 student visits. Among the duties performed by health aides are

- conducting height and weight screenings for all students in kindergarten, first, second, third and fifth grades;
- reviewing all seventh grade immunization records for the annual survey and notified parents regarding immunizations that were due;
- performing hearing and vision screenings in prekindergarten, kindergarten, first, second, third, fifth, seventh grades and various special education classes; and
- tending to student health needs (e.g., distributing medication, tending to a sick child, addressing injuries, etc.) on a daily basis.

Recommendations

- *We commend the district on using creative methods to resolve student services staff and funding short falls due to excessive growth within the district.*
- *We commend the district for developing their “Grow Your Own” program to address the need for school psychologists.*

6

Administrative and Instructional Technology

The Osceola County School District is proactive and inclusive in planning and delivering technology services to the community it serves. Both the Information Technology and Services Department and the Media and Instructional Technology Department make positive contributions to the district's goal of promoting the effective use of technology. However, the district's attempt to provide a technology-rich environment to all students districtwide is hindered by an unclear replacement policy and limited compliance with districtwide standardization guidelines. Also, the district has not developed a strategy to maximize the allocation of technology resources or to evaluate the success of targeted technology initiatives by systematically analyzing district data.

Conclusion

The administrative and instructional technology units of the Osceola County School District are the Information Technology and Services Department and the Media and Instructional Technology Department. Both departments are proactive in delivering technology services to meet district needs. Among other accomplishments, the Information Technology and Services Department has facilitated the district's need for connectivity through the expansion of its computer network for email, intranet and Internet access and information exchange. Likewise, the Media and Instructional Technology Department provides leadership in developing and implementing integration strategies for both schools and district curriculum units. As a result of the combined efforts of these two departments the district has acquired resources to enhance classroom infrastructure and consistently strives to provide training and technical support. Both make a positive contribution to the district's goal of promoting the effective use of technology to improve student achievement.

Two general areas of improvement are identified in this report. The district's attempt to standardize technology districtwide has been only moderately successful which inhibits equitable distribution of modern equipment to Osceola students, increases technical support costs, and diminishes the district's ability to leverage its purchasing power. The district does not systematically analyze available data. Analyzing available data will enable the district to develop strategies to measure the effectiveness of technology initiatives, to maximize the allocation of limited technology resources, and to target future initiatives. These general areas of improvement are discussed in more detail in later sections of this report.

During the course of this review, OPPAGA identified a number of district accomplishments in the area of administrative and instructional technology, some of which are included in Exhibit 6-1 below.

Exhibit 6-1

Notable Accomplishments in the Last Three Years

- The Osceola County School District's Five-Year Educational Technology Plan was developed with a clear mission in mind: "To promote the effective use of technology to improve student achievement" and to "provide a technology-rich environment as a key to relevant education ensuring that all students become lifelong learners." The district solicits input from not only educators and administrators but also from parents, business partners and other concerned members of the community.
- The district has successfully pursued additional technology funding through available grants. In the last three years, the district has been awarded \$3.7 million for technology proposals it has submitted. These include Technology Literacy Challenge Funds, E-rate and other grants, including a Wireless Technology Training program grant.
- In October 2001, the district launched its professional development intranet application. This application allows employees to preview and register for scheduled training events on-line, review their individual training history, and schedule workshops of their own. The application interfaces with the email system for approval of participation in and acceptance of workshop registration. Interviews with staff indicate that the system is very much appreciated for the amount of information it provides, its ease of use and for the improved accessibility to professional development opportunities provided.
- The Media and Instructional Technology Department supports the district's effort to integrate technology into the daily lives of educators, students and parents. In the last three years, the department has worked closely with the Information and Technology Services Department to provide training and support for programs such as Pinnacle Gradebook, Homework web page, Access Osceola, and an on-line web based technology-training programs.
- The Technology and Information Services Department, in partnership with ESE Department, developed a computerized browser-based application that enables Resource Compliance Specialists and ESE teachers to manage student ESE information via electronic forms. The system has improved ESE processes by allowing authorized users to share data, submit requests, enter and validate basic information and the system automatically notifies users when responses are required. Users are very pleased with the improved access, readability, accuracy, and ease of use.
- In 1996, the district made the decision to update its administrative systems with an IBM AS 400 system running the Total Educational Resource Management System (TERMS) Financial and Student Information modules. Through the cooperative efforts of the Information and Technology Services and the Business and Fiscal Services departments, the functionality of the system has been successfully implemented and continues to expand.

Source: Osceola County School District, March 2002.

Overview of Chapter Findings

The Office of Program Policy Analysis and Government Accountability (OPPAGA) reviewed the district's administrative and instructional technology using the Best Financial Management Practices (BFMP) adopted by the Commissioner of Education. OPPAGA employed several methodologies to develop chapter conclusions and action plans. Initially OPPAGA conducted a preliminary assessment of the BFMPs by surveying district level managers. Participants in the preliminary assessment included the deputy superintendent for School Operations and Human Resources, the director of Media and Instructional Technology, the director of Information Technology Services, the director of Professional Development and the coordinator of Accounting and Audit. OPPAGA also conducted a series of on-site interviews with district-level managers, school administrators, educators and technical support specialists gathering information describing their policies and procedures and collected other information pertaining to the best practice indicators.

The Technology Resources Survey was used to derive information about the availability and distribution of technology resources among schools in the district. Other sources used to understand the demographics and specific challenges of the district in providing technology services included reports from the Florida Department of Education, the Florida Auditor General, and numerous reports and documents submitted by the Osceola County School District.

An overview of chapter findings is presented below.

Technology Planning

1. The district takes a proactive, inclusive approach to technology planning by soliciting input from not only educators and administrators but also from parents, business partners, and other concerned members of the community. (Page 6-11)
2. The district has a comprehensive Five-Year Educational Technology Plan that provides direction for administrative and instructional technology initiatives and each school has a technology plan. However, the plans are not specific in defining measurements for evaluating expected outcomes and the district has no systematic approach to evaluate the implementation of school technology plans. (Page 6-12)

Effective Support

3. The district provides support to assist educators in incorporating technology into the curriculum. However, the district has no written approach to evaluating technology usage to identify underutilized systems and determine whether the benefit of supporting these systems outweighs the costs. (Page 6-14)
4. The district provides technical support for educational and administrative systems in the district. However, the district can provide technical support more efficiently if systems are kept current and the district standardization guidelines are followed. The district has no written replacement policy. (Page-6-17)
5. The district provides technical support for hardware, software, and infrastructure, but efficiencies can be gained by regularly analyzing help desk information to identify where recurring problems exist and to share solutions to recurring problems districtwide. (Page 6-21)

Professional Development

6. The district has a professional development plan that reflects the district's vision of integrating technology to enrich the learning environment and enhance administrative support. (Page 6-23)
7. The district provides professional development for the instructional technologies. (Page 6-25)

Appropriate Technology for Performance

8. The district has a Technology Acquisitions Plan and bases technology acquisitions on instructional needs. However, the district should strengthen its processes to better evaluate the effectiveness of technology acquisitions on student outcomes. (Page 6-26)
9. The district bases technology acquisitions on the results of research and planning. (Page 6-27)
10. The district has established standards for acquiring new programs and digital content that promote the integration of technology into everyday curricular needs. (Page 6-30)
11. The district has a stable and efficient infrastructure. (Page 6-32)

Appropriate Use of Technology

12. The district has established and communicated a policy stating appropriate uses of all types of technology resources, including computers, video equipment, software, and the Internet. (Page 6-33)

13. The district supports compliance with the established policy on safe and legal use of technology resources. (Page 6-34)

Management Information Systems

14. Segregation of Duties. The district segregates duties to reduce the risk that unauthorized transactions will be entered and not discovered quickly. (Page 6-35)
15. User Controls. The district's user controls ensure authorization prior to processing transactions and ensure all output represents authorized and valid transactions. (Page 6-35)
16. Application Controls. The district's applications are designed to provide users with reliable data. (Page 6-36)
17. General Controls. The district has established general controls in the areas of access, systems development and maintenance, documentation, operations, and physical security to promote the proper functioning of the information systems department. (Page 6-37)
18. The district's management information systems provide data requested by administrative and instructional personnel in a timely and reliable manner. (Page 6-38)
19. The district has taken steps to minimize the number of independent databases and build interfaces for databases that support district objectives but are independent of its centralized computer systems. (Page 6-39)
20. Other Controls. The district has established appropriate controls related to electronic data exchange transactions, other transactions processed through electronic media, and image processing systems. (Page 6-40)

Fiscal Impact of Recommendations ---

The fiscal impact of this chapter's recommendations will depend upon the course of action the district decides to take. We estimate that by systematically standardizing computer acquisitions and replacing a fifth of the computers at district schools annually, the district can achieve savings of at least \$302,000 in technician labor hours over a five-year period. However, we believe additional savings can be achieved in the longer term if the district eliminates the costs incurred by storing and disposing of out-of-warranty electronic equipment. Exhibit 6-2 summarizes the recommendations made in this chapter that have fiscal impact.

Exhibit 6-2

**Administrative and Instructional Technology Action Plan
Recommendations That Have Fiscal Impacts**

Recommendation	Five-Year Fiscal Impact
<ul style="list-style-type: none"> Action Plan 6-2: Develop and implement a systematic approach for evaluating school technology plans to ensure the objectives are being met and that district standardization policies are being adhered to. 	<ul style="list-style-type: none"> Cost savings of Standardization: \$302,000 over 5 years (see Exhibit 6-15 Technician Labor Hours Savings)
<ul style="list-style-type: none"> Action Plan 6-3: Develop and implement a strategy for evaluating software with respect to district performance expectations and then allocate limited resources to supporting only those packages that best meet performance goals. 	<ul style="list-style-type: none"> Cost savings of 5% in software costs: \$170,000 over 5 years
<ul style="list-style-type: none"> Action Plan 6-5: Develop and implement an equipment replacement policy that leverages the districts purchasing power and reduces the total cost of ownership by reducing the costs of supporting older, out-of-warranty equipment, providing equitable access to new equipment districtwide and freeing schools to focus on instruction. 	<ul style="list-style-type: none"> Cost savings of replacing annually 2,000 computers at a time with a 5% volume discount: \$750,000 over 5 years For support cost savings of standardization see Action Plan 6-2.
<ul style="list-style-type: none"> Action Plan 6-9: Consider storage and disposal costs in deciding on the best strategy for acquiring technology. 	<ul style="list-style-type: none"> Expenditure: (\$80,375) over 5 years (see Exhibit 6-15) Cost Savings: \$181,000 over 10 years (see Exhibit 6-15)

Source: OPPAGA.

Background

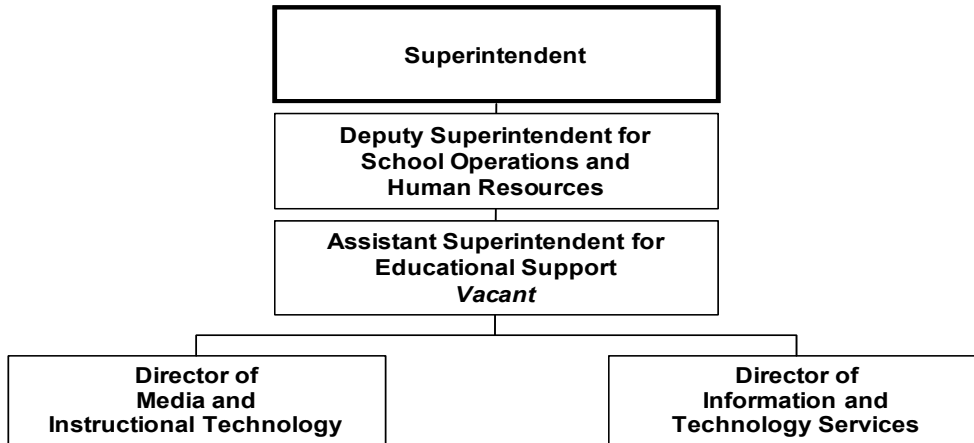
The Information and Technology Services Department and Media and Instructional Services Department are two primary contributors to the success of technology initiatives in Osceola County public schools. Working closely together, the departments assist in the planning and implementation of technology initiatives.

Organizational overview

The Information Technology and Services Department and the Media and Instructional Technology Department share the responsibility for the district’s administrative and instruction technology functions. The oversight of these two departments is the responsibility of the assistant superintendent of Education Support, however, as a cost saving measure this position has remained vacant and will be filled when funding and the need are present. Please refer to Exhibit 6-3. Currently, the directors of the two units report to the deputy superintendent of School Operations and Human Resources. A brief description of the functions and services performed by each of these units follows.

Exhibit 6-3

**Osceola County School District
Instructional and Administrative Technology Organization**



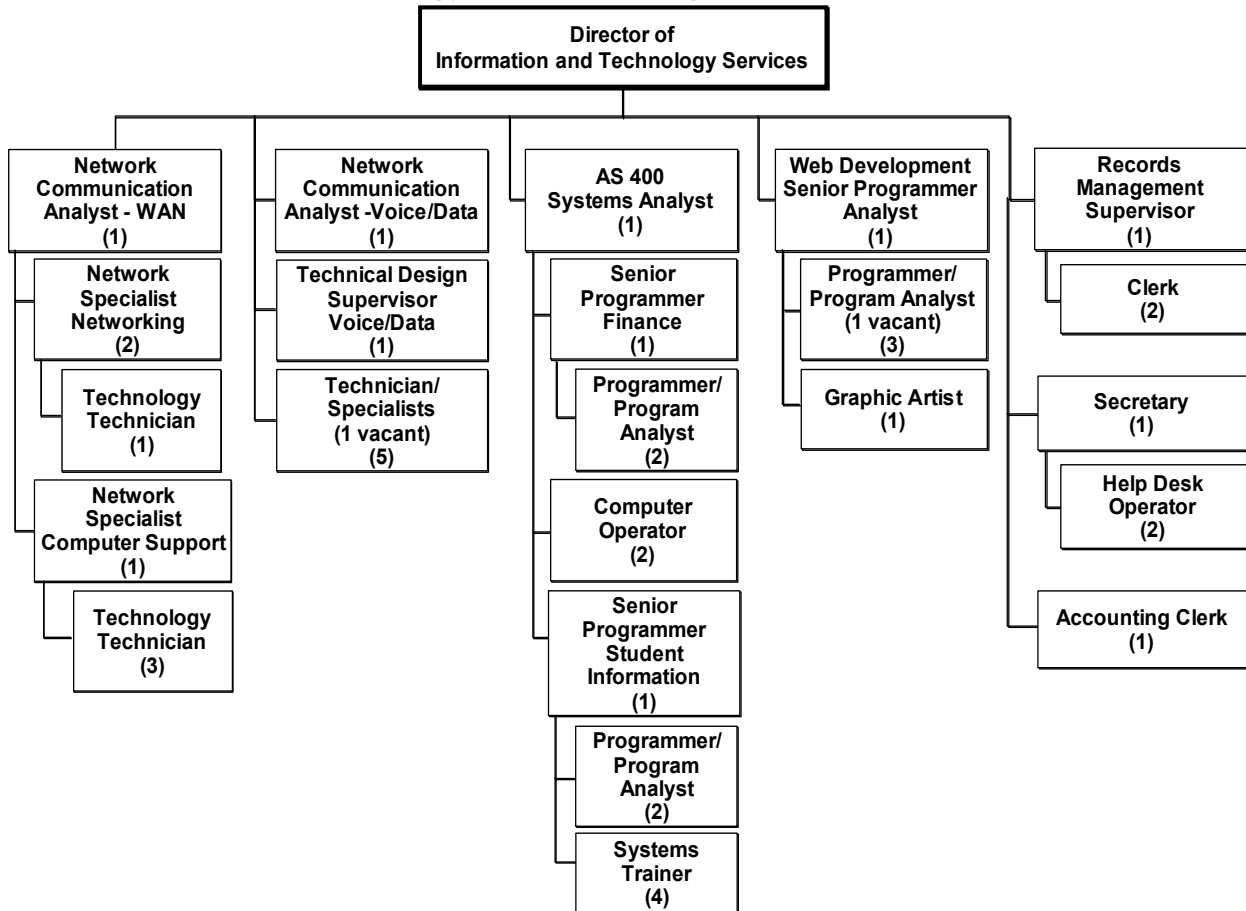
Source: Osceola County School District, 2001-2002 Organizational Chart.

Information and Technology Services

Information and Technology Services Department includes Network Communication Support for the wide area network (WAN) and Voice and Data, AS 400 Business Systems support, Internet and Application Development, and Records Management. See Exhibit 6-4.

Exhibit 6-4

Information and Technology Services - Organization 2001-2002



Source: Osceola County School District, 2001-2002 Organization Chart.

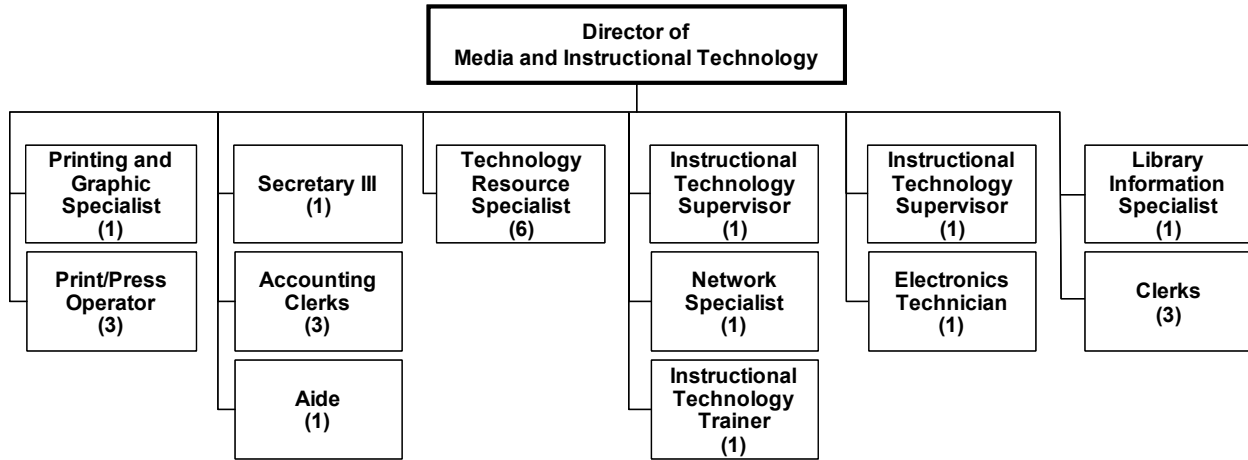
The Network Communication WAN group is responsible for district desktops, servers, and all components attached to the wide area network. It also provides support for special operational programs including district server backups and virus protection. The Voice and Data Group develop the technology infrastructure for new construction and retrofit projects. This division manages infrastructure projects and also researches new technologies like voice over IP, as well as wireless solutions. The AS 400 Business Systems Division provides the technical support for the computerized processing of financial data and student information. The division is responsible for training users, printing documents, running ad hoc queries, exchanging data, and for backing up the AS 400 system. The Internet and Application Development team is primarily responsible for the implementation of web-based applications and district promotional sites. The group also develops client/server applications. The Records Management Department provides for the systematic control of records and information throughout its life cycle in accordance with Florida Statutes.

Media and Instructional Technology

The Media and Instructional Technology Department includes personnel for Instructional Technology, Technology Resource Specialists, District Library Information, Printing & Graphics, and includes administrative assistants. See Exhibit 6-5.

Exhibit 6-5

Media and Instructional Technology-Organization 2001-2002



Source: Osceola County School District, 2001-2002 Organizational Chart.

The Instructional Media Division provides instructional library/media services and instructional technology support programs to coordinate media instructional materials and technology services within the school district, also operating the district’s materials centers. The division facilitates the educational technology program by coordinating the preparation of the district’s five-year technology plan, delivers in-service training, previews educational technology materials for schools, provides technology training to school tech contacts, and participates in writing instructional technology grants. In addition, the division ensures that the Library/Media Automation Systems and district adopted software systems are updated and maintained. The division is also responsible for the maintenance and repair of audio-visual and educational broadcasting systems. Printing services also are located within the division.

Six technology resource specialists assist the director in coordinating the integration of technology into curriculum. Technology resource specialists are teachers who help teachers integrate technology into the classroom. Technology resource specialists provide assistance to the schools in the implementation of technology-based curricula in all subject areas. For example, one technology resource specialist provides staff development to teachers in the area of distance learning, while another specializes in training and implementing the Pinnacle Grade Book system.

Technology Department Expenditures

District expenditures in 2000-2001 for both departments were 1.7% of the total \$202,652,257 allocated for the General Operating Budget.^{1,2} The expenditures in 2000-2001 for the Media and Instructional Technology Department were approximately 0.5% of the General Operating Budget and Information and Technology Services expenditures were 1.2 %. Of 403 district staff members at the district office, 19 are in the Media and Instructional Technology Department while 41 staff the Information and Technology Services Department.³

Peer District Comparisons

In an attempt to get a feel for how Osceola is doing relative to its peers, we present comparisons in the areas of funding, network and resource availability with respect to student usage, computers as a school

¹ Osceola School District, March 2002.

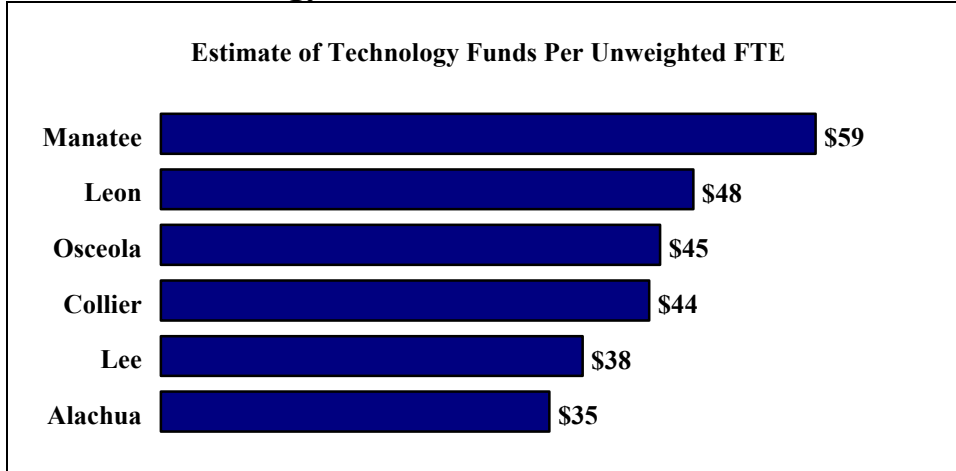
² This excludes debt service, Capital Project, Food Service, and Insurance.

³ This excludes bus drivers.

resource and available technical support and professional development competencies. Osceola peer districts include Alachua, Collier, Lee, Leon, and Manatee counties.

Exhibit 6-6

Osceola Technology Funds Amount to \$45 Per FTE



Source: DOE, 2001-02 FEFP Fourth Calculation, Education Technology Allocation, Average Annual E-Rate Reimbursement 1998-2001 as of May 2002, 2001-2002 Technology Literacy Challenge Funds.

For the school year 2001-2002, Technology Challenge Literacy Funds were awarded to three of the six districts in the peer group, with Osceola receiving slightly more than the average award for the three districts at \$496,337. In addition, Osceola also received fourth-year E-Rate funds of \$380,841. Overall, Osceola falls in the middle of its peer group in comparing these technology funds per unweighted FTE. See Exhibit 6-6.

Exhibit 6-7

High Percentage of Osceola High Schools Report Use of Computers in Curriculum

	Percentage of High Schools Reporting that the Majority of Students				
	Are Able to Use Presentation Software	Are Able to Create Web Pages, Interactivity or Animation	Are Able to Independently Conduct Electronic Information Searches	Use Communication Tools to Contact Resources Outside the Curriculum on a Regular Basis (e.g., Email, Discussion Groups, Chat)	Use Simulation Software Regularly in Curriculum (e.g., SimCity, Stock Market, Internet Simulations)
Alachua	40%	20%	100%	80%	40%
Collier	100%	20%	100%	0%	20%
Lee	50%	0%	100%	13%	0%
Leon	83%	33%	83%	83%	50%
Manatee	67%	17%	83%	33%	33%
Osceola	67%	33%	100%	67%	50%
State	69%	18%	92%	46%	21%

Source: Department of Education, 2001-02 Technology Resources Survey.

One indicator of how well technology is integrated into the curriculum is to identify how students use technology. The data submitted by tech contacts at traditional high schools in the 2001-02 Technology Resources Survey, indicates that the majority of students enrolled in Osceola high schools are working at a level that exceeds the state average in all but the use of presentation software. Refer to Exhibit 6-7.

Exhibit 6-8

High Percentage of Osceola Computers Still in Use Are Older or Obsolete

District Name	Ratio of Students Per Computer	Percentage of Older/Obsolete Computers Still in Use	Percentage of Schools With Standard Classroom Configuration
Alachua	4.13	35%	44%
Collier	2.97	5%	100%
Lee	2.80	42%	75%
Leon	3.54	14%	73%
Manatee	2.65	11%	96%
Osceola	3.64	26%	80%
State	3.84	16%	72%

Source: DOE, 2001-02 Technology Resources Survey, Florida Indicators Report 2001-2002 October Membership.

Having readily available, accessible resources on-site is an essential component to the successful implementation of technology initiatives. When resources are spread too thin, access becomes limited. When resources are antiquated, maintenance and repair become more costly. Osceola school technology specialists support approximately 9,168 computers on-site of which 26% are older or obsolete computers still in use, which exceeds the state average of 16%. See Exhibit 6-8.

Exhibit 6-9

Osceola Schools Report Teacher Competencies in Technology Are Similar to Peer Districts

District Name	Percentage of Teachers in Stage 1 Entry Level	Percentage of Teachers in Stage 2 Adaptation	Percentage of Teachers in Stage 3 Transformation
Alachua	38%	48%	14%
Collier	14%	61%	26%
Lee	25%	59%	16%
Leon	23%	59%	18%
Manatee	28%	56%	16%
Osceola	28%	56%	16%
State	35%	50%	15%

Source: DOE, 2001-02 Technology Resources Survey.

As part of the annual technology resources survey, schools report the percentage of teachers who fall in each of three stages of progress toward technology competency. At Stage 1-Entry, educators are able to operate the computer at a basic level. At Stage 2-Adaptation technology is integrated into the classroom in support of existing practices and educators are comfortable with a variety of applications. At Stage 3-Transformation educators are adept at transferring skills from current technology tools to new ones and often act as a resource to others. At this stage, the educators use technology for collaboration, communication, research, writing technology-rich lesson plans and designing project-based learning activities. Osceola schools report that the majority of their teachers have progressed to Stage 2. See Exhibit 6-9.

Technology Planning

1 **The district takes a proactive, inclusive approach to technology planning by soliciting input from not only educators and administrators but also from parents, business partners and other concerned members of the community.**

The inclusive approach to planning has provided a supportive environment in which the overall educational and operational goals of district are based on the needs of the community it serves. No recommendation.

Inclusive planning

In planning for technology initiatives, the District Technology Committee considers the overall needs of the district. Each school submits a copy of its updated five-year technology plan for review by the committee. The school plan is based on the goals specified in the School Improvement Plan that is updated annually by members of the local Strategic Advisory Council. District Technology Committee meetings take place regularly to create a continuous process for developing, implementing and updating the District Technology Plan.

In developing the plan, subcommittees have been formed to lend expertise to specific subject areas. These committees meet regularly and provide feedback to the board on the assessment and progress of technology initiatives. The Networking/WAN Committee examines network issues and the Web/Internet Committee determines the appropriate content for school district web development. The E-Mail Committee recommends appropriate use of technologies to meet the administrative and instructional needs of the district. The Information Steering Committee gathers information to determine the data processing needs of the district. Other committees have been formed as needed to study specific issues including the Pinnacle Committee, Technology Job Description Committee, FCAT Software Committee, Distance Learning, Hardware/Software Minimum Functionality, Teacher Technology In-service and Technology Plan Revision Committee.

2 The district has a comprehensive five-year educational technology plan that provides direction for administrative and instructional technology initiatives and each school has a technology plan. However, the plans are not specific in defining measurements for evaluating expected outcomes and the district has no systematic approach to evaluate the implementation of school technology plans.

The board approved district technology plan is compatible with state and federal reporting requirements, is comprehensive and updated regularly, and is aligned with the district budget. However, it is difficult to ascertain how well objectives are achieved since measurements for evaluating expected outcomes are not well defined.

Reporting requirements

According to the Auditor General's report state reporting requirements have been met.⁴ In addition, the district has been proficient in planning for E-rate and Technology Literacy Challenge Funds as they have been awarded funds for their technology initiatives every year for the last three years.⁵

Comprehensive planning

Planning is comprehensive and the district implements strategies to achieve the objectives in five-year technology plan by assigning responsibilities to separate committees. Through the committee process, several plans have been developed that contain guidelines for the strategies that are employed to fulfill district objectives. Among them are the Technology Acquisition Plan, the district Network Configuration Plan, and the Minimal Functionality Plan. Committee member recommendations consider fall computer surveys and strategies that support the district goals. The User Support Plan provides a proactive approach to keeping pace with repair, training and other support needs for hardware and software acquisitions. The Staff Training Plan describes the strategies to be employed to promote staff development that includes in-house and contracted training opportunities, distance learning, web courses and training seminars and conferences.

Budget is aligned with objectives

Although the budget crisis this year required adjustments to planned spending, technology plans remained aligned with district objectives. The district has a procedure in place to update the technology plan. The Technology Plan Revision Committee identifies the person(s) responsible for taking recommendations made by the technology committees and updating the technology plan accordingly.

Improvement is needed in measuring outcomes

Although the planning process is comprehensive, it is difficult to evaluate how well objectives are being met and at what cost. By defining measurements that can be used to determine the level of success in attaining the goals set forth in the plan, the district can determine how well the strategies it employs are achieving objectives. Although school technology plans are reviewed in developing the district technology plan, the implementation of school technology plans is not systematically evaluated resulting in unmet technology objectives becoming continuously postponed resulting in a higher ratio of out-of-warranty equipment that result in increased support costs and inequities in the distribution of new equipment throughout the district.

⁴ Osceola County District School Board, *Annual Financial, Operational, and Federal Single Audit Report for the Fiscal Year Ended June 30, 2000*, State of Florida Auditor General, Report No.01-127, pg. 1.

⁵ Osceola School District, March 2002.

Recommendations

- *We recommend that for each objective in the technology plan a measurement should be established to evaluate how well the strategy developed has met the objective.*

Action Plan 6-1 provides the steps needed to implement this recommendation.

Action Plan 6-1

Expected outcomes should be identified for each stated objective in the technology plan and measurements should be established to determine to what extent the objective is met.

Strategy	The district should develop a method for defining measurable outcomes for each objective contained in the technology plan.
Action Needed	<p>Step 1: Assign the Technology Plan Revision Committee to review objectives and establish measurements for determining how well objectives are being met.</p> <p>Step 2: The committee should define the desired outcome(s) for each objective listed in the technology plan.</p> <p>Step 3: Identify the appropriate measurement(s) and develop a process for compiling the data to evaluate.</p> <p>Step 4: Apply the measurements to evaluate how well the objective is met.</p> <p>Step 5: Report to the stakeholders and make recommendations to revise the plan to include the established measures in the format of the plan.</p>
Who is Responsible	Deputy superintendent of School Operations
Time Frame	July 1, 2003
Fiscal Impact	This can be accomplished with existing resources.

Source: OPPAGA.

- *We recommend that the district develop a systematic approach to evaluating school technology plans to ensure that objectives are being met and that district standardization policies are being adhered to.*

Action Plan 6-2 provides the steps needed to implement this recommendation.

Action Plan 6-2

Develop a systematic approach for evaluating school technology plans to ensure the objectives are being met and that district standardization policies are being adhered to.

Strategy	The district should create a task force to define the criteria for evaluating the effectiveness of principals in meeting objectives and adhering to district standardization.
Action Needed	<p>Step 1: Create a task force to define the evaluation criteria and process.</p> <p>Step 2: The task force review past school technology plans to get a sense of what percentage of planned objectives are being met and how closely school technology objectives are aligned with district goals.</p> <p>Step 3: The task force should develop guidelines to identify a reasonable standard by which school technology plans should be evaluated.</p> <p>Step 4: Develop a proposal to recommend that the evaluation criteria be incorporated into the current principal evaluations to provide incentive for plans to be monitored regularly.</p> <p>Step 5: The District Technology Committee should review and refine the recommendations and then take the necessary steps to incorporate it as Board Policy.</p>

Who is Responsible	Deputy superintendent of School Operations
Time Frame	July 1, 2003
Fiscal Impact	Cost savings of standardization: \$302,000 over five years (see Exhibit 6-15 Technician Labor Hours Savings)

Source: OPPAGA.

Effective Support

3 The district provides support to assist educators in incorporating technology into the curriculum. However, the district has no approach to evaluating technology usage to identify underutilized systems and determine whether the benefit of supporting these systems outweighs the costs.

The district provides support for the integration of instructional technology into curriculum however underutilized systems take up facility space, add overhead and increase support costs.

Districtwide support

The Media and Instructional Technology Department district staff provides training and support to coordinate the integration of instructional technology into the curriculum. Besides developing and conducting training sessions to incorporate technology into the curriculum, technology resource specialists instruct and assist in the classroom, answer support calls, and provide school-based technology guidance focusing on instructional services. Instructional support services are prioritized according to need. Service requests considered emergencies are handled first. Emergencies are defined as a program being down so that students are unable to work. Other requests such as program updates, assistance with backup, and the configuration of new clients are assigned to technicians and completed as time permits.

On-Site instructional technology support

Most schools in Osceola have at least one technology contact on site to assist with the effort to integrate technology into classroom activities. To assist tech contacts, district staff meet regularly with them providing support and training for instructional technology integration as well as tips on troubleshooting equipment and repair. However, technology specialists can spend more time supporting the integration of instructional technology into the curriculum if they do not have to handle the maintenance and repair issues that result from keeping outdated systems in the inventory.

Assessment of software inventory is needed

Another factor the district should consider in providing effective support to schools is the number of applications being supported. The larger the number supported, the higher the overhead costs. Although reducing the number of supported packages will reduce the support costs, it is also important to provide the appropriate level of support to proven applications. Without regularly assessing the relative effectiveness of specific applications on student achievement, it is difficult to determine where support should be focused.

Although schools have the authority to purchase software that is not recommended or supported by district staff, the Instructional Media Division staff is available to assist schools in evaluating, purchasing,

installing and implementing new instructional materials. Currently, the district supports a wide variety of software applications. Please refer to Exhibit 6-10.

Exhibit 6-10

Summary of Instructional Applications Supported in 2000-2001

Software Application	Number of Schools	Number of Students	Number of Teachers	Number of Staff
Accelerated Reader	34	37,000	2,000	500
STAR Reading	31	25,000	1,125	375
Pinnacle Excelsior Gradebook	12	20,000	1,025	60
STAR Math	16	16,000	720	240
Accelerated Math	13	13,000	585	195
Compass Learning	13	10,000	294	5
Read 180	5	6,000	325	20
Scholastic Reading Inventory (SRI)	5	4,000	205	25
Classworks	3	3,000	210	15
Computer Curriculum Corporation (CCC)	20	3,000	5	15
A Plus	3	1,200	22	3
Scholastic Wiggleworks	6	900	30	30
PLATO Education Services	9	550	9	2
Waterford Early Reading Program	2	80	4	4

Source: Osceola District Media and Instructional Technology Department, March 2002.

According to the 2001 Technology Resources Survey, other software supported by schools in the include Carnegie Cognitive Tutor, Cornerstone/SkillsBank, Ellis, Lightspan, Magellan, Math Keys, Nova Net, Reading Counts, Riverdeep, and Sequoyah.

Providing support for too many software applications can be a costly burden to the district, and purchasing licenses for applications that are underutilized is costly. Cost savings can be realized by evaluating the use and effectiveness of these applications. The focus of the evaluation should be in how well the application meets district performance goals. The district should then focus its limited resources on supporting only those packages that best meet performance expectations.

On average, over the last four years, the district has spent an average of approximately \$681,000 per year on software.⁶ We believe the district can cut costs as much as 5% by systematically evaluating and analyzing the usage of currently supported software so that less effective and underutilized applications are eliminated from the inventory, thereby ensuring that the number of licenses and level of third party support is appropriate.

Asset management-technology resources

Tracking the utilization of technology resources is beneficial because the overhead of housing and maintaining underutilized technology resources is costly. The opportunity cost of keeping underutilized hardware exists because the space that underutilized hardware takes up could be freed for classroom use and storage. Asset management applications exist to track the utilization of technology resources but the successful implementation of the application often depends on the level of standardization. Because asset management applications track utilization of resources running under the same operating system, the first step is to meet standardization goals. When considering the purchase of an asset management application, the purchase price of the application should be offset with the value of the man hours saved

⁶ From Purchasing Department records; includes administrative and instructional software.

in technical support and the value of the facility space that will be made available by eliminating underutilized inventory.

Recommendations

- *We recommend that the district develop and implement a strategy for evaluating instructional software with respect to district performance expectations and then focus resources on supporting those packages that best meet performance expectations.*

Action Plan 6-3 provides the steps needed to implement this recommendation.

Action Plan 6-3

Develop and implement a strategy for evaluating software with respect to district performance expectations and then allocate limited resources to supporting only those packages that best meet performance goals.

Strategy	The Media and Instructional Technology director and the Department of Planning and Evaluation should work together to develop a strategy for evaluating software with respect to district performance expectations and then resources should be allocated to supporting those packages that best meet performance expectations.
Action Needed	<p>Step 1: Create a special task force to study the issue.</p> <p>Step 2: Assign the responsibility of making a recommendation to the task force.</p> <p>Step 3: Present the recommendation to the District Technology Committee</p> <p>Step 4: The District Technology Committee should review and refine the recommendation and then take the necessary steps to incorporate it as board policy.</p>
Who is Responsible	Media and Instructional Technology director and coordinator of Planning and Evaluation
Time Frame	July 1, 2003
Fiscal Impact	Cost savings: 5% reduction in annual cost \$34,000 annually times five years = \$170,000 over five years

Source: OPPAGA.

- *We recommend that the district develop and implement a strategy to track the utilization of technology inventories so that underutilized equipment and software can be removed from the inventory, thereby reducing costs and freeing up facility space.*

Action Plan 6-4 provides the steps needed to implement this recommendation.

Action Plan 6-4

Develop and implement a strategy to track the utilization of technology inventories so that underutilized equipment and software can be removed from the inventory, thereby reducing costs and freeing up facility space.

Strategy	The district should develop a task force to develop a strategy to track the utilization of technology inventories so that underutilized equipment and software can be removed from the inventory, thereby reducing costs and freeing up facility space.
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Action Needed	Step 1: Create a special task force to study the issue. Step 2: Assign the responsibility of making a recommendation to the task force. Step 3: Present the recommendation to the District Technology Committee Step 4: The District Technology Committee should review and refine the recommendation and then take the necessary steps to incorporate it as board policy.
Who is Responsible	Deputy superintendent of School Operations
Time Frame	July 1, 2003; implementation depends on the success of the standardization effort
Fiscal Impact	This can be accomplished with existing resources.

Source: OPPAGA.

4 The district provides technical support for educational and administrative systems in the district. However, the district can provide technical support more efficiently if systems are kept current and the district standardization guidelines are followed. The district has no written replacement policy.

Because schools are pleased with the level of technical support the district provides, there is little incentive for schools with shrinking budgets to keep local systems current. The overhead of maintaining and repairing outdated systems is borne by district support staff and the students attending schools that do not keep technology inventories current must use outdated equipment.

Technical support costs for out of warranty computers

Because all computers are purchased with a three-year warranty, technical support for new computers is minimal, but troubleshooting problems associated with computers that are no longer under warranty becomes the responsibility of the district. As the number of out-of-warranty computers increases so do district technical support costs. Exhibit 6-11 shows the percentage of older or obsolete computers still in use in the district. The percentage varies by school ranging from 54% at Ventura Elementary to none at several schools in the district.

Exhibit 6-11

Percentage of Older or Obsolete Computers at Osceola Schools Range from 0% to 54%

	Number of Techs at the School	Percentage Older or Obsolete Still in Use	Students Per Computer	Students Per Tech	Computers Per Tech	Older or Obsolete Per Tech
Ventura Elementary School	1	54%	3.2	1,072	334	180
Osceola High School	3	49%	3.6	741	207	101
Horizon Middle School	1	45%	3.1	1,144	364	164
Ross E. Jeffries Elementary	1	45%	3.0	627	211	94
Neptune Middle School	2	42%	2.7	643	240	100
Reedy Creek Elementary School	1	42%	4.0	1,023	253	106
St. Cloud High School	2	41%	3.8	1,070	285	117

	Number of Techs at the School	Percentage Older or Obsolete Still in Use	Students Per Computer	Students Per Tech	Computers Per Tech	Older or Obsolete Per Tech
Michigan Avenue Elementary School	1	39%	3.2	819	258	101
Lakeview Elementary School	1	38%	4.7	1,099	234	90
Pleasant Hill Elementary School	1	38%	4.5	1,129	252	97
Boggy Creek Elementary School	1	37%	5.0	855	172	64
St. Cloud Middle School	1	33%	4.3	912	212	69
Cypress Elementary School	1	30%	3.5	1,095	311	94
Deerwood Elementary School	1	30%	3.6	1,136	317	96
Mill Creek Elementary School	1	27%	6.6	915	139	38
Parkway Middle School	2	21%	5.7	551	96	20
Poinciana High School	2	18%	4.5	1,079	192	34
Kissimmee Elementary School	1	17%	3.0	1,019	345	60
Gateway High School	2	16%	2.9	1,121	387	63
Highlands Elementary School	1	14%	4.7	1,009	215	30
Professional And Technical HS	2	13%	5.6	159	35	5
Kissimmee Middle School	3	11%	2.5	423	171	19
Denn John Middle School	1	9%	4.5	1,080	240	21
Narcoossee Community School	1	7%	4.1	914	225	15
Hickory Tree Elementary School	1	6%	4.4	887	200	12
Thacker Avenue Elementary	1	3%	5.1	989	195	5
Celebration School	2	0%	2.1	486	229	0
Discovery Intermediate	2	0%	3.2	605	189	0

Source: Osceola District 2001 Technology Resources Survey and Florida Indicators Report 2001 Osceola; district staff.

Cost savings can be realized when standardization is achieved and older/obsolete computers are replaced on a regular cycle. Standardization guarantees that the amount of time it takes to troubleshoot problems is reduced because systems are compatible, networks run more efficiently because operating systems are current, and training costs for support staff are minimized. In addition, by providing guidelines for the equipment replacement cycle, the district lessens the burden for schools to synchronize budgets and upgrades with districtwide initiatives and it allows the district to leverage its purchasing power more effectively.

Replacement policy needed

By developing a replacement policy that systematically replaces older, out-of-warranty computers, the district benefits in several ways. By improving compliance with standardization guidelines and by eliminating out-of-warranty computers, cost savings can be realized by reducing the number of hours required for technicians to maintain and repair computers allowing on-site technicians more time to focus on integrating technology into the curriculum. Additionally, the district can ensure that equity in the distribution of modern technology is maintained and that new technology is available to all students districtwide. Moreover, the district can leverage its purchasing power by negotiating large volume acquisitions of standardized equipment around a regular purchasing cycle and thereby take advantage of volume discounts.

Reduces technical support costs

Developing and implementing a replacement policy that complies with district standardization guidelines and replaces the most costly technology resources first will offset a portion of the expense by reducing support costs. The costs associated with the maintenance and repair of older, out-of-warranty computers are discussed in Section 2 of this report. We estimate that 1,200 technician hours per year can be gained by reducing the number of out-of-warranty computers by 20% each year. This is derived in part from the analysis that is done in Section 5 of the help desk log that clearly shows that the majority of calls are made to the computer support group for computer repair. See Exhibits 6-12 and 6-13. See Exhibit 6-15 for the savings analysis.

Increases equity

Defining guidelines for when to replace technology resources, the district can assist in keeping technology inventories at the school current ensuring that students are provided with an equal opportunity to use the newest equipment available regardless of the school they attend. Exhibit 11 illustrates that currently the schools in the district vary greatly in the percentage of older/obsolete computers that are still in use at their school. While some schools embrace technology, others struggle to keep pace. Because the district staff is required to keep pace with technology, it is in a better position to provide guidance to the schools and in so doing freeing school staff to focus on instruction.

Leverages purchasing power

The district is also in a better position than individual schools to leverage its purchasing power by negotiating large volume acquisitions of standardized equipment around a regular purchasing cycle and thereby take advantage of volume discounts. In some larger districts, volume discounts of 10% to 25% have been given. Agreements have been made with vendors to include delivery, installation, extended warranties, training and technical support. Although Osceola is a medium-sized district, we believe that volume discounts can be negotiated with technology vendors that will realize savings. In the last four years, the Osceola County School District has purchased annually an average of \$3 million in computer hardware.⁷ If a 5% volume discount could be negotiated, it would amount to more than \$150,000 per year in cost savings.

In defining the replacement cycle the district should consider several factors. The district should identify where the oldest computers are located and assign those locations a higher priority for replacement. Simultaneously, the relative cost of the support provided at each school should also be considered to reduce the number of the highest cost support locations. Growth of the student population at each school is a consideration because the district's standard for an acceptable student to computer ratio should be maintained. And finally, the assessment of the utilization of existing systems should be considered, so that underutilized resources need not be replaced and high demand resources can be added.

Advantages of supporting multiple versions of network operating systems

There are several advantages in keeping operating system versions uniform. The amount of time it takes to troubleshoot network problems is reduced because compatibility is guaranteed, networks run more efficiently if operating systems are kept current, the district can leverage its purchasing power in buying upgrades, and training requirements for support staff is minimized. By making the district responsible for network operating system upgrades, it also lessens the burden for schools to synchronize budgets and upgrades with districtwide initiatives. Currently the district supports multiple versions of network and PC operating systems. Developing and implementing a plan to provide uniformity in operating systems will reduce the cost of network support, leverage the district's purchasing power, and improve network efficiency.

⁷ From Purchasing Department records; may include hardware beyond PC and Apple computers.

Providing uniformity to local networks at the school level will enable the district to develop procedures to “push” upgrades, like new virus signatures to LAN servers and to implement an asset management system to track the utilization of technology resources. In so doing, the district will be in a better position to allocate technology resources most efficiently.

Recommendations

- *We recommend that the district develop and implement a computer replacement policy that will distribute technology resources equitably districtwide, reduce the costs of supporting older, out-of-warranty computers and leverage the district’s purchasing power.*

Action Plan 6-5 provides the steps needed to implement this recommendation.

Action Plan 6-5

Develop and implement a computer replacement policy that will distribute technology resources equitably districtwide, reduce the costs of supporting older, out-of-warranty computers and leverage the district’s purchasing power.

Strategy	The superintendent should develop a task force to establish and implement a replacement policy. Members of the task force should include school administrators, IT and Media and Instructional Technology Department staff, Procurement Department staff and other relevant contributors.
Action Needed	<p>Step 1: The task force should analyze the issues related to replacing and rotating equipment.</p> <p>Step 2: The task force should propose the policy and develop a strategy to implement and evaluate the policy.</p> <p>Step 3: The Technology Standards Committee should review and approve the policy.</p> <p>Step 4: The Technology Standards Committee should present the policy and the strategy to the Board for approval.</p>
Who is Responsible	Superintendent
Time Frame	July 1, 2003
Fiscal Impact	Cost savings of buying annually 2,000 computers (5% discount): \$150,000 times five years= \$750,000 over five years

Source: OPPAGA.

- *We recommend that the district shift the responsibility of upgrading network operating systems from individual schools to the district to improve efficiency in providing technical support to the district.*

Action Plan 6-6 provides the steps needed to implement this recommendation.

Action Plan 6-6

Shift the responsibility of upgrading network operating systems from individual schools to the district to improve efficiency in providing technical support to the district.

Strategy	The Information and Technology Services Director should assign a task force to develop a plan to provide uniformity in network operating systems.
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Action Needed	Step 1: Assign the task of developing the plan to the Networking /WAN Committee. Step 2: The committee should work with school principals to analyze the issues and develop a plan. Step 3: The plan should be reviewed and refined by the District Technology Committee and should be incorporated into the District Technology Plan. Step 4: A proposal should be presented to the school board for approval.
Who is Responsible	Superintendent
Time Frame	July 1, 2003
Fiscal Impact	This can be accomplished with existing resources.

Source: OPPAGA.

5 The district provides technical support for hardware, software, and infrastructure but cost efficiencies can be gained by regularly analyzing the help desk information to identify where recurring problems exist and to share solutions to recurring problems districtwide.

The district has not developed a process for regularly analyzing help desk data to identify high cost support locations.

The district uses the HEAT application to assist the district in solving technical problems. When calls come into the help desk they are logged into the HEAT system, are routed to the appropriate IT service manager, and are prioritized and assigned to a specific individual for service. Reports for analysis are created through the Crystal Reports application. A summary of the calls received through HEAT between July 1, 2001, and March 31, 2002, indicate that 49% of all calls were made to the computer support group, of which 42% of all calls to the computer support group were for computer repair. Refer to Exhibits 6-12 and 6-13.

Exhibit 6-12

Majority of Help Desk Calls Go to Computer Support Group

Call Group	Number of Calls	Percentage of Calls
Computer Support	1,054	49%
Voice/Data	383	18%
Network LAN/WAN	266	12%
Help Desk	185	9%
Internet Application Development	94	4%
AS400 Student	90	4%
AS400 Finance	21	1%
AS400 HR/Payroll	19	1%
Programmers	9	0%
AS400 Operators	7	0%
Web HSS	5	0%
Tech Contact	2	0%
Total	2,135	100%

Source: Osceola District SDOC HEAT Help Desk Call Summary, July 1, 2001, through-March 31, 2001.

Exhibit 6-13

Majority of Calls to Computer Support Group Are for Computer Repair

Call Group: Computer Support	Number of Computer Support Calls	Percentage of Computer Support Calls
Computer Repair	443	42%
Troubleshooting	211	20%
Printer Problem	107	10%
Miscellaneous Technician	97	9%
Software Installation	88	8%
Hardware Installation	41	4%
Software Upgrade	17	2%
Printer Installation	16	2%
Miscellaneous Repair	11	1%
Hardware Maintenance	10	1%
MIC Monitor	5	0%
Tech Call Back	5	0%
Hardware Upgrade	2	0%
Call Back CR	1	0%
Total	1,054	100%

Source: Osceola District SDOC HEAT Help Desk Call Summary, July 1, 2001, through March 31, 2001.

The relatively high number of calls for computer repair services is one indicator that the district has too many older or obsolete computers still in use. Developing reports and automatic processes to analyze technical support costs and services provides a management tool to IT supervisors enabling them to focus their resources appropriately. Reports should be geared toward identifying where recurring problems exist and determining the best solution for resolving the problem. Priority should be given to areas where support costs are greatest. In the future, the district should consider web enabling the application, which would provide users with a new level of service by allowing them to enter requests and questions, check the status of work orders, and share solutions to common problems on-line.

Recommendations

- *We recommend that the district expand the use of HEAT by regularly analyzing the help desk data to identify and reduce high cost locations, to share solutions to recurring technical problems, to enter requests for service, and check the status of work orders.*

Action Plan 6-7 provides the steps needed to implement this recommendation.

Action Plan 6-7

Expand access and analysis of the HEAT help desk database to identify and reduce high cost locations and to share solutions to recurring technical problems.	
Strategy	The IT department should develop a strategy to expand the access to and development of reports that enable the district to use the HEAT help desk system to identify and reduce high cost locations. The strategy should include an analysis of the costs and benefits of web enabling the HEAT application to share solutions to recurring technical problems, to enter requests for service, and check the status of work orders.

Action Needed	Step 1: Create a special task force to study the issue. Step 2: Develop the strategy, timeline and priority. Step 3: Assign staff to develop and manage the project. Step 4: Implement the project, review and revise as necessary. Step 5: Evaluate the effectiveness.
Who is Responsible	Director of Information Technology and Services
Time Frame	July 1, 2003
Fiscal Impact	This can be accomplished with existing resources.

Source: OPPAGA.

Professional Development

6 The district has a professional development plan that reflects the district’s vision of integrating technology to enrich the learning environment and enhance administrative support.

The Professional Development Department has a proactive approach to modernizing and expanding access to the many and varied training opportunities offered by the district. No recommendation.

Training needs assessment

In order to determine what types of training to offer, the Professional Development Department assesses the training needs of the district by analyzing information from a variety of sources. The department annually conducts a needs assessment of all employees. The results of the needs assessment are shared with the Instructional Technology department as well as the school board, the superintendent and leadership team, affected administrative departments, and professional development advisory bodies.

The department also examines the training sections of each School Improvement Plan, obtains input from the Professional Development Council (instructional representatives from each site plus Osceola university partners), the Professional Support In-service Committee (non-instructional representatives) and from the District Professional Development Advisory Group (business and university partners). In addition, the department also focuses on districtwide projects such as Pinnacle, Compass, Reading, Writing, FCAT and others. Districtwide projects may emanate from Instructional Programs, Instructional Technology, Title I, or ESE. Funding for these programs is determined by project constraints or grant guidelines.

The analysis of the districts training needs is used to develop the Staff Training Plan. The Staff Training Plan describes the strategies employed to promote staff development that include in-house and contracted training opportunities, distance learning, web courses, and training seminars and conferences.

Service delivery

In October 2001, the district launched its professional development intranet application that allows employees to preview and register for scheduled training opportunities on-line. The intranet application also allows employees to review their 10-year training history. Interviews with district staff indicate that the system has been very much appreciated for the amount of information it provides, its ease of use and accessibility.

Additional benefits of implementing the professional development application include the automatic processing of training requests, an increased demand for email and the increased use of technology by district employees, and a significant reduction in paperwork.

Technology training

More than 700 workshops were available and advertised on the intranet for employees as of October 15, 2001, for the school year 2001-2002. The district provides a variety of training opportunities in technology. The items below represent sample workshop titles for each category of technology training.

- BASIC COMPUTING – Computer Basics, MAC Basics, Computer Keyboarding, Computer Awareness, Introduction to Computers, etc.
- MAINFRAME COMPUTING – Hands on TERMS, TERMS Student Data, ESOL on TERMS, ESE on TERMS, EDULOG, Novell, etc.
- MANAGEMENT OF TECHNOLOGY – Cisco, Connectivity, First Class Set-up, BISCI, A+ Certification, Built for Speed, Porta System, Managing Teacher Homework Web Pages, Lightning Protection for Technology, Administrative Use of Palm Pilots, Dial ISP, Windows Server, M/S NT, Soldering, C.N.A., Advanced Networking, Pinnacle Management, Cabling, System Configuration, etc.
- APPLICATIONS – Word, Works, Pinnacle, Powerpoint, Access, Magellen, STAR A/R, Imovie, Dynavox, Lionworks, Transact Library, Sunlink, First Class E-mail, Compass, Lightspan, GIS, Sigggraph, Front Page, Big Chalk, Intellilibrary, Office, Windows, Pagemaker, Dreammaker, Macromedia, Digiworld, Hyperstudio, Avid, Tech Train, Excel, CCC, Boss, Flash, etc.
- MISCELLANEOUS – Assistive Technology, Picture Exchange, Digital Cameras, Digital Video, Integration Technology in the Classroom, Using Multimedia, Surfing the Net, Internet Applications, Web Pages, Homework Pages, Virtual Education, Clay Animation, Digitize Your World, TV Production, Media Tools, Quick Cam, Cable in the Classroom, IMAC Antics, Using CCC in Classroom, Editing, etc.

Exhibit 6-14 summarizes the district’s technology training effort in 2000-01. In all, there were 3,890 participants who successfully completed 513 technology workshops.

Exhibit 6-14

Technology Training Workshops – Participation 2000-2001

Category	Number of Workshops	Number of Participants	Number of Hours
Basic Computing	24	120	245
Mainframe Computing	29	301	183
Management of Technology	62	247	677
Computer Applications	247	2,110	1,717
Miscellaneous Technology	151	1,112	1,203

Source: Osceola District Professional Development Department, March 2002.

Challenges in Meeting Demand for Professional Development Services

The challenges faced by the Professional Development Department in meeting the demand for services are often a function of time. The instructional day provides little release time for instructional personnel and no substitute program for non-instructional personnel to attend training; additionally, the calendar has only one in-service day. This requires that the majority of training occur outside the instructional day. With the demands of ESOL training and other mandatory training, it creates scheduling concerns for many employees. The department has begun to add on-line training programs to provide more access;

however, on-line coursework has in both the business and educational arenas a very low completion rate (about 30% according to industry reports last year). Most of our employees still prefer the face-to-face contact that real-time workshops provide.

7 The district offers support and training opportunities for instructional technology.

Through district, state and grant funding, the Instructional and Media Services department provides training and support for instructional applications like integrated learning systems (ILS), instructional coursework for drill and practice and library services such as cataloging and circulation. No Recommendation.

Service delivery

The Media and Instructional Technology Department is integral in providing training and support for integrating technology into the classroom. Six Technology Resource specialists and an Instruction Technology trainer provide training and support for Integrated Learning System applications, instructional coursework and for the Pinnacle application. Refer to Exhibit 6-7 for a list of the instructional technology applications supported by the department. Other applications supported by the department include Oceseola Access and public TV access that entails coordinating programming and student access among 29 schools. The department uses a variety of in-house as well as outside resources for all aspects of training. Media and Instructional Technology Resources specialists provide training sessions in classrooms, on-site at the schools, as well as on-line and in workshops.

Instructional technology proficiency

The district encourages professional development in instructional technology requiring all administrative candidates to demonstrate a minimum level of technical proficiency before being accepted into the program. Also, as required by s. 231.29, *Florida Statutes*, all instructional personnel are assessed annually on the use of technology in their classrooms. Our analysis of the 2001 Technology Resources Survey indicates that Osceola reported that all educators are able to operate the computer at a basic level, 56% are able to integrate technology into the classroom in support of existing practices, often requiring students to use technology to complete assignments, and 16% are also adept at transferring skills from current technology tools to new ones, using technology for collaboration, communication, and research. The district is on par with state averages. See Exhibit 6-9.

Appropriate Technology for Performance

- 8** The district has a Technology Acquisition Plan and bases technology acquisitions on instructional needs. However, the district should strengthen its processes to better evaluate the effectiveness of technology acquisitions on student outcomes.

The District Technology Committee develops a strategy that supports the district’s mission-vision statement and is based on instructional need, but lacks a systematic approach to evaluating the effectiveness of technology initiatives.

Acquisitions are based on needs assessment

The board has established a Five-Year Capital Outlay Technology Budget and an annual Public School Technology Fund Budget. The District Technology Committee is charged with recommending the expenditures that appear in the budgets. The District Technology Committee considers all of the needs of the district in making the recommendations. By reviewing school improvement plans which include technology plans, by analyzing the results of the fall technology surveys, and evaluating technology needs assessment instruments, the committee submits a budget that supports the district’s mission-vision statement and is based on instructional need.

Instructional material acquisitions are aligned with Sunshine State Standards and benchmarks and are used in lab settings as well as in the classroom. Recently the district formed a committee to recommend the acquisition of a system to be used for improving FCAT performance. After thoroughly evaluating several packages the committee decided on the Compass Learning system. The implementation plan was based on need, starting with the elementary schools with the lowest grade of “D.” By developing a method for evaluating the effectiveness of the technology purchased for this purpose the district will be able to justify the expansion of the program.

Strategy needed to evaluate effectiveness

Although the district has made several major technology purchases in the last five years, there is no evidence to suggest that the district conducts regular, systematic reviews of major technology decisions to evaluate the effectiveness of the purchase on expected student achievement outcomes. By reviewing the decision and evaluating its cost effectiveness the district can gain insight regarding the strategies it uses in achieving its goal to improve student academic performance.

Recommendations

- *The district should develop processes to evaluate the effectiveness of specific technology initiatives on expected student outcomes.*

Action Plan 6-8 provides the steps needed to implement this recommendation.

Action Plan 6-8

Develop and implement processes to evaluate the effectiveness of specific technology initiatives on expected student outcomes.

Strategy	Establish a Software Standards Committee that in conjunction with the Technology Standards Committee and the Department of Planning and Evaluation would work together to develop procedures to evaluate the effectiveness of specific technology initiatives on student outcomes.
Action Needed	<p>Step 1: The committee should analyze the issues relating to the evaluation process and propose a policy that will provide guidelines for evaluating technology initiatives on student outcomes and present their findings to the District Technology Committee.</p> <p>Step 2: The District Technology Committee should review and refine the proposed policy and then take the necessary steps to incorporate it as Board policy.</p>
Who is Responsible	Deputy superintendent of School Operations
Time Frame	July 1, 2003
Fiscal Impact	This can be accomplished with existing resources.

Source: OPPAGA.

9 The district bases technology acquisitions on the results of research and planning. However, the district should consider disposal costs of technology acquisitions.

The district regularly evaluates new hardware and software and searches for the best purchasing plans to serve a school and/or the district as a whole.

District evaluates products before acquisition

Requested software and instructional technology materials are selected for evaluation by the members of the District Instructional Technology Contacts Committee or one of the curriculum resource teachers from the Media and Instructional Technology Department. The evaluation entails accumulating information from a variety of sources about the product including current users. The Information and Technology Services also assists in determining the compatibility of new products with currently supported systems and ensures that technology acquisitions decisions are based on district and state standards.

Technology purchases are ordinarily budgeted expenses. The main sources of non-recurring funds used specifically for technology are Public Technology Funds, Technology Literacy Challenge Funds and E-rate. District funds are available for capital improvements, the Instructional Media and Technology Department, the Information and Technology Services Department including network support. Targeted grants also provide funding for specific projects. For example, the Technical Education Center of Osceola (TECO) received a grant for a Wireless Communications training program. Also, through Title I, federal funds are received to improve access to technology in schools where communities need funding assistance. The district uses strategies to leverage its purchasing power through volume buying, as much as possible. Annual expenditures are tracked and have been reviewed by the Auditor General’s Office.

Other acquisition considerations

Although the district makes computer agreements that take into consideration price, warranty options, training alternatives, and standardization guidelines, it should also consider the costs of maintaining and staffing a repair facility to service out-of-warranty equipment, the labor involved in disposing of and

tracking the inventory, and the opportunity costs of using facility space that is taken up by the storage of spare parts and surplus that could be freed for alternative use. By implementing a policy that consistently budgets for replacing old technology with new, the district can rotate older equipment out of the inventory. Such a strategy reduces the total cost of ownership and also ensures that all students have access to modern equipment regardless of what school they attend.

Costs of disposal

Because the district currently owns most of the electronic equipment used at the schools, a system for disposing of surplus computer equipment is established. Typically, when a computer is no longer useful, it is cannibalized for parts by the school technicians and the district warehouse crew is called to pick up the remains. The school stores no-longer-useful equipment on site until the district picks it up for disposal. The equipment that is to be disposed of is stored in the district warehouse. Where it is placed on pallets, wrapped and delivered for auction. Auctions occur once or twice a year. The district estimates that net disposal cost after auction is between \$17 and \$19 per computer and in our model we assume that the district currently disposes of 1,000 computers per year. Transporting the disposal items is an additional annual cost, approximately \$5,000. We estimate the total cost of disposing of 2,000 surplus computers per year amounts to approximately \$43,000. In addition, the estimated cost of the facility space consumed by storing surplus computer equipment is approximately \$9,275 per year.

Costs of maintaining aged computers

The cost of repair and maintenance diminishes as the number of computers that are under warranty increases. According to the 2001 Technology Resources Survey 26% of the 9,168 computers at district schools are older and out-of-warranty. If the district acquired 2,000 computers a year, it could replace one-fifth of the schools' oldest computers each year. Currently, the district spends approximately 6,000 hours a year maintaining and repairing the district's aging computer inventory, resulting in an average annual expenditure of \$108,000.⁸ We assume then, that replacing 2,000 computers a year with systems that fall within the district standardization guidelines, this expenditure can be reduced by one-fifth each year over a four-year period as the oldest computers are replaced with new ones. This reduces the 6,000 hours currently required annually to repair and maintain computers to 1,200 per year within four years.

Lease vs. purchase

There are two clear advantages to leasing computers. One of the major advantages is to eliminate the costs associated with the disposal of computers owned by the district. Another advantage is that facility space used to store surplus computer equipment could be used for other purposes such as freeing up classroom space or generating revenue, if the district decided to rent the additional warehouse storage space. Information provided by the district is used in Exhibit 6-15 illustrates the savings that can be achieved by avoiding ownership.⁹ Assuming that the price of leasing 2,000 computers with a five-year warranty is equivalent to purchasing 2,000 computers with a five-year warranty, we estimate that the savings of a pursuing a leasing strategy can save the district \$222,025 over a five-year period. However, annual cost savings are almost doubled in Year 6 when the district no longer owns any computer equipment to surplus.

⁸ This calculation is based on three repair technicians working 2,000 hours a year at approximately \$18 an hour.

⁹ The cost of administering the leasing agreements are not quantified in this estimate but should be considered when negotiating any agreement.

Exhibit 6-15

Estimated Cost Savings of Eliminating Ownership

Year	Computer Repair Technician Labor Hour Savings	Disposal Labor Hour Savings	Facility Space Savings	Total Facility Space and Disposal Labor Savings	Net Savings
Year 1	\$ 21,600	\$(19,000)	\$ 0	\$(19,000)	\$ 2,600
Year 2	43,200	(19,000)	1,200	(17,800)	25,400
Year 3	64,800	(19,000)	3,275	(15,725)	49,075
Year 4	86,400	(19,000)	4,475	(14,525)	71,875
Year 5	86,400	(19,000)	5,675	(13,325)	73,075
5-Year Savings	\$302,400	\$(95,000)	\$14,625	\$(80,375)	\$222,025
Year 6	\$ 86,400	\$ 43,000	\$ 9,275	\$ 52,275	\$138,675
Year 7	86,400	43,000	9,275	52,275	138,675
Year 8	86,400	43,000	9,275	52,275	138,675
Year 9	86,400	43,000	9,275	52,275	138,675
Year 10	86,400	43,000	9,275	52,275	138,675
10-Year Savings Total	\$734,400	\$ 20,000	\$61,000	\$181,000	\$915,400

Source: Osceola District, Purchasing Department, June 2002.

Technician labor hour savings

Exhibit 6-15 demonstrates that the savings realized by replacing and standardizing the district’s oldest computers increases each year for the first four years. In our model we replace one-fifth of the computers each year, replacing the oldest ones first, which decreases the number of hours required to maintain and repair them by one-fifth, or by 1,200 hours. So each year we estimate that the cost savings are an additional 1,200 hours * \$18 an hour as the oldest computers are replaced. We assume that in the fourth year the district realizes the maximum savings, estimating that 1,200 hours per year will be required to administer and monitor warranty activity. We assume that if the district adopted the strategy described in this model, savings are realized in technician labor hours regardless of the strategy used to acquire the equipment, either by purchasing or leasing.

Disposal labor hour savings

Currently, we estimate that the district warehouses and disposes of electronic equipment equivalent to approximately 1,000 computers annually at a net cost of \$19 per computer. In this model we assume that an additional 1,000 computers are handled each year until the inventory is completely replaced. This amounts to additional disposal costs of approximately \$19,000 per year until Year 6. In Year 6, the district realizes \$38,000 in savings from no longer having to handle the 2,000 surplus computers and an additional \$5,000 from no longer having to rent trucks for moving the surplus, resulting in total savings of \$43,000 per year, after Year 5.

Facility space savings

The facility space saved includes warehouse space of approximately 1,920 square feet at \$1.25 per square foot, repair shop space of approximately 500 square feet at \$1.75 per square foot, and storage space at 30 schools of approximately 100 square feet at \$2 per square foot. In our model, we assume that savings in the first year is a wash, as there will still be repair space needed while the savings from the freed school space neutralizes costs of the still needed warehouse space. We estimate that incremental savings are realized from Year 2 on, when the storage space needed to house one-fifth of the surplus from the previous year is freed. The savings is maximized and remains constant after Year 6.

Total facility space and disposal labor savings

By adding together the facility space savings and the disposal labor savings per year, we conservatively estimate that the leasing strategy will not reap substantial savings until Year 6 when the district no longer has to store and dispose of out-of-warranty computers. However, we estimate that the district will save over \$52,000 annually thereafter by freeing facility space and reducing the hours of labor involved in storing and disposing of out of service electronic equipment.

Recommendations

- *The district should consider storage and disposal costs in deciding on the best strategy for acquiring technology.*

Action Plan 6-9 provides the steps needed to implement this recommendation.

Action Plan 6-9

Consider storage and disposal costs in deciding on the best strategy for acquiring technology.

Strategy	The superintendent should create a task force to determine the best strategy for procuring computer equipment and should assess disposal costs in the district procurement process.
Action Needed	Step 1: The task force should analyze the issues relating to the assessment of disposal costs and present their findings to the District Technology Committee. Step 2: The District Technology Committee should review and refine the proposed policy and then take the necessary steps to incorporate it as Board policy.
Who is Responsible	Superintendent, Procurement and Technology representatives
Time Frame	July 1, 2003
Fiscal Impact	Cost Savings: \$80,375 over 5 years; \$181,000 over 10 years

Source: OPPAGA

10 The district has established standards for acquiring new programs and digital content that promote the integration of technology into everyday curricular needs.

To effectively integrate technology into the learning and teaching process the district strives to provide sufficient equipment and resources to each classroom. The district provides access to technologies as appropriate.

District provides standardization guidelines

Having realized that standardization allows the district to purchase and maintain technology more cost effectively, the district developed a Minimum Functionality Plan that specifies the standards for purchasing hardware and digital content for administrative and instructional use. Administrative software is standardized on Microsoft Word and Excel, Excelsior Pinnacle Gradebook, and First Class Email. The Total Educational Resource Management System (TERMs) application is used for finance (HR/Payroll) and Student records. Follett Circulation Plus is the standard for library automation and through the Internet the district provides links to Florida Department of Education Educational Software Catalog,

which recommends applications based on its alignment with Sunshine State Standards and grade level benchmarks.

Technology resources vary widely by school

The district allocates approximately 1-5% of the capital outlay budget for technology acquisitions, the District Technology Committee recommends how Public Technology Funds should be distributed, and the board approves the recommendation. In 1999-2000, Public School Technology Fund represented approximately 40% of the total instructional technology budget. Elementary schools received approximately 28% of these funds, middle schools 21% and high schools 51%. Exhibit 6-11 shows that schools at all grade levels vary in the technology resources available to students. In talking with school stakeholders during our public forums we found that there was some concern about the equity of technology among schools in the district. The expenditure and resource availability substantiates the concern.

Business partnerships encouraged

The district encourages schools to partner with outside sources in developing and delivering instructional applications and infrastructures. Currently IT training partnerships exist in 7 different schools in the district. See Exhibit 6-16. Although partnerships are encouraged and a few programs exist, the number of students participating is relatively small and there is no follow up to determine if the students who participated are benefiting by getting hired after graduation in Information Technology (IT) fields or by pursuing advanced training. These programs should be evaluated based on their objective and their desired outcome.

Exhibit 6-16

Osceola Schools Partner With IT Companies to Provide Training

School Name	Oracle	Cisco	Web Academies	MCP/ MSCSE	Microsoft Office User Specialist	A+	Network +	Visua l Basic	C++	Java
Technical Education Center Osceola (TECO)	X	X		X	X	X	X	X	X	X
Professional and Technical High School (PATHS)		X	X	X	X	X	X			
Gateway High School		X								
Osceola High School		X								
Poinciana High School		X								
St. Cloud High School		X								
Celebration High School										X
Total Programs	1	6	1	2	2	2	2	1	1	2

Source: 2001 Technology Resources Survey.

District supports schools in technology decisions

Through the network, educators can visit websites on the Internet, or through vendor demonstrations, professional development offerings and pilot programs, they have opportunities to preview new

technologies and be exposed to new ways of integrating technology in the classroom. The Media and Instructional Technology Department works closely with educators who request technology assistance in evaluating and recommending appropriate technology for the acquisition of digital content and hardware.

Recommendations

- *The district should develop measures to evaluate the effectiveness of the IT partnership training programs. (See previous recommendation Action Plan 6.7)*

11 The district has a stable and efficient infrastructure.

The network is an integral part of daily life at each school, connecting staff, students and administrators within the school and throughout the district. Each school has a local area network that is primarily used to distribute information, access application software, and store data. Individual schools are connected to the districtwide area network that provides access to the Internet, the district-managed intranet, and authorized district applications. Site visits and interviews with school and district staff indicate that district network support is responsive and that network downtime is minimal. No recommendation.

The district has a wide area network that is supported by the Networking and Computer Support group. It provides network and server support for operational programs like email, web development, data synchronization, maintains district server backups, checks for viruses, filters inappropriate web sites and monitors network usage. In addition this group provides network and desktop support to all technical support staff in the district.

Speed and access standards exist for all computers linked to the network. Schools are primarily connected directly to the district wide area network (WAN) through T1 lines except the majority of charter schools and other remote sites which are connected at 56K. A DS3 line connects the district to FIRN via the FIRN firewall that filters access to the Internet. The AS 400 production and development systems have a direct 10/100mb Ethernet connection and Gateway High School has an ATM Fiber connection. All computers purchased by the district come with a three-year warranty. Standards are written for all PC and MAC computers linked to the network including those below.

- Lab Models
- Economy Desktops
- Performance Desktops
- Multimedia Models
- Student Laptops
- Professional Laptops
- Low-end Fileservers
- High-end Fileservers
- Cluster Fileservers

As part of the Information and Technology Services Department, the district employs networking and computer support staff that maintain, configure and monitor the network. The network is monitored using

HP Openview. The HEAT Help Desk is adequately staffed to route problems to the appropriate technicians and assist users with whatever problems occur. Critical server monitoring occurs 24 hours, seven days a week and is the responsibility of NCO. Voice and data transmission works closely with SPRINT to monitor and maintain constant communication throughout the system.

District supports technology contacts

The district provides support to all technology contacts at each school, disseminating information at monthly meetings and through email. Technology contacts at the school place calls directly to the vendor for problems with computers that are still under warranty. These include Executive Source, Compaq, Gateway, IBM and Apple. Computers that no longer have warranties require a call to the district Help Desk and the problems are routed to the appropriate group for repair or assistance. If the problem appears to be network related, the network staff diagnoses the problem immediately, working with SPRINT and CISCO until the problem is resolved.

Appropriate Use of Technology

12 The district has established and communicated a policy stating appropriate uses of all types of technology resources, including computers, video equipment, software, and the Internet.

The school board has adopted policies for access and acceptable use of all types of technology resources. Acceptable use policies are in place. The district's acceptable use policy includes established policies regarding what information can be posted on the web and also defines what and how specific electronic equipment can be used. Internet filtering and blocking is provided through an agreement between the school district and Florida Information Resource Network (FIRN). All needed steps to comply with the Children's Internet Protection Act (CIPA) requirements have been pursued. No recommendation.

Email Acceptable Use Policy (AUP)

The district's email objectives are to provide a uniform email account for all full-time district employees. The district encourages the use of email, has an email acceptable use policy that is distributed to all email users, and provides the means to enhance communication between groups such as schools, districts, the state, parents and the community.

Web development guidelines

In addition to the acceptable use policy the Internet and Application Development section, under the direction of the Information and Technology Services Department director has developed a manual called *Design Standards for Web Pages* which provides guidance for the development of web pages on the district's web server. All web pages must reflect only educational, technological and community information that affects the school or department.

District data-network acceptable use policy

Staff, teachers, students and parents are provided guidelines describing the appropriate and inappropriate uses of technology. These guidelines are available on-line in the District Data-Network Acceptable Use Policy. The policy states "At each school, each student's access to use of the network will be under the teacher's direction and monitored as a regular instructional activity."

13 **The district supports compliance with the established policy on safe and legal use of technology resources.**

Processes in place to deny access to any user who violates acceptable use policies. The district has developed a process for reporting and filtering inappropriate websites, and updates anti-virus software regularly to keep district servers virus free.

Failure to adhere to the Data-Network Acceptable Use Policy may result in suspending or revoking the offender's privilege of access to the Network and other disciplinary action up to and including termination of the employee or expulsion in the case of a student.¹⁰ Processes are in place to protect users from network violations in several ways. Inappropriate websites are reported to the district and these sites are added to the FIRN filtering system to be blocked from view.

Virus protection

Currently the district has in place Computer Associate's Innoculate-It as its virus protection solution for the PC platform. It is provided at the District Administrative Center and all secondary schools. Virus table updates are regularly pushed to all servers at the schools and then down to the desktop. Full implementation at the school is dependent on technology contacts to configure the clients on each desktop appropriately. Over the last two years, the district has attempted to implement this same solution for the Apple product line, but have found that administration and deployment of the solution do not work well for Apple products.

Recommendations

- *The network and computer support group should develop a process that automatically updates all school servers with the latest anti-virus protection.*

Action Plan 6-10 provides the steps needed to implement this recommendation.

Action Plan 6-10

Develop and implement a method for automatically updating anti-virus software on all school servers.

Strategy	The network and computer support group should develop a process that will automatically update school servers with the latest anti-virus protection updates.
Action Needed	Step 1: After network operating systems have been standardized, develop a method for pushing updates to LAN servers. Step 2: Submit the methodology to the Technology Standards Committee for review. Step 3: Implement the methodology,
Who is Responsible	Information and Technology Services director
Time Frame	One month after standardization of LAN operating systems
Fiscal Impact	This can be accomplished with existing resources.

Source: OPPAGA.

¹⁰ Osceola District Data-Network Acceptable Use Policy, Adopted November 7, 1995, and Amended June 17, 1997, pp.3-31.

Management Information Systems

14 Segregation of Duties: The district segregates duties to reduce the risk that unauthorized transactions will be entered and not discovered quickly.

The Information and Technology Services Department is an independent group responsible for data processing. System security does not allow the Information and Technology Services personnel access to transaction input. Security for input transactions is maintained by the Finance Department. No recommendation.

Data processing - development

The Information and Technology Services Department is independent of the organizations that depend on it for data. The Information and Technology Services director is responsible for approving new development. Development entails analysis, coding, and requires thorough testing. Newly developed applications are tested first in the test environment and then moved into the production environment only after customers have had a chance to thoroughly test the new application.

Security

The Network Communications Specialist for Networking maintains LAN/WAN network access. Various applications residing on networked file servers have been assigned to staff in that department to maintain, including security. The Information Services Systems analyst maintains AS 400 system access. AS 400 application security is also maintained by a designated person at the district. A formal request is made for user access to both the student information and finance applications in TERMS. This formal request is then processed and the user is granted access. When employees are terminated network and application access is denied. Reports can be printed to show users and the authorities they are granted.

15 User Controls: The district's user controls ensure authorization prior to processing transactions and ensure all output represents authorized and valid transactions.

The district has procedures in place to insure that information entered into the AS 400 business applications are authorized, accurate and input only once. No recommendation.

Authorization

To enter a transaction, a user must log into the network with a valid user id and password. Once logged into the network the AS 400 restricts usage of TERMS based on user id and password. Authorization to access a specific application depends upon the users function. Users are given levels of access depending on what their role in the organization is. For example, data entry clerks who have read, write and delete privileges in the Student Information System may not have access to the Financial Information System. Other users have access to both systems but are only permitted to view the data or print reports and are not allowed to make changes to the data.

Accuracy

Supervisors oversee the processes to ensure that all input is processed correctly through the system and input only once. At the schools, access to TERMS is limited and made available only on workstations where authorized personnel are stationed. When data processing requests are made that bypass normal access, requests are documented through the HEAT Help Desk system. Requests are approved by assigning them to an IT member with a priority code that indicates the urgency of the request. User department supervisors are responsible for reviewing output to determine its reasonableness and accuracy.

16 Application Controls: The district's applications are designed to provide users with reliable data.

The district uses the Total Educational Resources Management System (TERMS) to capture student and financial information and has developed procedures to effectively share the information maintained in these systems with a variety of users. No recommendation.

Since 1996 when the district converted their data processing functions to the AS 400 system, they have successfully implemented several modules of the TERMS system. Currently the TERMS modules in use are the student information and financial information applications. User's guides and technical documentation are available for both systems. The district demonstrates that adequate supervision is provided and that training and written instructions are in place to produce reliable data, as information contained in these systems is used effectively within and outside the district. The data maintained in these systems is reported to Florida Department of Education and is used for determining funding and in successfully obtaining grants. It is also analyzed for evaluation and planning purposes, and is also imported/exported into supporting administrative applications, such as, Pinnacle, SNAP, EDULOG and Medicaid.

TERMS applications have controls built into system dictionaries that automatically edit and validate input. Stored with each record in TERMS is the date and user id of the last person to enter and update the record. Using this information, changes to the database can be traced from computer output to data source and vice versa. TERMS applications automatically provide reports that are used by supervisors to ensure that processing has occurred correctly. In addition, IT programmers have built interfaces to strengthen managers' ability to integrate data into reports that are used for additional analysis.

17 General Controls: The district has established general controls in the areas of access, systems development and maintenance, documentation, operations, and physical security to promote the proper functioning of the information systems department.

The Information and Technology Services Department not only provides a secure operating environment, it is also innovative in developing and modernizing applications that benefit users. However, IT documentation has not kept pace with changes in the operating environment.

Controls in areas of access

The IT Services department provides a secure environment for the district's investment in technology. Keyless door locks secure IT equipment from unauthorized personnel. Anyone outside of the operations staff who enters the computer room is required to sign in and out. Safes are used to protect tape backups. Most reports are printed by users, however, when operators print sensitive data, users are required to pick up the reports in person.

System development and maintenance

Specifications are written for the development of new systems and modifications to existing applications, but specification requirements are generally less rigid than in the past. Currently, district users, IT analysts and IT programmers work interactively to develop programs like the Professional Development Intranet application or the browser-based Student Registration Project. Email and the HEAT Help Desk system promote this interaction and provide resources to developers that were unavailable in years past, which not only improve communication but also double as a source for documenting the development process. As discussed previously, the HEAT Help Desk system is often used to document modifications to existing systems. Specifications are more detailed for developing new applications as more time, analysis and documentation is necessary to outline the expectation of users.

Documentation needs updating

Although, written policies and standards exist in the *MIS Standards Manual*, the manual has not been updated since 1996. Although many of the written procedures to test and implement new development are still valid, many of the requirements outlined in the manual no longer apply now that new tools are available and demand for interactive web applications dominate development efforts. In addition, documentation should be updated to include information that will guarantee that the organization could continue to operate if important data processing employees were to leave. Changes in procedures should also be documented in the updated manual, including automatic scheduling requirements, off-site storage of backup tapes and updated disaster recovery plans.

Operations

Routine operational processes are scheduled through an automated job scheduler. The job scheduler produces a log of all jobs, the date and time they start running, the time they ended and their status upon completion. The scheduler log is reviewed to ensure that jobs ran according to the schedule. Backups, payroll processing, state reporting schedules, grading reports and student record edit reports are among the automatic processes scheduled regularly.

Physical security

Data processing equipment is covered by insurance through the Risk Management Department. To further reduce risk, daily backups are stored off site and a disaster recovery plan is in place. The disaster recovery plan includes a reciprocal agreement with Brevard County as an alternative site for processing critical applications. However, the plan was initially agreed upon in 1998 and should be reviewed to ensure that the district needs can still be met by the agreement.

Recommendations

- *Review and update the MIS Standards Manual.*

Action Plan 6-12 provides the steps needed to implement this recommendation.

Action Plan 6-12

Review and update the <i>MIS Standards Manual</i>.	
Strategy	The IT Services Department Director should meet with IT staff to develop a plan for the review and update of the <i>MIS Standards Manual</i> .
Action Needed	Step 1: Assign each area of IT with a section to review and update. Step 2: Develop a time line for when the revisions should be ready fro review by the Technology Steering Committee. Step 3: Present the changes to the committee for review. Step 4: The committee reviews and approves the manual.
Who is Responsible	Information and Technology Services director
Time Frame	July 1, 2003
Fiscal Impact	This can be accomplished with existing resources.

Source: OPPAGA.

18 The district’s management information systems provide data needed by administrative and instructional personnel in a reliable and manner.

The Total Educational Resource Management System (TERMS) Student Information system captures student demographics, performance, scheduling, and attendance information. Six full-time IT staff members support the Student Information System, providing student information to schools, district staff, and the Florida Department of Education. No recommendation.

Four of the full-time IT staff supporting the TERMS are system trainers, providing TERMS training to school personnel and district staff. Verification of the accuracy of the data falls primarily with each school. Online data dictionaries are used to validate data each time it is entered into the TERMS database. Periodic reports are reviewed for reasonableness and accuracy. Processing that occurs at the district level is sent back to the schools for verification before it is sent to DOE. Errors caught by DOE are sent back to the district for correction.

The district produces many reports that are used to manage educational and operational programs. Some of the most critical data analyzed by the district includes enrollment/FTE data, student testing information

and the number of students who are eligible for the free and reduced lunch program. This data is critical because it influences funding. The district prioritizes student data requests systematically, servicing requests that impact funding and requests for student transcripts first.

19 The district has taken steps to minimize the number of independent databases and build interfaces for databases that support district objectives but are independent of its centralized computer systems.

The district maintains an inventory of databases that operate outside the TERMS environment. However, interfaces are developed to synchronize and integrate data maintained in each. No recommendation.

District databases

Although TERMS is the primary database maintained by the district to track financial and student information, other databases are also maintained solely by the district to support additional operational and administrative initiatives. These include, the professional development web application, the HEAT Help Desk, maintenance work order and warehouse requisition applications, property and records management, and the Pinnacle Grade Book system.

District IT staff maintain the data in these systems by developing interfaces that synchronize the data between systems. For example, 12 schools currently are fully operational in the use of the Excelsior Pinnacle Grade Book database. This application was purchased to assist teachers in tracking student's classroom grades and attendance. An interface was developed that is scheduled to run during the wee hours of the morning to synchronize the Pinnacle Grade Book data with TERMS student attendance information. When teachers come into class the following morning, their class rosters have been updated with the latest TERMS attendance information and TERMS has been updated with the latest student performance information.

Independent databases

In addition to supporting district database applications, IT staff also develops interfaces that allow TERMS student information to be extracted and imported into independent systems like the Food Service program (SNAP) which depends on information regarding a student's eligibility to receive a free or reduce priced lunches. Additionally, the use of the Education Logistics software (EDULOG) to route buses throughout the district requires updated student address information that is also to be supplied through an interface with the TERMS student information system.

20 Other Controls: The district has established appropriate controls related to electronic data exchange transactions, other transactions processed through electronic media, and image processing systems.

As a service to employees, the district uses electronic data exchange to provide payroll direct deposit, to provide data to the Florida Department of Education, and participates in a check reconciliation program. In addition, the microfilm is transferred to the state record center. No recommendation.

Financial information

The district has appropriate agreements with the providers in the electronic exchange of data to provide a direct deposit payroll service to district employees. In addition, the district exchanges data electronically to participate in a check reconciliation program and 1098 forms.

Student information

Because the state of Florida requires the district to periodically report to the Florida Department of Education, TERMS data is sent electronically to the Northwest Regional Data Center to consolidate and summarize activities for all students in a specific format that is mandated by the state. DOE checks to ensure that the data is properly sent and notifies the district if errors are detected.

Microfilm backup

Records management microfilm is backed up and stored at the state record center.

7 Personnel Systems and Benefits

The Osceola County School District maintains a positive human resources customer orientation, but could improve the efficiency of its efforts through automation of its personnel processes and records. It generally provides adequate salaries and appropriate benefits for its employees, but district salaries are below the state average, peer districts, and adjacent districts. The district needs to improve its performance accountability system to ensure that the personnel program is meeting its intended purpose in an effective, cost-efficient manner.

Conclusion

The Osceola County School District is using 13 of the 15 personnel best financial management practices. The district generally recruits and hires qualified personnel, maintains a reasonably stable work force, provides a comprehensive staff development program for instructional and non-instructional employees and school-based administrators, has implemented a system for formally evaluating employees, and generally ensures that employees who fail to meet the district's performance expectations are promptly removed from contact with students. The district has implemented appropriate policies and practices for providing substitute personnel, uses cost-containment practices for its Workers' Compensation Program, periodically reviews and adjusts the organizational structure and personnel practices to improve efficiency and effectiveness, and maintains an effective collective bargaining process. However, the district needs to modernize and improve its processing and handling of personnel records, and establish and implement accountability mechanisms to ensure the performance, efficiency, and effectiveness of the human resource program.

During the course of this review, the Office of Program Policy Analysis and Government Accountability (OPPAGA) identified a number of notable district accomplishments in the personnel systems and benefits, some of which are included in Exhibit 7-1 below.

Exhibit 7-1

The District Has Had a Number of Notable Accomplishments in Personnel Systems and Benefits in Recent Years

- The district has developed an impressive staff development program. During the 2001-02 school year the district conducted approximately 1,750 workshops for district employees. Employees can access the district's intranet website and review scheduled workshops to see what is available, register for workshops, and have their registration confirmed immediately, with follow-up notification and reminder service provided by email.
- The district has developed and implemented an on-line Leadership Academy to provide a comprehensive management and leadership training program for new administrators and managers.
- The district has implemented a very effective program for recruiting, preparing, and assigning substitute teachers to fill temporary vacancies. In October 2001 the district had nearly 450 active substitute teachers available. The district provides ongoing training for substitute teachers through its Substitute Institute and uses an automated system for assigning substitute teachers to cover temporary classroom vacancies.

Source: Osceola County School District.

Overview of Chapter Findings

OPPAGA reviewed the Osceola County School District's personnel systems and benefits, including Professional Development and Risk Management, using the Best Financial Management Practices adopted by the Commissioner of Education and the associated indicators. The OPPAGA team employed several methodologies to develop chapter conclusions and action plans. For instance, we conducted on-site interviews with district level managers and school officials and gathered information on the personnel systems and benefits. We also reviewed the district's policies and procedures related to personnel systems and benefits. Questions varied depending on the groups interviewed and the results have been validated and incorporated into this chapter where applicable.

Personnel Processes

1. The district has efficient and effective processes for recruiting and hiring qualified personnel. (Page 7-6)
2. The district maintains a reasonably stable work force through competitive salary and benefit packages and through district-wide efforts to address and remedy factors that contribute to increased turnover. (Page 7-9)
3. The district provides a comprehensive staff development program for non-instructional employees. (Page 7-12)
4. The district provides a comprehensive staff development program for instructional employees. (Page 7-13)
5. The district provides a comprehensive staff development program for school administrators. (Page 7-14)
6. The district has designed a system of formally evaluating employees' performance that is designed to improve and reward excellent performance. (Page 7-15)
7. The district has developed and implemented policies under which any employee who repeatedly fails to meet the district's performance standards or whose behavior or job performance is potentially harmful to students is removed from contact with students. (Page 7-16)

Managing Human Resources

8. The district maintains close and effective channels of communication with employees. (Page 7-17)
9. The district has efficient and cost-effective policies and practices for providing substitute teachers. (Page 7-19)
10. The district does not maintain personnel records in a highly efficient and accessible manner. (Page 7-19)
11. The district uses cost containment practices for its Workers' Compensation Program. (Page 7-22)
12. The district has not established and implemented accountability mechanisms to ensure the performance, efficiency and effectiveness of the Human Resources Program. (Page 7-23)
13. The district reviews the organizational structure and staffing levels of the Human Resources Department annually during the budget preparation process to minimize administrative layers and processes. (Page 7-23)
14. The district periodically evaluates its personnel practices as needed to reduce costs and/or improve efficiency and effectiveness. (Page 7-24)
15. For classes of employees that are unionized, the district maintains an effective collective bargaining process. (Page 7-25)

Fiscal Impact of Recommendations

One of this chapter's recommendations, automation of the personnel records, has a direct fiscal impact in that it could result in a cost avoidance of \$100,000 over the next five years. District staff said that if the district continues to maintain hardcopy personnel records, projected growth in the district will require the Human Resources Department to hire one additional support staff employee each year at an average cost of \$36,000 per employee per year for each of the next five years. The additional cost in the first year is \$36,000 and increases an additional \$36,000 each year, for a five-year cost of \$540,000. Modernizing record-keeping procedures by establishing and implementing a database containing complete information on each employee will initially cost about \$116,000, but can result in reducing the number of new support staff employees to one every two years. With automation, the additional cost for the first two years would be \$36,000 per year. Additional cost for the next two years would be \$72,000 per year, and for the fifth year would be \$108,000. The five-year cost for maintaining automated records would be \$440,000, an avoidance of \$100,000. Exhibit 7-2 compares additional costs with and without automating the personnel records.

Exhibit 7-2

One Personnel Systems and Benefits Action Plan Recommendation Has a Direct Fiscal Impact

Recommendation	Five Year Fiscal Impact
<ul style="list-style-type: none"> Modernizing records-keeping procedures by establishing and maintaining a database containing complete information on each new district employee. 	<ul style="list-style-type: none"> The estimated five-year cost for the Human Resources Department to hire one new support staff employee each year for the next five years to handle personnel records for the anticipated increase in instructional and non-instructional staff is \$540,000. By contrast, the estimated five-year cost for implementing an automated personnel records keeping system (i.e., \$116,000 for computer hardware and software plus \$324,000 for adding new employees in only the first, third, and fifth year of that period) is \$440,000. Automating the personnel records avoids \$100,000 in estimated costs over the five-year period.

Source: Developed by OPPAGA based on estimates provided by Osceola County School District staff.

Background

The management of human resources is a key component of the district's operations. From recruiting potential employees and processing job applications to evaluating employees and terminating poorly performing employees, the district uses these employees to achieve the purposes of the school district. This background section discusses

- the district's workforce and
- the mission, organization, and responsibilities of the Human Resources Department.

During the 2000-01 school year the Osceola County School District employed more than 3,800 full-time employees. The Osceola County Education Association represents instructional employees who comprise

slightly more than half of the district's employees. The non-instructional employees are not currently represented by a union, as the union that previously represented the non-instructional employees was decertified on November 9, 2001. Administrative employees do not have union representation. Exhibit 7-3 shows a breakdown of the types and numbers of staff employed by the district.

Exhibit 7-3

During the 2000-01 School Year, the Osceola County School District Employed More Than 3,800 Staff

Categories of Employees	Numbers of Employees
Administrative Employees	109
District Level	38
School Level	71
Instructional Employees	1,970
Classroom	1,661
Elementary	663
Secondary	684
Exceptional Student	245
Other Teachers	69
Other Instructional Staff	309
Support Staff	1,802
Professional	133
Non-Professional	1,669
Total Employees	3,881

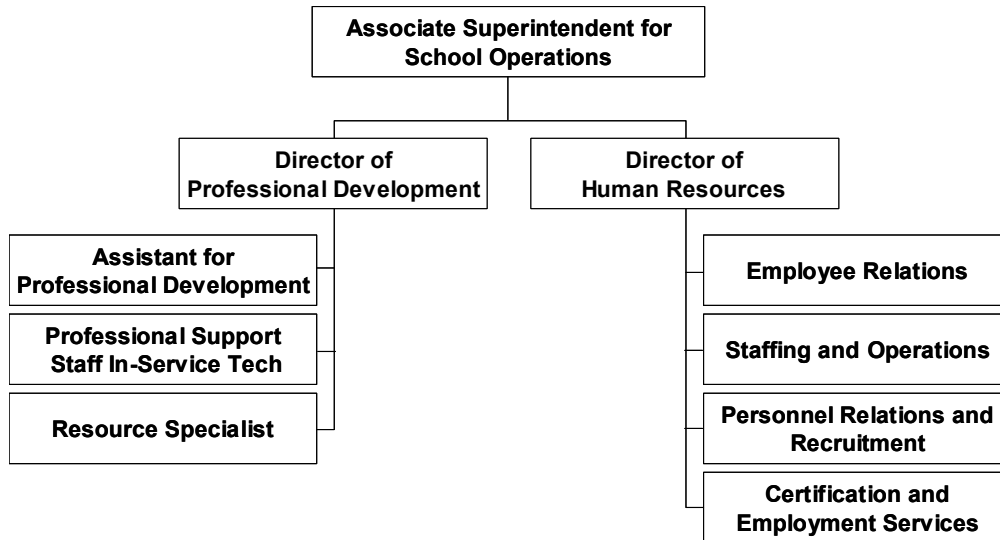
Source: Department of Education.

The Human Resources Department Seeks to Provide Well-Trained and Qualified Staff for the District

The mission of the district's Human Resources Department is "...to provide quality employment services and on-going career development within the School District of Osceola County." The district has a strategic plan but that plan does not have measurable goals and objectives for the division (see Practice 12 in this chapter and Chapter 3). Exhibit 7-4 shows the structure and organization of the Human Resources Department and the Professional Development Department.

Exhibit 7-4

Structure and Connectivity of Human Resources and Professional Development Departments



Source: Adapted by OPPAGA from chart provided by Osceola County school District.

The Human Resources Program performs a variety of functions for the district.

A school district’s personnel systems and benefits function typically includes recruiting, hiring, and training district employees; developing and implementing appropriate fringe benefit programs for those employees; and maintaining appropriate records related to their employment. In the Osceola County School District these functions are the responsibilities of the Human Resources Department, and the Professional Development Department. In addition to these functions, the program works very closely with the Finance Department's Risk Management function, which oversees the workers’ compensation program. Exhibit 7-5 lists some of the major services the program performs for the district.

Exhibit 7-5

The Human Resources Department Provides an Array of Services

The Human Resources Department performs the following services for the district:

- maintains listing of current vacancies;
 - processes and screens all applications for instructional and non-instructional positions;
 - processes paperwork for hiring of new employees for school board approval;
 - performs customer service functions for all district personnel, including providing salary and certification information;
 - recruits teacher candidates;
 - coordinates certification activities;
 - maintains automated substitute teacher management system;
 - negotiates with the employee union(s);
 - investigates grievances and allegations regarding employees;
 - maintains job descriptions for all positions;
 - administers retirement and equity benefit programs;
-

-
- develops and coordinates the master in-service plan for instructional employees;
 - coordinates training for instructional employees;
 - develops and coordinates the induction (orientation) program for new instructional and non-instructional employees;
 - develops and coordinates the performance appraisal system; and
 - develops and coordinates the aspiring leader training program for future principals.
-

Source: Osceola County School District.

Personnel Processes

1 The Osceola County School District uses standard district-wide procedures to announce vacancies and to receive and process applications.

Recruiting and Hiring

The district has established standard procedures to announce vacancies and to receive and process employment applications. Vacancies are posted each Monday and remain open for one week. Applicants must submit a completed application form with all required documentation prior to the closing date to be considered for any position. The district's newly created website for Human Resources highlights vacancies for administrative, instructional, and professional support staff employees. Advertisements for vacancies are published on the Internet website and in local newspapers, and potential applicants can get information on vacancies from an automated telephone system.

The Human Relations Department has established position descriptions for each position approved by the school board. Each position description includes the job title, qualifications, supervisory information, position goal, performance responsibilities, terms of employment, and evaluation information. In 2000, the district contracted with PricewaterhouseCoopers to assist in the consolidation, rewriting, and reformatting of position descriptions. During the 2000-01 school year, the district created a Job Analysis Committee to evaluate both position descriptions and compensation.

Job vacancy announcements provide information on positions to be filled, qualifications required, and compensation range. Vacancy information for instructional and professional support staff positions is available to potential applicants by a telephone job-line and on the Internet. The district is currently in the process of adding information on administrative vacancies to the notification system.

The district's recruiting practices generate a sufficient number of qualified applicants to fill vacant positions in a timely manner. In 2000-01, a Title VI Federal Class Size Reduction Program Grant was used to supplement the district's \$30,000 budget. The grant allowed the district to update advertising materials and undertake teacher recruitment trips. During that year the district hired 408 new teachers.

The district conducts a background check on all new employees and all former employees with a break in service of 90 days or more. Those individuals are required to submit a complete set of fingerprints to be submitted to the Florida Department of Law Enforcement for state processing and to the FBI for federal processing. Any applicant found to have been convicted of a crime involving moral turpitude may not be employed in any position requiring contact with students.

Minorities are underrepresented among district administrators and instructional employees, but the district is aggressively recruiting additional minority employees

The school board has adopted rules to ensure that applicants are not discriminated against on the basis of race, gender, sex, age, color, disability, religion, marital status, national origin, or other non-merit factor. The board has established an Equity Committee to provide a procedure for registering complaints and the superintendent has appointed an Equal Employment Opportunity Designee to coordinate the complaint process in the district. When an employee's immediate supervisor cannot resolve the complaint, an investigative panel is established to conduct a fair and impartial investigation of the alleged discriminatory practice. Upon completion of the investigation, the Equity Committee submits recommendations to the superintendent who reviews the findings of the committee and renders a final decision. A complainant who is not satisfied with the superintendent's decision may appeal that decision to the school board. The board makes the final non-judicial decision regarding the complaint.

The district annually generates an Equal Employment Opportunity Report and submits that report to the Department of Education. The district serves a very ethnically-diverse student population. There are 38 different languages spoken by students in the district and those students come from 136 countries. In recent years there has been an explosive growth of the Hispanic population in the district, and Hispanics now are the second largest component of the district student population. Exhibit 7-6 compares the ethnic distribution of the student population with the distribution of teachers in the district.

Exhibit 7-6

The Percentage of Hispanic Students in the Osceola County School District Is Nearly Twice the Percentage of Hispanic Teachers, 2000-01 School Year

Ethnicity	Percentage of District Population	
	Students	Teachers
White, non-Hispanic	49.1%	74.1%
Black, non-Hispanic	9.6%	7.0%
Hispanic	36.7%	17.7%
Other	4.7%	1.2%

Source: Developed by OPPAGA from data provided by the Osceola County School District.

This growth of the Hispanic student population has caused the district to aggressively recruit Hispanic teachers and administrators, and has resulted in recruiting trips to Puerto Rico and other areas with large Hispanic populations. In addition, the district uses the services of MACS, Inc., a south Florida company that recruits foreign teachers. MACS, Inc., ensures that foreign teachers hired qualify for the ESOL¹ endorsement on their teaching certificate. Because of those efforts, the percentage of Hispanic teachers has increased from 9% to 13% over the past four years.

The district has developed strategies to attract qualified employees

In those areas in which the district has experienced a shortage of qualified applicants, the district has developed and implemented both short-range and long-range strategies to remedy the situation. The areas in which shortages occur most frequently are Exceptional Education teachers, minority teachers, and professional support staff. Exhibit 7-7 shows some of the strategies being used by the district to eliminate those shortages.

¹ English for Speakers of Other Languages.

Exhibit 7-7

Examples of Short-term and Long-term Strategies Used by the Osceola County School District to Fill District Vacancies

Short-term Strategies	Long-term Strategies
<i>Exceptional Student Education teachers</i>	
<ul style="list-style-type: none"> Attended national and state level ESE conferences and recruiting fairs 	<ul style="list-style-type: none"> Foster relationships with the National Clearinghouse for Profession in Special Education.
<ul style="list-style-type: none"> Sent letters to teachers listed in TeachinFlorida.com who are interested in ESE 	<ul style="list-style-type: none"> Established "Creating Opportunities and Resources for Educators (C.O.R.E.)" and "Grow Our Own" programs to assist district teachers interested in teaching ESE and elementary education
<ul style="list-style-type: none"> Offered a salary supplement for ESE teachers 	<ul style="list-style-type: none"> Through collaborative bargaining, establish new strategies to provide more money for ESE personnel
<i>Minority and ESOL teachers</i>	
<ul style="list-style-type: none"> Recruiting trips to colleges and universities with large minority populations 	<ul style="list-style-type: none"> Establish relationships with universities that have a high percentage of minority and ESOL graduates.
<ul style="list-style-type: none"> Advertised annual job fair in local Spanish-language newspapers. 	<ul style="list-style-type: none"> Established "Grow Our Own" program to assist district teachers interested in teaching ESOL.
<ul style="list-style-type: none"> Recruited teachers at the International School Services Conference. 	<ul style="list-style-type: none"> Collaborating with a private recruiting agency specializing in recruiting foreign teachers to pilot an international recruiting effort to secure bilingual teachers.
<i>Teachers in General</i>	
<ul style="list-style-type: none"> Expand the Human Resources Department to place more focus on recruiting. 	<ul style="list-style-type: none"> Working with the Foundation for Education to establish more community and business support for district employees.
<ul style="list-style-type: none"> Enhancing the Human Relations Internet website to make it more user friendly. 	<ul style="list-style-type: none"> Promoting teaching as a career choice for current Osceola County students.
<ul style="list-style-type: none"> Posting teacher vacancies on the Internet 	<ul style="list-style-type: none"> Targeting recruiting trips to states with a surplus of teachers (e.g., Alabama).
<i>Professional Support Staff</i>	
<ul style="list-style-type: none"> Authorized the superintendent to waive position requirements to meet demands of district needs when there is a shortage of fully qualified applicants. 	<ul style="list-style-type: none"> The district has not adopted long-term strategies to fill professional support staff vacancies.
<ul style="list-style-type: none"> Allow new employees to "bring in" up to 10 years of prior related experience when hired. 	
<ul style="list-style-type: none"> Offer a salary supplement to employees with advanced degrees. 	

Source: Developed by OPPAGA from data provided by the Osceola County School District.

The Human Resources Department uses standard procedures for processing new employees

The district periodically compares its entry-level teachers' salaries with neighboring districts and adjusts entry-level salaries as necessary to compete for qualified applicants. Each year the district consolidates data from Florida Educational Negotiators for use in collaborative bargaining. The district has

established a goal of having its teachers' salaries competitive with surrounding districts. PricewaterhouseCoopers recently completed a study of compensation for administrators and professional support staff and the district has implemented some of the report's recommendations.

The Human Resources Department verifies the qualifications of all instructional employees to ensure that they are qualified for the positions they hold. The district uses the New Employee Check List to ensure that the applicant meets the minimum education and experience requirements for the position, and that the application packet includes a completed application, high school and college transcripts, social security card, health records, references, and, if appropriate, immigration documents. The supervisor of Employment and Certification reviews the personnel file of each applicant to determine eligibility for certification. Applicants must meet all requirements of the position for which they are being hired before they are offered a contract. The supervisor of Staffing and Operations checks all employees' files before approving their pay status to ensure that the employee has provided all required paperwork to support the qualifications of the job. Paperwork to document all job requirements is filed in the individual's personnel file.

The district monitors the number of out-of-field teachers and the status of those teachers to attain certification in the fields in which they are teaching. An out-of-field teacher is an individual assigned teaching duty in a subject area outside the field in which that teacher is certified. Teachers who are out of field must sign an out-of-field agreement stating their intent to pursue certification and their progress is regularly tracked. Out-of-field teachers must annually complete at least six semester hours of credit toward certification in the subject in order to continue teaching in the out-of-field area. The teacher is required to provide the principal documentation of coursework completed and the principal forwards documentation to the Human Resources Department for filing.

2 The district maintains a reasonably stable work force by providing competitive salary and benefits and addressing factors that contribute to increased turnover.

The district has implemented some strategies to improve retention of good employees but has not yet implemented performance pay for instructional personnel and administrators. The superintendent has appointed a Performance Pay Task Force to cooperate with the Osceola County Teachers association to develop a performance pay system to be implemented for the 2002-03 school year. District staff said they expect that plan to be ready for implementation by July 1, 2002. District staff reported that the district provides staff development programs for all employees as well as an excellent benefit program, in-service incentives, and opportunities for advancement to help retain good employees. The district combines a good system of employee benefits, a strong training program, and recruits from within the district for promotion.

Average teacher salaries in the district are lower than in surrounding districts and do not compare favorably with statewide averages

The district has established a goal of having a competitive salary with surrounding districts and periodically compares its salary and benefit packages with those of peer districts. The district reviews data from Florida Educational Negotiators and provides that data to the Collaborative Bargaining Team. District staff stated that the district compensation package was equal to or higher than surrounding districts and that the cost of living in Osceola County is substantially less than in surrounding districts. However, data obtained from the Department of Education website showed that in 2001-02, the average teacher salary for all degree levels in Osceola County was below the average salaries in six of seven adjacent counties. The average teacher salary in Osceola County that year was \$4,336 less than the state

average and was less than four of the five peer districts used in this review. Exhibits 7-8 and 7-9 compare average teacher salaries in Osceola County School District with adjacent districts and peer districts, as reported by the Department of Education.

Exhibit 7-8

In 2000-01 the Average Teacher Salary in the Osceola County School District Was Less Than Average Teacher Salaries in Six of Seven Adjacent Districts

Comparison with Adjacent Districts	Average Teacher Salary, 2000-01
Orange	\$42,457
Brevard	\$37,436
Okeechobee	\$36,717
Highlands	\$36,367
Indian River	\$35,913
Lake	\$35,047
Osceola	\$34,939
Polk	\$34,917
Average without Osceola	\$36,979

Source: Developed by OPPAGA from Department of Education report.

Exhibit 7-9

Osceola County School District Average Teacher Salaries Are Generally Lower Than Salaries of Similarly Qualified Teachers in Peer Districts and Lower Than the State Average

Peer Districts	Average Teacher Salaries by Degree Level				All Degrees
	Bachelors	Masters	Specialist	Doctorate	
Collier	\$37,973	\$48,008	\$50,939	\$53,999	\$42,511
Lee	\$36,440	\$43,824	\$48,353	\$48,089	\$39,443
Manatee	\$34,248	\$41,442	\$48,735	\$45,253	\$37,444
Leon	\$33,717	\$38,649	\$42,193	\$43,203	\$36,269
Osceola	\$32,423	\$39,249	\$40,405	\$43,813	\$34,939
Alachua	\$31,045	\$35,424	\$37,088	\$42,329	\$33,970
State	\$36,363	\$43,061	\$50,450	\$49,422	\$39,275

Source: Developed by OPPAGA from data provided by the Department of Education.

The district provides salary incentives for teachers in leadership positions and those assigned in critical shortage areas

The district gives a preference based on instructional performance when selecting instructional personnel for positions that receive supplemental pay. Instructional positions that receive supplemental pay include supervising principals, summer school teachers, grade-level chairpersons, team leaders, department chairpersons, and mentors. When a teacher is identified for assignment to a position paid a salary supplement, the principal submits a certification to the Human Resources Department that the teacher has demonstrated satisfactory teaching performance on his or her most recent performance evaluation.

The district has adopted an incentive program to encourage and reward teachers in critical shortage subject areas (e.g., ESE), but has not adopted such an incentive program for teachers in hard-to-place schools. Specifically, the district pays a salary supplement to ESE teachers assigned to teach in the

program for autistic students, programs for mentally, emotionally and physically handicapped students, the pre-kindergarten Therapeutic programs, programs for hearing-impaired and multi-sensory impaired students, and all instructional positions in Behavior Center Schools. Teachers with National Board Certification receive an annual state supplement of \$9,000. However, there is no supplement program for teachers who receive satisfactory or better performance evaluations or who are assigned to any particular schools other than the Behavior Center Schools. District staff said that the district has not identified any schools as "hard-to-place" schools.

The district uses exit interviews to monitor employee attrition

The district conducts exit interviews with employees who terminate employment, and it periodically compiles and analyses the results of those exit interviews. These statistics are reviewed by the superintendent and analyzed in collaborative bargaining and are reported to the Department of Education twice annually. During the 2000-01 school year, data became available from 81 exit interviewees who terminated employment with the district. The average length of service for these teachers was 5.8 years. Of those 81 teachers, the district terminated 7 during their probationary period. Of the 67 teachers who voluntarily separated from teaching in the district, only 21 (31%) reported doing so for adverse reasons. Exhibit 7-10 lists the adverse reasons given for voluntary termination.

Exhibit 7-10

21 Teachers Voluntarily Terminated District Employment in 2000-01 for Negative Reasons

Reason for Voluntary Termination	Number
Inadequate salary	11
Lack of advancement opportunity	3
Dissatisfaction with supervisor	4
Dislike of or unsuitability for assigned duties	3

Source: Department of Education.

The district maintains and monitors teacher turnover data to identify unusual variations in the turnover rate. The district periodically compares its turnover rates with peer districts, a practice that will become easier as the Department of Education collects, compiles, and disseminates teacher turnover data from all districts.

The district also conducts exit interviews with non-instructional staff when they terminate employment with the district. The information collected is not submitted to the Department of Education, but is submitted to the superintendent, the collaborative bargaining team, and the Affirmative Action Committee. The Affirmative Action Committee maintains data on turnover rates of protected class employees.

A study of the district's compensation package was conducted in 2001

District staff said that the district's compensation package is competitive with the packages of other public and private employers in the area. Staff also said that a study conducted by the district in 2001 showed that the districts average starting salary was higher than 9 of 10 area districts. They also claimed that the cost of living in Osceola County is lower than in surrounding districts.

In 2000, PricewaterhouseCoopers submitted a final report of a compensation study regarding direct and indirect compensation for administrative and professional support staff. The district has implemented some, but not all, of the study's recommendations. The district's Job Analysis Committee has used the study as a resource, and the district has collected additional data through the Florida Educational Negotiators and from surrounding districts to be used in the bargaining process.

Based on recommendations in the PricewaterhouseCoopers compensation study, the district established a Job Analysis Committee to regularly review positions and to make salary adjustments. The PriceWaterhouseCoopers staff trained members of the Job Analysis Committee to complete the Position Information Questionnaires that are the basis for assignment of a position to an established pay range.

3 The Human Resources Department and the Professional Development Department combine efforts to provide comprehensive orientation and staff development programs for non-instructional employees.

The Human Resources Department conducts orientation programs for all new employees

The orientation informs employees of school board rules, district policies, and personnel procedures, and provides an opportunity for new employees to complete and submit required paperwork to get personnel, staff development, and payroll records established. New employees who are assigned to a school site also receive a school handbook that includes maps and explains procedures for absences, etc. The Human Resources Department has recently completed a draft Employee Handbook for all employees to be distributed during the 2002-03 school year.

The district uses input provided by recently hired employees to establish, revise or affirm materials in its new employee orientation program. The Human Resources Department constantly seeks input from employees and supervisors to improve the orientation program. For some time, the district has been in the process of developing a new employee handbook for all employees. This project was being done cooperatively with the support staff union, but after that union was decertified the project was put on hold.

The district does not have a formal mentoring program for all non-instructional employees. However, some new non-instructional employees are paired off with established employees as a resource and guide. For example, the current Food Service director is leaving at the end of the school year and the district has hired a replacement to allow for overlap in that position. District staff said that the district could implement a mentoring program for all non-instructional employees. Employees who participate in the CORE program are assigned mentors to provide one-on-one assistance in learning their new position. The Professional Development Department also provides a service for placing employees with a mentor to learn new skills or to assist employees with skill deficiencies.

The Professional Development Department provides a comprehensive training program for non-instructional employees based on data collected through an annual needs assessment

The Professional Development Department coordinates the training of non-instructional personnel. Training may be conducted as a component of assessment or may be voluntary. Employees and supervisors may access the training available through a monthly newsletter or through the intranet site. District staff said that the department had conducted approximately 1,750 workshops during the 2001-02 school year. Many of these workshops focus on the training needs of non-instructional employees, and non-instructional employees may attend some workshops designed for all employees.

The Professional Development Department annually conducts an assessment of training needs. The department receives input from employees on needed training programs. In 2000-01, this input was received in the form of a survey conducted online through the Internet. The department also receives input on needed training from school improvement plans and through advisory bodies (e.g., the Professional Development Council). Also, following workshops, the department provides each participant an evaluation instrument on which they may assess the effectiveness of the training provided. Workshop facilitators may review the evaluations online.

The district has established procedures to evaluate individual in-service training activities. Those procedures include receiving feedback from participants using standard Evaluation of In-service Activities forms. All participants in in-service activities are required to complete and submit an evaluation form at the end of each training program. The Professional Development Department periodically consolidates this feedback and submits reports on training to the superintendent and the school board.

The Professional Development Department uses a computer program to maintain training records for all non-instructional employees. Employees may review their staff development records online through the intranet system.

4 The district provides a comprehensive staff development program for all instructional employees.

In collaboration with the Osceola Classroom Teachers Association, the Human Resources Department conducts orientation programs for all new instructional employees

The orientation for instructional employees is similar to that for non-instructional employees in that it informs new teachers of school board rules, district policies, and personnel procedures, and provides an opportunity for new teachers to complete and submit required paperwork to get personnel, staff development, and payroll records established. New teachers also receive a school handbook from the school to which they are assigned. That school handbook includes maps and explains procedures for absences, etc. The Human Resources Department has recently completed a draft Employee Handbook for all employees to be distributed during the 2002-03 school year.

In addition to the orientation, each new teacher participates in pre-planning at their school as well as participating in the Preparing New Educators and CoMentr (Collaborative Mentoring and Teacher Renewal) Programs. These programs have been submitted to and approved by the Florida Department of Education. The district assigns a mentor for each new teacher to assist them in learning the requirements of their new job.

The district provides a Preparing New Educators program as well as a mentor program for new teachers. These programs provide extensive portfolio documentation of teachers' competencies. The programs are designed to promote professional growth in a collaborative and collegial learning environment. Each school has a lead mentor teacher and mentor teams that assist new teachers in professional development. The district also provides portfolio mentors to assist new teachers in tracking requirements.

The Professional Development Department annually surveys new teachers, mentors, supervisors, and other administrators regarding new teachers and the new teacher program. Information received from these surveys may be used to change program design, if needed, to better meet teacher needs.

The Professional Development Department provides continuous staff development activities for instructional employees

The Professional Development Department annually conducts an assessment of training needs for instructional employees. The department receives input from surveys of instructional employees on needed training programs. In 2000-01, this survey was conducted online through the Internet. The department also receives input on needed training from school improvement plans. Also, following workshops, the department provides each participant an evaluation instrument on which they may assess the effectiveness of the training provided. Workshop facilitators may review the evaluations online. District staff said that the department had conducted 1,732 workshops during the 2001-02 school year.

Many of these workshops focus on the training needs of instructional employees, and instructional employees may attend some workshops designed for all employees.

In addition to assessing training needs, the Professional Development Department coordinates the training of instructional personnel. Training for teachers may be conducted as a component of assessment or may be voluntary. Teachers and supervisors may access the training available through a monthly newsletter or through the intranet site. The department submits its annual staff development plan to the school board and the department of education for approval. Each school site is required to develop a School Advisory Committee Plan that includes a training component for each goal established by the school based on student achievement data. The Professional Development Department is currently developing operating principles to establish long-range goals of the school community.

The district uses a variety of delivery methods for in-service training, including outside assignments, technology, and follow-up components. Training is selected and approved based on the impact on student achievement and the latest techniques and knowledge. District trainers are encouraged to attend state and national conferences and examine the latest research in education.

The district uses training funds in a cost-effective manner to enable teachers to further their professional development in a way that benefits the district and improves student outcomes. The Professional Development Department manages training funds. The director of that department reviews the Master In-service Plan Activity Agreement to ensure that training funds benefit the district. The district complies with budgetary restrictions on categorical funding for staff development purposes. For example, the agreement requires a teacher who participates in a workshop outside the district to list the purpose of the workshop and their plans for sharing information upon return to the district.

As is the case with non-instructional employees, the district has established procedures to evaluate individual in-service training activities. Those procedures include receiving feedback from participants using standard Evaluation of In-service Activities forms. All participants in in-service activities are required to complete and submit an evaluation form at the end of each training program. The Professional Development Department periodically consolidates this feedback and submits reports on training to the superintendent and the school board. Individual Professional Development Plans require that training activities be evaluated for effectiveness based on improved student performance.

The Professional Development Department maintains training records on the TERMS database for all teachers. Teachers may review their own training records through the department's intranet site.

The district encourages teachers to become National Board Certified

The district encourages teachers to pursue certification by the National Board of Professional Teaching Standards. Teachers with such certification are given recognition by the school board and receive an annual supplement of \$9,000 from the state. The Department of Professional Development facilitates the certification program for the district. In addition to the monetary supplement, National Board Certified teachers also get extra exposure with district administrators and the public, and with other teachers by conducting training sessions and serving as mentors.

5

The district provides a comprehensive staff development program for school administrators.

The district has a process for identifying employees with potential for employment in administrative positions. The Professional Development Department has a process and a number of programs that assist in identifying employees with interest and potential for administrative positions, and the department maintains an administrative pool. The training program includes courses in management and leadership,

how to get into the administrative pool, and training in on-site leadership. The associate superintendent for School Operations periodically visits schools and sited to meet with prospective administrative applicants. The Professional Development Department has arranged with Nova Southeastern University to provide educational leadership certification on site at the district's Professional Development Center.

The district has implemented an on-line Leadership Academy for all administrators and supervisors. The Professional Development Department provides a comprehensive management and leadership training program. School leaders can access available courses through the intranet site. As part of the Preparing New Principals Program, leadership candidates complete a Professional Development Plan Process, internships, self-assessment, and training in order to be certified by the Department of education as a principal. All principals in the Osceola County School District have completed the program.

The Professional Development Department also conducts a Preparing New Principals Program that includes assigning a supervising principal (mentor), a district supervisor, and another administrator to help guide the candidate through the program. An administrator may enter the program after serving as an assistant principal for one year. The department has developed a Preparing New Principals notebook to be used as a guide to completing certification requirements.

Decisions regarding retention of school administrators are made with consideration of feedback from a variety of sources. Reappointments come as the result of assessment data and additional information collected through school surveys, test scores, etc. Parents and non-instructional employees may provide feedback through the School Advisory Council.

6 The district has designed a system of formally evaluating instructional employees' performance that is designed to improve and reward excellent performance.

The district has established and implemented procedures for assessing the performance of all instructional employees in its *Assessment System Procedures Manual*. The manual includes performance standards for Osceola County teachers and the Professional Development Department ensures that employees are oriented on these procedures within the first 20 school days of each year. It is the district's philosophy that assessment is a continuous and cooperative process between the teacher and administrators that is designed to determine the quality of instruction provided. Assessment is based on sound education principles that meet individual student needs and result in educational improvement. All administrators who evaluate teachers must have completed training for using the Florida Performance Measurement System (FPMS). The system provides for written notification to any teacher whose performance is not meeting standards, and for development of professional improvement plans for such teachers. According to district staff, there are no teachers currently on probation for failing to meet performance standards. The system also provides for appropriate disciplinary measures in accordance with the Osceola County Teachers Association contract and school board rules.

The district provides training, guidance, and coaching to administrators who conduct evaluations. The Professional Development Department annually provides such training to administrators through workshops on assessment strategies, discipline and documentation, and employee motivation. The associate superintendent provides additional training to all assistant principals with the assistance of the school board attorney. Senior management staff provides individual assistance to anyone in need of such assistance. The evaluation of instructional employees includes an appraisal of the employee's content knowledge in the area of instruction. The Professional Development Department verifies that supervisors have completed performance evaluations at least annually.

The instructional assessment system allows for the use of parent input and other outside source information (e.g., School Advisory Council input) in the assessment of teacher performance. In addition, excellent teachers are used as mentors for the formative development of new teachers.

When a teacher's performance does not meet district standards, the teacher is informed in a timely fashion, in accordance with Article XII of the bargaining agreement with the Osceola County Teachers Association. The district actively attempts to correct performance shortcomings before the summative evaluation is conducted, but the summative process includes a Professional Development Plan for the teacher. A copy of each written notice is placed in the teacher's personnel file.

The district has not yet developed and implemented policies and procedures for linking a portion of instructional employees' salaries to measurement of student performance. As previously discussed on page 7-10, the district is currently developing the Performance Pay Plan to be implemented during the 2002-03 school year. The committee developing the plan includes teachers, school based administrators, and district-level administrators. The committee is working under the oversight of the director of Professional Development.

School-based administrators and the Professional Development Department informally compile information on employee evaluations to determine what performance issues need to be addressed by management and through training. The director of Professional Development reviews assessments of administrators' performance. The assistant for Professional Development reviews all instructional staff assessments, and the professional support staff in-service technician reviews assessments of all non-instructional staff.

The district has developed procedures for maintaining records at the district level for instructional employees who have been notified that their performance has not met district standards. The superintendent, legal staff, Human Resources Department, and associate superintendent for School Operations closely monitor any instructional employee on probationary status due to performance. The superintendent annually reminds administrators of state requirement for reporting of two consecutive years of substandard performance.

District policy prohibits any district employee from manufacturing, distributing, possessing, or using drugs or controlled substances. New employees are advised of the policy at the time they attend their new employee orientation and periodically during each school year. All new employees and former employees with a break in service in excess of 90 days are required to take a drug-screening test upon employment. No prospective employee will be hired if the results of drug screening indicate the presence of illegal drugs.

7

The district has developed and implemented policies under which any employee who repeatedly fails to meet the district's performance standards or whose behavior or job performance is potentially harmful to students is removed from contact with students.

The district has established procedures and criteria to identify employee behaviors and performance problems that are potentially harmful to students. All district employees are subject to the Florida Code of Professional Ethics, and are required to self-report within 48 hours any arrest or charge of abuse of a child or the sale and/or possession of a controlled substance.

The district can identify teachers who are not meeting performance standards

The district provides training, guidance, and coaching to managers on the procedures and issues associated with working with employees who are performing poorly. The district's comprehensive

assessment system provides instruments to be used when there is a deficiency in performance and procedures for limiting or correcting the problem. The district regularly provides workshops on the procedures for using the assessment instruments and coaches administrators on how to identify performance problems and solutions. District staff said that the district also provides on-site professional ethics training for all employees.

The district also has a plan for ensuring that employees not meeting standards receive official notice of probation, counseling, individual development plans, and are made aware of employee appeal procedures. This system is designed to ensure that the employee's performance improves or the employee is terminated. The district's assessment system includes procedures for notification, counseling, assistance, and a timeline for completion of items identified in a Professional Improvement Plan.

The district has identified at least one district-level administrator to work with principals to appropriately document poor employee performance. Currently both the associate superintendent for School Operations and the director of Human Resources work with administrators in making decisions regarding termination of employees. Principals may also call on the director or assistant director of Professional Development or the Professional Support staff training technician for assistance. Supervisors and administrators are made aware of these resources in training sessions throughout the year.

The district has developed procedures to ensure that employees who are not meeting performance standards are not repeatedly transferred among school sites in lieu of termination of their employment. The associate superintendent for School Operations closely monitors the transferring of employees from one site to another. Supervisors are required to contact the previous site before an offer of employment is extended.

The district monitors progress of students being taught by teachers who are not meeting performance standards

The district also has a process for monitoring the progress and performance of students who are under the instruction of a teacher on probation. Student achievement is a factor of the instructional assessment form as well as part of the Professional Improvement Plan process. When a teacher shows deficiencies in performance, the principal develops a Professional Improvement Plan for that teacher. Administrators at the school closely monitor the progress of the teacher's students to ensure that students are learning the subject matter.

The district investigates and acts on allegations of inappropriate behavior

The district has adopted procedures that provide for prompt investigation and resolution of allegations of behavior by district employees that is potentially harmful to students. All complaints and allegations must be in writing and are promptly investigated by the manager of Employee Relations in the Human Resources Department. District procedures are designed to ensure fair and equitable treatment of all employees. During an investigation an employee may be reassigned. At the completion of the investigation, notice is made to the file regarding the findings and whether disciplinary action was taken.

Managing Human Resources

8 The district maintains close and effective channels of communication with employees.

The Human Resources Department and the Professional Development Department provide valuable information to employees during the employee orientation process, including information on employee

rights and responsibilities, fringe benefits, and working requirements. The Risk Management Department also provides employees information about employee benefits and workers' compensation at the orientation and updates that information annually. Individual school sites provide employees with handbooks explaining school policies and procedures. Information on collective bargaining is available for the first time this year on the intranet with a global search function to aid in quick location of contract areas. Pamphlets on professional development are distributed annually and each employee is provided a copy of his or her in-service training record in August of each year. The district is currently developing an employee handbook that will consolidate many of these items in a single resource. District staff said the handbook should be ready for implementation by July 1, 2002.

The district maintains both an Internet site and an intranet site that contain current detailed information for employees. Those sites are accessible to all employees and are monitored by the Information Services Department. The Internet site includes information about Osceola County, the school district, and basic information regarding personnel activities of the district. It includes such specific information as a map of district facilities, a calendar describing upcoming events, and information on the Teacher Job Fair.

The district uses the Internet, the intranet, and email to keep employees informed on current events affecting the district. The district uses a number of newsletters to provide employees information on such matters as insurance coverage, information technology, and staff development. In August of 2001 the Human Resources published Volume I of *Human Resources Partner*, a newsletter to inform employees about the personnel available in the Human Resources Department to assist them. The newsletter also contained information about the Equity Committee, the Employee Assistance Program, and Affirmative Action, as well as articles on recruitment and certification.

District officials periodically schedule visits to individual school and work sites to meet with employees. Leadership team members are assigned to visit schools on a monthly basis, however district officials make it a point to be at the schools whenever they are needed and attend many school functions at school sites throughout the year.

The district has established a system for soliciting feedback from its employees. The district has established a "We're Listening" hotline through which district employees may provide input and share opinions. Employees may call in on the telephone or send an e-mail to lodge a complaint, present commendations, or provide information. District staff makes timely calls back to the employees in response to their ideas and questions. In addition, School Advisory Councils provide feedback to the district about personnel matters, and the various departments use surveys to collect feedback from employees. Employees and members of the public may also make public comment at school board meetings or send messages to the superintendent by email.

The employee handbook that is under development will list the duties and responsibilities of the various personnel offices and identifies who has responsibility for which areas. Presently the district has adopted a mission statement for the Human Resources Department, which states that the mission is "to provide quality employment services and on-going career development within the School District of Osceola County." The district is committed to providing employees and applicants with the necessary resources to obtain their goals, while recognizing their unique and individual needs. The Human Resources Department continues to work on improvement of its processes that enable employees and applicants to obtain needed information. The Community Relations Department provides the public numerous handouts and newsletters containing information about the district.

The district solicits and uses input from interested parties when developing or revising policies. It is the practice of the Human Resources Department to solicit information from both staff and administrators when gathering information and changing policies. For example, when the department created a change to the out-of-field rule last year, a committee was established to solicit information prior to editing the rule. Employees are encouraged to be a part of the decision making process through participation in committees like the Job Analysis Committee and the Affirmative Action Committee.

9 The district has efficient and cost-effective policies and practices for providing substitute teachers.

The district recruits and maintains a sufficient number of substitute teachers to cover most absenteeism peaks. The district has clearly defined procedures for teachers and essential non-instructional personnel to notify the appropriate school or district officials of an anticipated absence and for substitutes to be contacted. District staff said that the district uses the automated Substitute Employee Management System (SEMS) to contact substitutes to fill temporary classroom vacancies and in October of 2001 had enough active substitute teachers (447) to meet the demand. While the district maintains a large list of substitute teachers in the SEMS, most schools use the same substitutes on a regular basis.

The district has also defined processes for using substitute non-instructional employees. Each school or department has developed its own list of available substitute workers that can be used to fill temporary vacancies.

The district equitably assigns substitute teachers among the schools. The district uses the SEMS to notify substitutes of daily needs. When SEMS was initially activated it started at the top of the list making calls and continued down the list until the first vacancy was filled. Then, to fill the next request, SEMS started at the point where it filled the first vacancy and continued through the list until the vacancy was filled, and so on. SEMS goes completely through the list before starting back at the top, giving all potential substitutes an equal opportunity to be contacted about a vacancy.

The district provides ongoing training for substitute teachers. The Professional Development Department conducted a Substitute Institute in August 2001 to prepare substitute teachers for taking on temporary teaching assignments. The institute includes a myriad of topics essential to the substitute teacher, including classroom management, professional ethics, lesson planning, etc. Other workshops for substitutes are conducted throughout the school year and substitutes are allowed to participate in staff development activities designed for full-time teachers.

10 Although the district maintains personnel records in a manner that complies with state requirements, those records could be more efficiently maintained and used if personnel records were automated.

Existing manual records maintenance procedures meet state requirements

The district's personnel records are manually maintained in hardcopy in individual folders at the Human Resource Department. The district maintains personnel records, including confidential records, in accordance with Florida Statutes and State Board of Education Rules. The district updates personnel records in a timely manner. Hardcopy records are filed in individual personnel records daily so that needed records can be found in the file. Individuals may review their records by presenting an individual access record form to the department's personnel office. Members of the public may also review those portions of the personnel records that are subject to the public records laws of Florida.

The district is not currently using an automated record-keeping system for general personnel records although an automated record-keeping system could be more effective and efficient. The on-line staff development registration process and SEMS are the only automated systems in place at this time. Officials at school sites cannot access personnel records on an automated personnel system.

Automating the applications process could avoid \$100,000 in new employee costs over the next five years

The Osceola County School Board has taken the first step in automating personnel records. The Professional Development Department is working towards a paperless record-keeping process for maintaining training records that eventually will make information on all employees available through the Internet.

District staff said that the Board has recently approved expenditure of up to \$125,000 to begin development of an automated applications record system as a first step toward personnel records automation. The board has approved an initial \$76,000 contract with WinOcular, Inc., to create an applicant database to collect data and documentation required to complete the application process for instructional applicants. Applicant information can be entered into the database manually or received electronically via an Internet application. This module places teaching applicants in a pool for viewing by administrators who can select applicants by certifications, degrees, preferences, application data, or any combination of data elements. Administrators may view applicant data via the district's intranet. District staff estimated that implementing the module would require about \$40,000 in additional funds to purchase needed servers and other computer hardware to get the system online. The Human Resources director said that once the applicant database is online she plans to begin entering information on current employees into the database until all personnel records are available online and the personnel system is truly "paperless". She said that there would be additional cost of approximately \$50,000 to expand the database to cover non-instructional employees. However, that possible future expansion is not included in the estimate of cost avoided by implementing the initial system.

District staff said that automating applications of instructional personnel could end up saving significant funds for the district over the next five years. They said that at the current rate of growth of the student population, the district could justify hiring one additional teacher each day. Using the current manual records management system, the district would need to hire one additional records maintenance employee each year at a projected cost of \$36,000 per year per employee. Staff estimated that automating the instructional personnel application process would reduce the need for additional employees by about one-half (i.e., the Human Resources Department would need only one additional employee every two years). They projected that new employees would be needed in only the first, third, and fifth years. Exhibit 7-11 shows how automating the personnel records could avoid \$100,000 in new employee costs over the next five years.

Exhibit 7-11

Automating Personnel Records Could Avoid \$100,000 in New Employee Costs Over the Next Five Years

Year	Item	Additional Cost, by Year		Accumulated Costs Avoided
		Not Automated	Automated	
2001-02	WinOcular contract for system and software development and purchase of peripheral equipment necessary to initiate records automation	\$ 0	\$116,000	\$-116,000
2002-03	New Employee Cost (Add first new employee not automated; Add first new employee automated)	36,000	36,000	-116,000

Year	Item	Additional Cost, by Year		Accumulated Costs Avoided
		Not Automated	Automated	
2003-04	New Employee Cost (Add second new employees not automated; No new employee automated)	72,000	36,000	-80,000
2004-05	New Employee Cost (Add third new employee not automated; Add second new employee automated)	108,000	72,000	-44,000
2005-06	New Employee Cost (Add fourth new employee not automated; No new employee automated)	144,000	72,000	28,000
2006-07	New Employee Cost (Add fifth new employee not automated; Add third new employee automated)	180,000	108,000	100,000
Total Cost Over the Five-Year Period		\$540,000	\$440,000	\$100,000

Source: Developed by OPPAGA from data provided by the Osceola County School District.

The automated applications system is the first phase in establishing a "paperless" personnel records system. District staff said that once the automated applications system is fully implemented they planned to continue the automation process by entering the personnel records of current instructional and non-instructional employees into the database. The cost to expand the database to cover other employees is not included in this estimate. Over time they anticipate that all personnel records will be available online and the district will have a paperless personnel records system.

Recommendations

- *We recommend that the district continue development and implementation of an automated system to receive, process, and manage applications for employment submitted by potential new instructional employees. In the future the district should evaluate the fiscal impact of the automated system to determine whether the system should be expanded to incorporate personnel records of all district employees.*

Action Plan 7-1

The District Should Continue Implementation of an Automated Application Processing System	
Strategy	The Osceola County School District should continue its development and implementation of an automated system for receiving, processing, and managing applications submitted by potential new employees.
Action Needed	<p>Step 1: Identify personnel data that should be retained in an automated personnel database.</p> <p>Step 2: Design a database format to include the needed data.</p> <p>Step 3: By September 15, 2002, enter personnel data for a sample of district employees to be used as a testing sample.</p> <p>Step 4: Test the database to ensure that it contains appropriate data and that needed data can be easily accessed.</p> <p>Step 5: Revise the database format as indicated by the testing.</p>

	Step 6: Train administrators to use the automated system to get needed information from the applications.
	Step 7: Activate the database to begin accepting applications from prospective new employees no later than October 31, 2002.
	Step 8: Enter data in the database as new employees are hired.
Who is Responsible	Director of Human Resources
Time Frame	July 1, 2003 (for Phase 1, steps 1 through 7. Step 8 will be an on-going process.)
Fiscal Impact	The associate superintendent for School Operations and the director of Human Resources estimated that the initial development and implementation of the automated applications process will cost the district approximately \$116,000. This cost includes development and implementation of necessary software and hardware and the cost for 25 licenses to use the software. Staff further estimated that implementation of the automated applications system could reduce the number of new employees needed in the Human Resources Department to maintain personnel records during the next five years. The estimated reduction in salaries and benefits resulting from the reduced need for new employees over that period would be \$216,000 and the net costs avoided by automating the process would be \$100,000. After two or three years use of the automated applications system the district should review the system to see if it is providing the projected savings and whether the district should expand the database to include non-instructional employees. District staff estimated that it could cost an additional \$50,000 to purchase the additional software and licenses needed to expand the system. The costs of that expansion are not included in this analysis, but a part of the future evaluation should include a cost/benefit analysis.

Source: OPPAGA.

11 The district uses cost-containment practices for its Workers' Compensation Program.

The district participates in the Florida School Boards Insurance Trust (FSBIT). FSBIT is a consortium of school districts that have banded together to share the common costs of providing for Workers' Compensation programs and other risks faced by school districts. FSBIT serves as the third party administrator (TPA) for the Osceola County School District's Workers' Compensation Program. In effect, FSBIT acts like an insurance company in that it receives and processes claims forms, processes and adjusts the claims, and receives and pays related bills. For those services for the 2001-02 school year the district paid FSBIT a premium of approximately \$1.8 million.

The district uses the results of FSBIT evaluations to attempt to reduce frequency and cost of Workers' Compensation claims. The Risk Management Department distributes reports to site managers and works with the TPA to focus on problem areas where safety training can be targeted to reduce the frequency and severity of injuries and reduce costs of Workers' Compensation claims. The district has disseminated procedures to all employees concerning prompt reporting of all on-the-job injuries. Notices are posted on bulletin boards at all schools and other sites advising workers about requirements for promptly reporting on-the-job injuries.

The district has a safety inspection program that prescribes corrective action based on past Workers' Compensation claim experience. Potential hazards are identified through annual inspections and brought to the attention of the site administrator. If an injury occurs because of an unsafe condition or an illness is reported resulting from the work environment, an investigation is conducted, necessary corrective action is taken, and needed assistance is provided.

12 The district has not established and implemented accountability mechanisms that would ensure the performance, efficiency, and effectiveness of the Human Resources Program.

The district has established a mission for the Human Resources Department but has not adopted measurable objectives or benchmarks to be used to evaluate the program's efficiency and effectiveness. District staff said that the department's mission is "to provide quality employment services and on-going career development within the School District of Osceola County."

The associate superintendent for School Operations said that organizational goals are assigned to employees who supervise the organization's activities. The program effectiveness of an organizational element of the district is evaluated on the basis of the performance of the supervisory employee responsible for the component's program. At the beginning of each year these supervisors are charged by their managers to attain specific goals during the year. At the end of the year the manager evaluates the performance of the supervisor on the basis of how well they have attained the assigned goals. If the supervisor has achieved all the assigned goals, it is assumed that the organizational unit has performed effectively. For example, for the 2001-02 school year, one of the goals the associate superintendent assigned to the Human Resources director was to initiate the automation of personnel records. Since the Human Resources director has obtained funding from the school board for the first phase of that project and the contract has been awarded, the Human Resources Department is considered to have achieved that goal.

However, those personal goals do not suffice as comprehensive program goals and objectives for the Human Resources Department. They do not meet the criteria to be considered as either measurable program objectives or benchmarks. To adequately evaluate the program's effectiveness and efficiency, the Human Resources Department needs to establish long- term goals related to its mission. Further, the department needs to develop measurable objectives related to each goal, including strategies and timelines for achieving each objective. Objectives should be time-specific and should be stated in terms of the quality and costs of the services provided.

Recommendations

- *We recommend that the district develop and implement program goals and measurable objectives for the Human Resources Department based on the department's mission and identify appropriate strategies for achieving those goals and objectives in accordance with the procedures suggested in Action Plan 4-1 (page 4-6), 4-2 (page 4-8) and 4-3 (page 4-9) in Chapter 4, Performance Accountability Systems.*

13 The district reviews the organizational structure and staffing levels of the Human Resources Division annually during the budget preparation process to minimize administrative layers and processes.

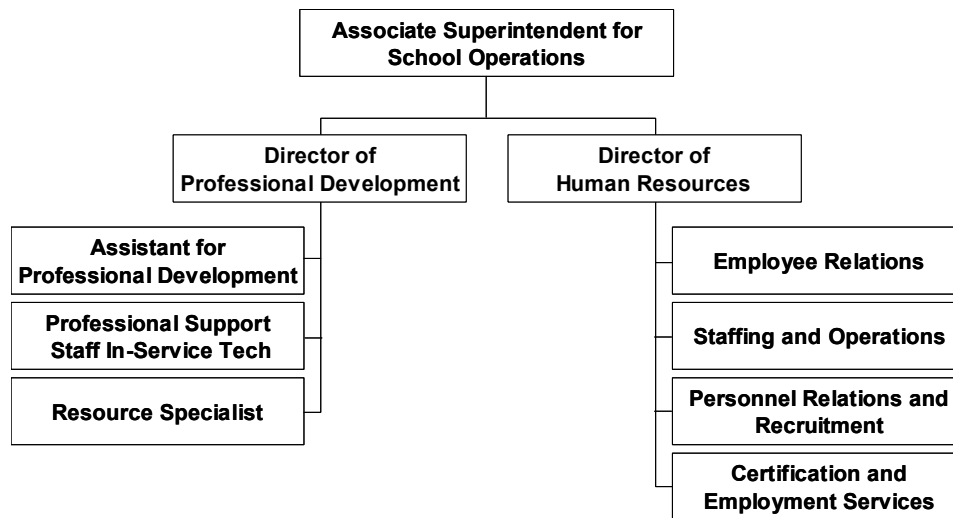
PricewaterhouseCoopers has recently completed an organization study of salaries and positions in the Osceola County School District and the district has adopted some of the study recommendations. The district also informally studies organization and structure annually in preparation of its budget. The

district also informally compares the staffing levels of the human resources program to programs in comparable districts.

The staffing levels of the Human Resources Program are reasonable based on applicable comparisons with districts of similar size. The Human Resources Department handles the advertisement, application and hiring processes, and other personnel functions effectively and efficiently, placing employees on the job in an expedient manner. In the Osceola County School District the Professional Development Department is organizationally separate from the Human Resources Department although the associate superintendent for School Operations supervises both departments. Exhibit 7-12 shows the organizational relationships of the departments.

Exhibit 7-12

Organization of the School Operations Division



Source: Adapted by OPPAGA from chart provided by Osceola County School District.

At least annually, usually at informal retreats with the school board, the director of the human resources program submits reports on activities of the program and identifies any changes needed to improve the organizational structure. Included among those reports are discussions of affirmative action, recruitment, certification, and numbers of employees hired during the past year.

14. The district periodically evaluates its personnel practices and adjusts these practices as needed to reduce costs and/or improve efficiency and effectiveness.

The district periodically reviews the human resources program's delivery of services to identify ways of reducing costs and improving efficiency. Each department is responsible to its assistant or associate superintendent, then to the deputy superintendent, and then the Superintendent. Department efficiency, practices, and budget are reviewed at each level.

The district periodically solicits feedback from staff throughout the district as to whether the human resources program is effectively and efficiently serving the district. For example, in the Professional Development Department, the Professional Development Council, the Professional Development Advisory Board, Professional Development Support Staff In-Service Committee, and the annual needs assessment collect the feedback.

Requests for personnel assistance from administrators and employees are handled efficiently at the district level. In addition to handling telephone requests for information, the district uses its Internet and intranet websites, email, and automated vacancy information (jobline) to provide support to the district.

Employee benefits offered by the district provide value to the employee at a level that justifies the cost of those benefits. The Osceola County School District provides three specific employee benefits.

- Health insurance – The district pays for health insurance for the employee at no cost to the employee. The district's cost for that benefit is \$3,096 per year. In addition, the district offers family health insurance coverage, dental coverage, and vision coverage at the employee's expense.
- Life insurance -- The district provides life insurance coverage for each employee. The amount of coverage depends on how long the individual has been employed by the district. For the first 10 years of employment, the district pays the premium for coverage in the amount of one year's salary. After the employee completes 10 years employment, the district pays the premium for two years' coverage. In addition to the life insurance coverage provided by the district, the employee may pay the premium for an additional year's salary coverage.
- Retirement – District employees participate in the Florida Retirement System. The district makes a contribution to the system for each employee. The amount of the contribution is based on the employee's salary.

District staff said that the effect of benefits varies with the age of the employee. Younger employees are more concerned with salary considerations than with benefits. Older employees place more emphasis on the benefits provided.

15 For classes of employees that are unionized, the district maintains an effective collective bargaining process.

The district clearly designates which staff members are responsible for labor relations and contract negotiations. The associate superintendent for School Operations and the associate superintendent for School Services serve as the chief negotiators for the district. Members of the negotiating team include three district-level administrators and five school-based administrators.

The school board had recognized the Osceola County Teachers Association as the exclusive and sole bargaining agent for the district's teachers. Beginning with the 1999-2000 contract the Osceola County School Board and the Osceola County Teachers Association began using the collaborative bargaining form of negotiations. Both parties accept a memorandum of understanding that has been reviewed annually. During that year a private party conducted a two-day training program in collaborative bargaining. Since that time, an annual review has been included in the bargaining sessions. Several members of the school board negotiating team are members of the Florida Educators' Negotiators organization and attend monthly meetings and the annual conference of that organization to keep abreast of state issues and legislative mandates.

The district has clearly defined procedures as to the roles and responsibilities of the negotiators, the superintendent, and the school board members during negotiation. District priorities are developed from input from school board members, the superintendent, and administrators. Direction and limits are determined during executive session with the school board members, the board attorney, and the district negotiating team. Based on the agreement between the board and the teachers association, board members do not negotiate directly with the association, and association does not negotiate with individual board members.

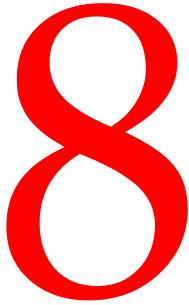
Personnel Systems and Benefits

Administrators are asked to identify issues to be raised in the bargaining process. The collaborative bargaining team periodically sends out a newsletter that includes a form for administrators and teachers to submit their concerns. After review by the district and union chief negotiators, those concerns are placed on the negotiations agenda for review. The district negotiating team follows the direction of the school board.

The Bargaining Leadership Team (or BLT, comprised of the negotiators from both sides of the table) sends teacher association proposals to a subcommittee for review. The subcommittee is composed of association members and district personnel whose direct responsibility falls within the realm of the proposal. Members of the BLT are not included on the subcommittee. The negotiating team sets the criteria and timeline for the subcommittee to follow in review the proposal. Criteria include, but are not limited to, estimated costs, advantages and disadvantages, and studies of other districts. Following extensive review, the subcommittee presents its findings to the BLT. If there is no financial impact on the district, the BLT may accept or reject the recommendation at that time. Recommendations having a financial impact are presented to the school board in executive session.

The negotiating team does not include an attorney trained in collective bargaining. The school board attorney is available to the team for consultation and is in attendance when the team meets with the board in executive session. A labor attorney may be retained when needed. The school board counsel reviews proposed collective bargaining agreement revisions for legal sufficiency and clarity.

The district maintains archival records of negotiations. Records are collected and placed in a binder by year. Records include, but are not limited to, attendance sign-in sheets, minutes, subcommittee reports, tentative agreements, memoranda of understanding, agenda, and supportive documentation. Copies of past agreements are available in printed form or electronically on the Internet and the intranet.



Use of Lottery Proceeds

The district has defined enhancement, allocates lottery proceeds to School Advisory Councils and charter schools as required by law, and reports the costs of specific activities supported with lottery proceeds.

Conclusion

The Osceola County School District is using all five best practices for the use of lottery proceeds. The district has defined educational enhancement and is spending its lottery proceeds consistent with its definition. District lottery proceeds are spent primarily for salaries and benefits of school-based personnel whose activities meet the district’s definition of enhancement.

Overview of Chapter Findings

The Auditor General reviewed the district’s use of lottery proceeds using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. We employed several methodologies to develop chapter conclusions and action plans. The district maintains detailed financial records of lottery transactions. Additionally, the district’s Office of Quality Assurance manages and monitors lottery program activity, including school advisory councils and school improvement plans. District staff has established procedures to document compliance with lottery program requirements. We reviewed these financial and program records in an effort to determine the extent to which the district was using the best practices. Where necessary, we verified the information contained in these records. We conducted site visits and public forums to identify potential issues related to the use of lottery proceeds. During our site visits, we interviewed district financial and administrative staff to strengthen our understanding of district processes related to the management and monitoring of lottery activity. At our public forums, we received participation from the general public.

An overview of chapter findings is presented below.

Lottery Proceeds

1. The district has defined “enhancement” in a way that the public clearly understands. (Page 8-6)
2. The district uses lottery money consistent with its definition of enhancement. (Page 8-6)
3. The district allocates lottery proceeds to school advisory councils as required by law. (Page 8-7)
4. The district accounts for the use of lottery money in an acceptable manner. (Page 8-7)
5. The district annually evaluates and reports the extent to which lottery fund expenditures have enhanced student education. (Page 8-8)

Fiscal Impact of Recommendations

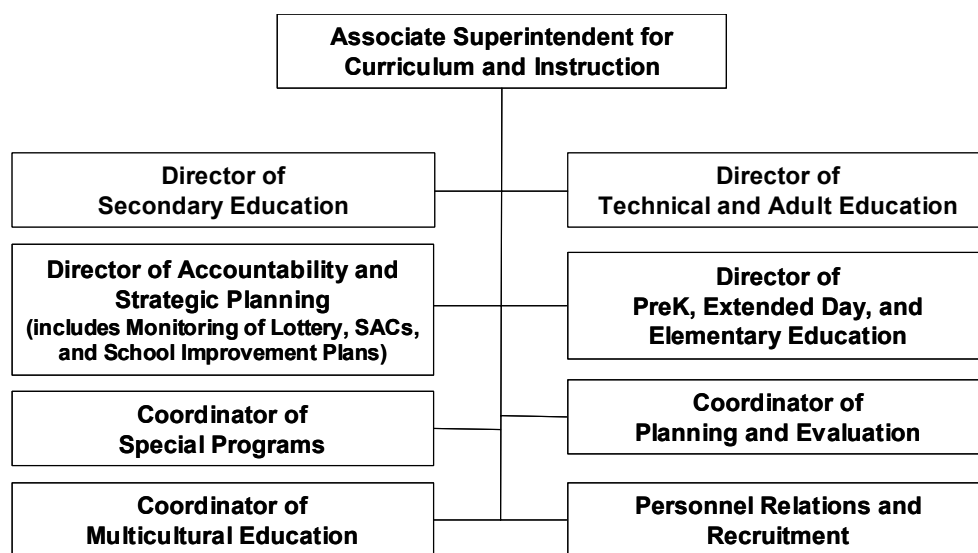
There are no recommendations relating to the district's use of lottery proceeds.

Background

The district has assigned the responsibility for monitoring the district's compliance with the requirements related to lottery proceeds to the Director of Accountability and Strategic Planning, who is assigned to the Assistant Superintendent for Curriculum and Instruction. The Director of Accounting, who reports to the Assistant Superintendent of Business and Finance also has responsibility for ensuring that lottery proceeds and expenditures are appropriately accounted for (see Exhibit 14-2). Exhibit 8-1 shows the organization of the curriculum and instruction function.

Exhibit 8-1

The Curriculum and Instruction Function is Responsible for Monitoring the Use of Lottery Proceeds



Source: Osceola County School District.

State Funding

The Legislature intends that the net proceeds of lottery games be used to support improvements in public education and that such proceeds not be used as a substitute for existing resources for public education.

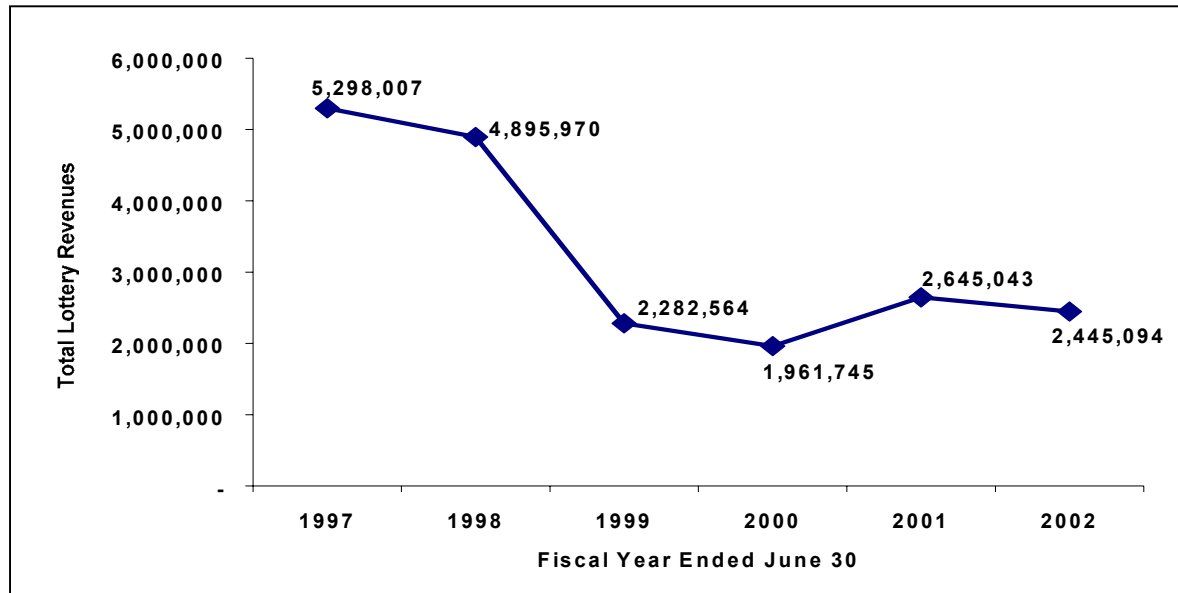
Each fiscal year at least 38% of the gross revenue from the sale of lottery tickets and other earned revenue, excluding application processing fees, is deposited in the Educational Enhancement Trust Fund which is administered by the Department of Education. The Legislature apportions money in the trust fund among public schools, community colleges, and universities. The 2001 Legislature apportioned \$170,250,000 of enhancement moneys to school districts. These moneys are allocated to the districts by prorating each district's K-12 base funding to the amount of the appropriation.

School District Proceeds

In the 2000-01 fiscal year, Osceola County School District received lottery proceeds of \$2,645,043. Projected lottery proceeds for the 2001-02 fiscal year are \$2,445,094. Exhibit 8-2 presents a historical perspective of lottery proceeds received by the district over the last 5 years plus projected lottery proceeds for the 2001-02 fiscal year.

Exhibit 8-2

Lottery Proceeds Received by the District Have Declined



Source: Osceola School District – Superintendent’s Annual Financial Reports (Form ESE 145) and 2001-02 budget documents.

The significant decline that occurred beginning with fiscal year 1998-99 is attributed to the Legislature appropriating a greater portion of the lottery moneys to support the Bright Futures Scholarship Program, Classrooms First, and 1997 School Capital Outlay Bond programs.

School District Lottery Expenditures

Once each school district receives its lottery allocation for a fiscal year, the allocation is further reduced for amounts required to be allocated to each school advisory council (SAC) and to charter schools. For example, for the 2001-02 fiscal year, the district’s lottery projection is \$2,445,094. From this money the district is required to allocate \$10 for each UFTE student to each school for use by the school advisory council. Also, if the district has charter schools, the district is required, pursuant to s. 228.056(13)(b), *Florida Statutes*, to provide each of the charter schools its allocable share of lottery moneys based on the number of students attending the charter schools. The district allocated these proceeds as shown in Exhibit 8-3.

Exhibit 8-3

The District's Distribution of 2001-02 Lottery Proceeds

District Allocation	2001-02		
	Projected	Supplement	Total
Lottery Enhancement (Discretionary)	\$1,956,884.00	\$7,404,968.66	\$9,361,852.66
School Advisory Councils	337,630.00		337,630.00
Charter Schools	150,580.00		150,580.00
Total	\$1,992,765.00	\$7,404,968.66	\$9,850,062.66

Source: Osceola County School District – Finance Office Budget Documents

To offset declines in lottery proceeds, the district continues to fund discretionary enhancement at a rate consistent with prior year levels by supplementing enhancement with unrestricted general fund resources.

School District Lottery Enhancement Allocations

Each year, the annual appropriations act requires each school district to establish policies and procedures that define enhancement and specify the types of expenditures that are considered consistent with that definition. This law also requires school districts to use a unique fund source code for accounting for the receipt and expenditure of all lottery moneys. Amounts allocated to each school were based on unweighted full-time equivalent (UFTE) students and carry-overs from prior years.

School Advisory Council Lottery Allocations

Each year, the annual appropriations act also requires that each school district allocate a portion of the lottery moneys that it receives to each school advisory council (SAC) in the district. As in recent years, each school district is required to allocate \$10 per unweighted full-time equivalent (UFTE) student to each school. For fiscal year 2001-02, the school district has allocated \$337,630 to the SACs in the district. Exhibit 8-4 shows the amounts allocated to each school's SAC.

Exhibit 8-4

The District Allocates \$10 per UFTE to the School Advisory Councils as Required by Law

School Name	School UFTE	SAC Allocation 2001-02
Elementary Boggy Creek	\$ 934.00	\$ 9,340.00
Central Ave.	712.00	7,120.00
Cypress	941.00	9,410.00
Deerwood	1,123.00	11,230.00
Hickory Tree	893.00	8,930.00
Highlands	840.00	8,400.00
Kissimmee	954.00	9,540.00
Lakeview	1,111.00	11,110.00
Michigan Ave.	764.00	7,640.00
Mill Creek	919.00	9,190.00
Pleasant Hill	1,102.00	11,020.00
Reedy Creek	933.00	9,330.00
Ross E. Jeffries	654.00	6,540.00
Thacker Ave.	749.00	7,490.00
Ventura	1,002.00	10,020.00
K-8 Discovery	1,588.00	15,880.00
Narcoossee	957.00	9,570.00

School Name		School UFTE	SAC Allocation 2001-02
K-12	Celebration	1,044.00	10,440.00
Middle	Denn John	1,160.00	11,600.00
	Horizon	1,012.00	10,120.00
	Kissimmee	1,199.00	11,990.00
	Neptune	1,268.00	12,680.00
	Parkway	1,165.00	11,650.00
	St. Cloud	929.00	9,290.00
High	Gateway	2,171.00	21,710.00
	Osceola	2,214.00	22,140.00
	Paths at Teco	390.00	3,900.00
	Poinciana	2,230.00	22,300.00
	St. Cloud	2,095.00	20,950.00
Other	ARC	105.00	1,050.00
	Challenger	100.00	1,000.00
	Commitment	50.00	500.00
	Cope	85.00	850.00
	Detention	50.00	500.00
	GED/HSCT EXIT	40.00	400.00
	New Beginnings	200.00	2,000.00
	Project Future	42.00	420.00
	Transition	38.00	380.00
Total		\$33,763.00	\$337,630.00

Source: Osceola County School District – Finance Office Budget Documents.

The language in the appropriations act stipulates that lottery proceeds provided to the SACs should be allocated directly to the councils, should be clearly earmarked for their use, and should not be subject to override by the principal or interim approvals by school district staff. A portion of the lottery moneys allocated to the SACs should be used to implement the school improvement plan, which must be based on the statewide and districtwide school improvement plans.

Lottery Allocations to Charter Schools

If the district has charter schools, the district is required, pursuant to Section 228.056(13)(b), FS, to provide each of the charter schools its allocable share of lottery moneys based on the number of students attending the charter schools. As shown in Exhibit 8-5, the district allocated \$150,580 in lottery proceeds to the district's six charter schools.

Exhibit 8-5

The District Allocates Lottery Moneys to Charter Schools as Required by Law

Charter School	Funds Allocated 2001-02
Four Corners Charter Elementary School	\$47,344
Four Corners Charter Middle School	17,902
Kissimmee Charter Elementary School	43,759
New Diminsions Charter High School	15,718
PM Wells Charter Elementary School	21,361
UCP Child Development Centers Charter School	4,496
Total	\$150,580

Source: Osceola County School District General Ledger

Use of Lottery Proceeds

1 The district has defined “enhancement” in a way that the public clearly understands.

The District Has Defined Enhancement

According to Florida law, prior to the expenditure of educational enhancement (lottery) proceeds, each school district is required to:

- Establish policies and procedures that define enhancement,
- Identify the types of expenditures that are considered consistent with its definition, and
- Provide the Florida Department of Education a copy of all procedures that relate to the use of enhancement moneys.

The district’s definition for enhancement identifies the allowable categories of expenditures that the district considers enhancing education. For the 2001-02 fiscal year these categories include:

- Continuing programs previously funded through state categorical dollars;
- Supplementing partially funded state categorical program dollars;
- Developing and implementing school and district improvement plans;
- Providing elementary guidance counselors;
- Providing elementary classroom teacher aides;
- Providing guidance counselors and deans;
- Providing start-up supplies, books, and equipment for new facilities and programs;
- Providing matching moneys to schools;
- Providing school resource officers; and
- Providing school data entry clerks.

2 The district uses lottery money consistent with its definition of enhancement.

The District can Demonstrate that it Uses Lottery Proceeds Consistent with its Definition of Enhancement

After allocating funds to the SACs and charter schools as shown in Exhibits 8-3 through 8-6, the district can use the remaining lottery moneys for educational enhancement. The district uses its lottery enhancement proceeds to support activities consistent with its definition of enhancement. Our review of district records showed that over the past three years, the district has consistently spent lottery enhancement (discretionary) proceeds on salaries and benefits for school-based personnel supporting enhancement programs, such as teacher aides, guidance counselors, and school resource specialists

3 The district allocates lottery proceeds to the school advisory councils as required by law.

School Advisory Councils Receive Guidance for Use of Lottery Proceeds

District guidelines and training for SACs are appropriate and comprehensive. District staff give a workshop at the start of the school year to representatives from all school SACs. During this workshop, SAC members receive information about how the district receives lottery proceeds, how it is distributed and guidelines for the use of the SAC allocation given to each SAC. The SAC representatives receive instruction on the process for budgeting the proceeds, approving expenditure of the proceeds, the school improvement plan, and so on. Additionally, district staff respond to SAC requests for assistance by scheduling meetings on an as needed basis with the requesting SACs throughout the school year.

Each School Has an Approved School Improvement Plan

Prior to allocating \$10 per UFTE to a school's SAC, the school must have a school improvement plan. Section 230.23(16), FS, requires school boards to annually approve, and require implementation of, a new, amended, or continuation school improvement plan for each school in the district. These plans should be designed to achieve the state education goals and student performance standards. The board has approved school improvement plans for all district schools and centers.

SAC Lottery Allocations Are Used to Implement School Improvement Plans

At least a portion of the SAC lottery proceeds should be used for implementing the school improvement plans. At the same time, the Legislature intentionally provided SACs considerable flexibility in how they spend their lottery proceeds. Our review of district records and school improvement plans showed that significantly all SAC lottery proceeds were used to implement the school improvement plans.

4 The district accounts for the use of lottery money in an acceptable manner.

The District Uses a Unique Funding Code to Account for Lottery Proceeds

School districts are required to use a uniform chart of accounts established by the Florida Department of Education to record accounting transactions. The Florida Department of Education has established revenue account code number 3344 to account for lottery moneys received by the districts. Osceola County School District uses this revenue code to account for its lottery collections.

The District Has Established Specific Project Codes to Account for Expenditures of Lottery Proceeds

The district uses project numbers to separately account for SAC expenditures and lottery (enhancement) expenditures. The district's recorded enhancement expenditures exceeded the amount of lottery proceeds allocated to the district. For example, as shown in Exhibit 8-3, during the 2001-02 fiscal year, the district budgeted \$9,361,852.66 for discretionary enhancement activities within the district. This amount includes \$1,956,884 of state allocated lottery proceeds and \$7,401,968.66 that the district supplemented from unrestricted operating resources.

As indicated in Exhibit 8-2, in prior fiscal years the district's lottery proceeds were much higher than they are now. During these earlier years, the district identified specific positions it planned to support using lottery proceeds and budgeted for these positions accordingly. If lottery proceeds were less than the amount needed to pay for the earmarked positions, the district would supplement the lottery proceeds so that the earmarked positions were budgeted. The district continued to budget for these positions in more recent years, even though the lottery proceeds got much smaller. As long as there is sufficient expenditures that meet or exceed the district's enhancement definition, the district can report enhancement expenditures to the Florida Department of Education to the extent of the revenues received.

5 The district annually evaluates and reports the extent to which lottery fund expenditures have enhanced student education.

The District Annually Reports Lottery Expenditures to the Department of Education

As required by law, the district submits an annual report to the Florida Department of Education that identifies the expenditure of its lottery proceeds within 60 days of the end of the fiscal year.

The District Reports Lottery Expenditures to the Public

Florida law requires each school district to make available and distribute to the public on a quarterly basis the expenditure of lottery proceeds in an easy to understand format. Although this information has not been provided in recent years, the district has begun reporting lottery expenditures on a quarterly basis effective with the 2001-02 fiscal year. Presently, expenditure information is provided to the schools for the schools to distribute to parents and interested parties through newsletters, etc., both in mail outs and through students taking materials home to parents.

This flyer summarizes expenditures from lottery enhancement and SAC lottery allocations on a districtwide basis and by expenditure type, such as salaries, training costs, travel, and so on. The information is not presented on a school-by-school basis, although that information is available if requested.

Lottery Expenditure Information is Provided to the School Board, District Administrators, and the Public

School board members and district administrators are provided monthly budget reports showing budget versus actual comparisons for project transactions, which include both lottery enhancement and SAC lottery transactions. These reports are used to monitor available budget and they summarize expenditure information by expenditure type within each project.

9

Use of State and District Construction Funds

The Osceola County School District generally uses state and district construction funds appropriately and for the intended purposes. The district has begun to incorporate measures from the SMART Schools Clearinghouse Frugal Construction Standards in order to minimize construction costs.

Conclusion

The Osceola County School District generally uses state and local educational facilities construction funds to meet its five-year facilities work plan in a lawful manner. It has a process in place to ensure that it approves use of construction funds only after determining that the projects are cost-efficient and in compliance with the lawfully designated purpose of the funds and the district's five-year facilities work plan. In addition, the district uses capital outlay and operational funds appropriately, lawfully, and in accordance with its adopted five-year facilities work plan. The district minimizes construction costs by using appropriate measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Construction Standards. The budgets for new school construction are developed using the maximum cost per student station. When designing and constructing new educational facilities, the district incorporates factors to minimize the maintenance and operations requirements.

During the course of this review, the Office of Program Policy Analysis and Government Accountability (OPPAGA) identified a number of notable district accomplishments in the use of state and district construction funds, some of which are included in Exhibit 9-1 below.

Exhibit 9-1

The District Has Had Some Notable Accomplishments in the Use of State and District Construction Funds

- The district has begun taking measures to reduce construction costs.
 - The district will receive an \$8.8 million School Infrastructure Thrift Program grant in Fiscal Year 2002-03.
-

Source: Osceola County School District.

Overview of Chapter Findings

OPPAGA reviewed the district's use of state and local construction funds using the Best Financial Management Practices and associated indicators adopted by the Commissioner of Education. OPPAGA employed several methodologies to develop chapter conclusions and action plans. Such activities included conducting on site interviews with district level managers and school level administrators and staff, examining the Capital Outlay Budget, the adopted Five-Year Facilities Work Plan, and other pertinent documents.

An overview of the chapter findings is presented below.

Use of State and District Construction Funds

1. The district has a process to approve use of construction funds only after determining that the projects are cost-efficient and in compliance with the lawfully designated purpose of the funds and the district's five-year facilities work plan. (Page 9-3)
2. The district uses capital outlay and operational funds appropriately, lawfully, and in accordance with its adopted five-year facilities work plan. (Page 9-5)
3. The district has begun using measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Construction Standards to minimize construction costs. (Page 9-7)
4. The district incorporates factors to minimize the maintenance and operations requirements when designing and constructing new educational facilities; however, it should incorporate life cycle cost analyses as part of the overall prototype specifications by type of school. (Page 9-8)

Background

The Osceola County School District manages state and local construction funds through its Finance Office and its Facilities Planning and Construction Office. These offices control and track construction funds needed to finance the five-year facilities work plan through which the district projects and prioritizes overall facility needs. The district also uses Florida Inventory of School Houses (FISH) data for determining unmet needs. The district uses state and local construction funds for their lawfully designated purposes and capital outlay funds are administered in accordance with State Requirements for Educational Facilities. The district appropriated \$128.6 million in Fiscal Year 2001-02. The sources and amounts of these funds are shown in Exhibit 9-2.

Exhibit 9-2

Sources of State and Local Capital Outlay Funding

Source	Funds
STATE	
Capital Outlay and Debt Service	\$ 893,029
Capital Outlay Bond Issue	2,775,947
Public Education Capital Outlay	8,351,401
School Infrastructure Thrift Awards	88,801
Total State Funding	\$ 12,109,178
LOCAL	
Impact Fees	\$ 10,573,830
Certificates of Participation	46,977,775
Settlement Proceeds	161,222
Sales Tax Proceeds	1,484,325
Sales Tax Bond	28,198,655
Sale of Land	11,970
Local Capital Improvement Fund	109,608
Energy Rebate	13,440
Sec. 236.25(2) Capital Outlay Tax (two mill funds)	28,988,063
Total Local Funding	116,518,888
Total Funding	\$128,628,066

Source: The Osceola County School District 2001-02 Capital Outlay Budget.

Compliance with Legal Mandates

The district should use state and local educational facilities construction funds to meet its five-year facilities work plan in a lawful and cost-effective manner. To meet this goal, the district should

- approve the use of construction funds only after determining that the project(s) are cost-efficient and in compliance with the lawfully designated purpose of the funds and the district’s five-year facilities work plan;
- use capital outlay and operational funds appropriately, lawfully, and in accordance with its adopted five-year facilities work plan;
- minimize construction costs by using appropriate measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Construction Standards; and
- design and construct new educational facilities, incorporating factors to minimize the maintenance and operations requirements of the new facility.

The following four sections address whether the district has achieved these best practices.

1 The district approves use of construction funds only after determining that the projects are cost-efficient and in compliance with the lawfully designated purpose of the funds and the district’s five-year facilities work plan.

One way a school district can ensure that it uses state and local educational facilities construction funds appropriately is to approve the use of construction funds only after determining that the projects are cost-efficient and in compliance with the lawfully designated purpose of the funds and the district’s five-year facilities work plan. Accordingly, the district should have a process by which approval for the use of such funds only occurs after the district has determined the propriety of the proposed use. Such a process should

- enable the district’s finance director to determine that the proposed use is in compliance with the lawfully designated purpose of the funds;
- analyze alternatives to construction that include estimates of cost and other appropriate considerations, which analysis should be considered during board deliberations and is available to the public along with relevant supporting material;
- not allow the use of funds from the Public Education Capital Outlay and Debt Service Trust Fund or the School District and Community College District Capital Outlay and Debt Service Trust Fund for any new construction of educational plant space with a total cost per student station, that exceeds the amounts specified in Florida law;
- restrict the use of district school tax as defined in Florida law, “two mill” money, for construction and renovation, or other lawfully designated purposes; and
- allow the use of state funds in a timely manner.

Construction funds are used for their lawfully designated purposes as determined by the assistant superintendent of Business and Fiscal Services.

The assistant superintendent for Business and Fiscal Services is primarily responsible for preparing the district’s capital outlay budget. The district’s finance office staff is involved in the review process when issues of funding sources arise and have specific responsibility for the appropriate uses of funds. Projects

in the five-year facilities work plan are planned by funding source in advance of the receipt of the funds to ensure proper use. The assistant superintendent of Business and Fiscal Services reviews the five-year facilities work plan to determine that approved uses of funds are in compliance with the law. In addition, a finance department staff member reviews the award of construction funds by purpose in the district’s annual financial report to assure compliance with the lawfully designated purposes of these funds.

The district considers alternatives to construction.

The district’s school board conducts monthly workshops or meetings to discuss construction issues. In these meetings, the needs of the district are discussed and alternate solutions, such as the use of portable units, are considered. In addition to these meetings, district staff meet with the school board in capital workshops to review the recommendations for the annual capital budget and discuss alternatives to new construction. The meetings are open to the public and the meeting agendas and materials are made available to the public prior to the meetings so that citizens can have input in the process.

Further discussion of this issue can be found in Chapter 10 (Page 10-15).

Funds are not used for construction projects that exceed costs as specified in Florida law.

Section 235.435 (6)(b)1, *Florida Statutes*, prohibits a district school board from using the Public Education Capital Outlay and Debt Service Trust Fund (PECO) or the School District and Community College District Capital Outlay and Debt Service Trust Fund allocations when the total cost per student station exceeds the amount specified in Florida Statutes. These funds can be used for facility construction, renovation, and repair projects. The district uses these funds for their designated purposes including renovating, remodeling, or providing for additional student stations.

During the budgeting phase of a project, the district uses the maximum cost per student station as a basis for determining the budget for a new facility. The district has developed a spreadsheet that incorporates the cost per student station in the budget. The finance office monitors the budget during the construction process by reviewing monthly budget reports to ensure that the cost does not exceed allowable limits.

The district uses two mill funds appropriately.

Section 236.25(2), *Florida Statutes*, authorizes the district school tax, also known as the “two mill” tax, to be used for a combination of construction and maintenance projects. The district uses the two-mill money for the intended purposes. The district finance director meets with the facilities department in budget meetings and capital project workshops to determine the construction needs of the district and how those needs can be funded. The use of funds is coordinated with the type of construction project proposed during the development of the capital outlay budget. The district’s use of two mill funds in Fiscal Year 2001-02 is shown in Exhibit 9-3.

Exhibit 9-3

Comparison of Statutory Provisions to Specific District Purposes for Two Mill Funds in Fiscal Year 2001-02

Statutory Provision	District Budget
New construction and remodeling projects	Non-classroom facilities construction
Maintenance, renovation, and repair	Maintenance, renovation, and repair projects
School buses, and other motor vehicles	Purchase of school buses
New and replacement equipment	Capital outlay equipment
Debt service for lease purchase agreement (maximum 75%)	Debt service for Certificates of Participation
Repayment of loans	Debt service for s.237, <i>Florida Statutes</i> , loans
Cost of environmental requirements	Environmental protection measures
Relocatable or leased facilities	Lease payments on relocatable facilities

Sources: Section 236.25, *Florida Statutes*; Osceola County School District.

The school board uses Public Education Capital Outlay and Debt Service funds in a timely manner.

Section 216.301 (3)(a), *Florida Statutes*, requires that school districts use Public Education Capital Outlay and Debt Service funds within 31 months from the effective date of the appropriation. Unused funds revert back to the PECO Trust Fund. School District and Community College District Capital Outlay and Debt Service Trust Fund appropriations are not subject to this requirement. The district reserves the use of state capital outlay and debt service funds for renovation projects. According to the district's capital project expenditure reports, it has expended all of its allocated PECO funds for its most recent school construction projects. This indicates that the school district uses its state construction funds in a timely manner.

2 The district uses capital outlay and operational funds appropriately, lawfully, and in accordance with its adopted five-year facilities work plan

Another way a school district can ensure that it uses state and local educational facilities construction funds to meet its needs is to only approve the use of capital outlay and operational funds for projects within the district's five-year facilities work plan. Accordingly, the district should

- use capital outlay funds in accordance with Florida law and for approved facilities construction projects, requiring that capital outlay funds be used only for new construction, renovation, or remodeling whenever the district has unmet facilities needs;
- use the Florida Department of Education growth projections, the survey process, the Florida Inventory of School Houses (FISH), and any formula developed by the Legislature to determine whether facilities needs are met; and
- maximize the use of local revenue alternatives to increase construction funding.

The district uses capital outlay funds only after such funds are included in the five-year facilities work plan and after the school board authorizes use.

The district prepares its five-year facilities work plan in conformance with state law. The work plan meets standards for appropriate funding levels, use of adequate information, and compliance with legal requirements. Facility construction funds are expended only after inclusion in the five-year facilities work plan and specific board authorization. The district is in compliance with the procedural requirements regarding the use of capital outlay funds and their relation to the five-year facilities work plan. The five-year facilities work plan provides a detailed schedule of each repair and renovation project to be undertaken.

To ensure that it makes appropriate use of capital outlay funds in accordance with Florida law and for approved facilities construction projects, a representative from the finance office monitors all capital spending and prepares a monthly report to indicate the source of funding for each project and the status of the funds. In addition, the Osceola County School District facilities staff meet with and advise the school board of construction expenditures during the construction process.

The district uses information from a number of sources to determine whether or not facilities needs are met.

Section 235.185, *Florida Statutes*, requires school districts to develop and adopt a five-year facilities work plan. To ensure that it efficiently uses capital outlay and operational funds for projects in its five-year facilities work plan, the district uses information from a number of sources to assess its current and

Use of State and District Construction Funds

expected future facility needs. A review of the five-year facilities work plan indicates that the district uses state growth projections and the Florida Inventory of School Houses (FISH). The FISH is a database maintained by the Florida Department of Education that provides information about educational facilities. The information presented in the work plan displays FISH satisfactory student stations by school, FISH capacity, and current and projected school utilization rates. Individual school growth projections are based on a combination of district and state information. Projections are made for each school based on a three-year history and related factors. For the purposes of the five-year facilities work plan, the district projection is modified to fit the Department of Education projection by type of school. In addition, the district uses annual enrollment projections by grade and an analysis of the demand and generalized service areas for future schools as prepared by the consulting firm Ivey, Harris & Walls, Inc.

Using the information from these sources enables the district to efficiently plan the use of construction funds. The district uses these projections to maintain facilities that support existing student utilization levels and plan facilities to accommodate for growth in student population. The current five-year facilities work plan projects 97% utilization of facilities in Fiscal Year 2005-06 compared to 86% in Fiscal Year 2000-01. This indicates that overall the district's schools will be near capacity utilization. However, the district's Fiscal Year 2005-06 utilization projections indicate that 13 of the district's 34 schools (38%) will have utilization rates of over 100% compared to 2 of 29 schools in Fiscal Year 2000-01. This could indicate potential overcrowding in the 13 schools.

For Fiscal Year 2002-03, the Legislature appropriated funds from the School Infrastructure Thrift Program to provide grants to assist in the implementation of school districts' five-year facilities work plans. To be considered for these grants, the districts must have experienced high growth in student enrollment relative to their financial ability to provide facilities to serve for this enrollment growth. School districts may only use these funds for construction of new student stations. The Osceola County School District will receive an \$8.8 million grant in Fiscal Year 2002-03.

Further discussion of the various information sources the district uses is found in Chapter 10 (Page 10-x).

The district maximizes its use of local revenues.

School districts, in an effort to increase construction funding, should maximize local revenues before using state funds for construction and renovation projects. The district maximizes the use of local revenue sources to fund facility needs. In Fiscal Year 2001-02, funds from local sources are projected to provide \$116.5 million in construction funding. This amount is 91% of total available district construction funds. Moreover, the district has appropriated 99% of available local revenues towards capital projects. The district uses various sources of local revenues to fund construction activities as shown in Exhibit 9-4. Revenue sources include local sales tax revenues, sales tax revenue bonds, impact fees, certificates of participation, and the two-mill capital outlay tax. Additional revenues come from settlement proceeds, sale of land, the Local Capital Improvement Fund, and an energy rebate.^{1,2}

To further maximize the use of local revenues, the district has received land donations to offset costs of purchasing new land for education facility construction. For example, it entered into a development and operating agreement with the Celebration Company for the land used to construct the Celebration High School. In addition, the district has a joint usage agreement between Northeast Christian Church and the school board for the shared use of the parking lots and use of the Elementary "C" facilities by the church.

¹ An impact fee is a charge to real estate developers to partially offset the district's cost of building new schools to serve the additional students resulting from the construction of housing development.

² A certificate of participation is a long-term municipal bond.

Exhibit 9-4

The District’s Utilization of Local Revenue Sources

Source	Funds Available	Appropriated Amount	Percent Appropriated
Impact Fees	\$ 10,632,184	\$ 10,573,830	99.45%
Certificates of Participation	47,386,239	46,977,775	99.14%
Settlement	161,938	161,222	99.56%
Sales Tax Proceeds	1,484,325	1,484,325	100.00%
Sales Tax Bond	28,327,503	28,198,655	99.55%
Sale of Land	69,240	11,970	17.29%
Local Capital Improvement Fund	339,628	109,608	32.27%
Energy Rebate	13,495	13,440	99.59%
Sec. 236.25(2) Capital Outlay Tax	29,152,126	28,988,063	99.44%
	\$117,566,678	\$116,518,888	99.11%

Source: Osceola County School District 2001-02 Capital Outlay Budget.

3 The district minimizes construction costs by using measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Construction Standards.

A third way a school district can ensure that it uses state and local educational facilities construction funds to meet its five-year facility needs is to minimize construction costs. A district can minimize construction costs by using measures from the SMART (Soundly Made, Accountable, Reasonable and Thrifty) Schools Clearinghouse Frugal Construction Standards. The district should

- consult the SMART school design directory for the potential use of already approved plans;
- evaluate SMART School guidelines in writing; and
- complete a SMART school design information form.

The district consults the SMART school design directory and has reviewed SMART school guidelines.

The SMART School Design Directory provides guidelines to build facilities in a cost-efficient manner. The directory also lists the certified designs that serve as the primary means to review SMART school design options. The Osceola County School District consulted the SMART School Design Directory for the potential use in plans that it already approved. The district uses prototypes that are part of the directory and was the first school district to build the prototype school developed by the state. The prototype designs are developed to reduce the time and cost of developing new facilities. The district used SMART standards to build the Central Avenue Elementary School.

The district has reviewed SMART School guidelines and has compared these guidelines to its construction standards. School districts use the SMART school design information form to determine if a school meets the standards of having a SMART school design. The district has completed a SMART school design information form and SMART school Design and Performance Standards evaluation forms. Through its review process, the district determined that it is using many of the SMART school guidelines and has used prototype school designs that were developed with the guidelines.

Further discussion on the district's use of SMART Schools Clearinghouse Frugal Construction Standards is found in Chapter 10 (Page 10-28).

4 When designing and constructing new educational facilities, the district incorporates factors to minimize the maintenance and operations requirements of the new facility; however, it should incorporate lifecycle cost analyses as part of the overall prototype specifications by type of school.

Finally, a fourth way a school district can ensure that it uses state and local educational facilities construction funds to meet its five-year facility needs is to incorporate district maintenance and operations factors when designing and constructing new educational facilities. This would include

- using life cycle cost analyses to identify factors that are reasonably related to the maintenance and operations costs of new facilities;
- using the results of the life cycle cost analyses to design, construct, select equipment for, and furnish new facilities to minimize maintenance and operations costs; and
- assessing and revising those factors to ensure it minimizes maintenance and operations costs based on appropriate standards from comparable school districts, government agencies, and private industry.

A comprehensive system for life cycle analysis is not in place.

Chapter 235, *Florida Statutes*, requires that school districts use Life Cycle Cost Analyses (LCCA). Provisions for LCCAs are included in the new Uniform Building Code. Under a life cycle cost analysis, it is necessary to determine

- the reasonably expected fuel costs over the life of the building that are required to maintain illumination, water heating, temperature, humidity, ventilation, and all other energy-consuming equipment in a facility and
- the reasonable costs of maintenance, including labor and materials, and operation of the building.

Standards for the computation of life cycle costs must consider specific elements such as

- the orientation and integration of the facility with respect to its physical site;
- the amount and type of glass employed in the facility and the directions of exposure;
- the effect of insulation incorporated into the facility design and the effect on solar utilization of the properties of external surfaces;
- the variable occupancy and operating conditions of the facility and subportions of the facility; and
- an energy consumption analysis of the major equipment of the facility's heating, ventilating, and cooling system; lighting system; and hot water system, and all other major energy consuming equipment and systems, as appropriate.

The district currently designs all facilities with low maintenance, durable materials. However, it only uses Life Cycle Cost Analyses for HVAC systems. The new requirements of the Florida Building Code encompass more than just HVAC systems, therefore the district should incorporate comprehensive Life Cycle Cost Analyses as part of its overall prototype specifications. The district is planning to expand the use of Life Cycle Cost Analyses to include other building materials. A pre-construction team that includes the construction manager, design professionals, and district staff conducts the planning. This

team reviews all aspects of facilities construction to determine if there are other materials or methods that are more durable or cost effective.

Recommendations

- *We recommend that the district incorporate a more comprehensive life cycle costing as part of its overall prototype specifications by type of school.*

Action Plan 9-1 provides the steps needed to implement this recommendation.

Action Plan 9-1

Improve life cycle cost specifications and include in prototype designs	
Strategy	Incorporate life cycle cost analyses as part of the overall prototype specifications by type of school.
Action Needed	<p>Step 1: Utilize available information such as design, systems, materials, construction processes and labor techniques as part of the facilities planning process.</p> <p>Step 2: Identify specific factors that are proven to be reasonable related to the maintenance and operation costs of new facilities.</p> <p>Step 3: Incorporate the results of the life cycle cost analyses in design, construction, equipment selection, and furnishings into specifications for prototype design operational costs.</p>
Who Is Responsible	Assistant superintendent of Facilities and Maintenance
Time Frame	July 1, 2003
Fiscal Impact	This can be implemented within existing resources.

Source: Office of Program Policy Analysis and Government Accountability.

10

Facilities Construction

The Osceola County School District has a well-developed and effective facilities construction department that is dealing satisfactorily with the county's rapid and extensive growth of students.

Conclusion

Osceola County School District's (the district) Facilities Planning and Construction Department has effectively managed capital projects during a period of rapid student growth and school expansion. In general, projects are well managed, within budget, and on schedule. Sites are acquired in a timely fashion at reasonable prices and construction quality is generally good based upon inspections of recently built schools. The district has several mechanisms in place for communicating with the general public, actively involving parents, the business community, school administrators and teachers to assure properly sited, effective school designs. The district uses several informal processes to satisfactorily accomplish construction and maintenance projects; however, overall there is a definite and obvious lack of written procedures.

The district has managed significant growth over the past several years, experiencing an increase of over 17,000 students since 1993 and a corresponding three-fold increase in capital outlay budgets, which grew from approximately \$42,000,000 in 1993 to over \$136,000,000 for the 2001-02 fiscal year.

During the course of this review, OPPAGA identified a number of district accomplishments in the facilities construction, some of which are included in Exhibit 10-1 below.

Exhibit 10-1

The District Has Had a Number of Notable Accomplishments in Facilities Construction in the Last Three Years

- Successfully transitioning from a small school district to a medium size district.
 - Developing and refining common design standards for district schools.
 - Creating a Building Department to meet the permitting and inspection requirements of the new Florida Building Code.
 - Regularly scheduling construction workshops as an additional, formal school board meeting to manage only construction related issues.
-

Source: Osceola County School District.

Overview of Chapter Findings

OPPAGA reviewed the district's facilities construction activities using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. Several methodologies were used to develop chapter conclusions and action plans. For instance, OPPAGA conducted on-site interviews with district level managers and construction project coordinators and gathered information on the facilities construction activities such as the district's policies and procedures. To receive additional

Facilities Construction

input, OPPAGA interviewed school-based staff and principals. Questions varied depending on the groups interviewed and the information developed has been incorporated into this chapter where applicable.

An overview of chapter findings is presented below.

Facilities Work Plan

1. The district has a facilities planning process that includes a broad base of school district personnel, parents, construction professionals, and other community stakeholders. (Page 10-5)
2. The district has established authority and assigned responsibilities for facilities planning. (Page 10-9)
3. The five-year facilities work plan provides budgetary plans and priorities based on the educational plant survey and input from the facilities planning committee. (Page 10-11)
4. The five-year facilities work plan is based on a thorough demographic study and enrollment projections, but is not considered as part of a larger strategic plan for the district. (Page 10-12)
5. The five-year facilities work plan is based on an evaluation of the physical condition and the ability of facilities to meet educational needs; however, the evaluation effort could be stronger. (Page 10-12)
6. When developing past annual five-year facilities work plans, the district has evaluated alternatives to minimize the need for new construction, but these evaluations are not done for each new project. (Page 10-15)
7. District planning prioritizes construction needs, but more formality should be introduced into the process. (Page 10-18)
8. The district can demonstrate that the construction program complies with current Florida law. (Page 10-19)
9. For all projects with dates of construction contracted after March 1, 2002, the district can demonstrate that the construction program complies with the Florida Building Code. (Page 10-19)
10. The school board ensures responsiveness to the community through open communication about the construction program and the five-year facilities work plan. (Page 10-20)

Educational Specifications

11. The district develops descriptions and educational specifications for each project. (Page 10-20)
12. Educational specifications for new construction, remodeling, and renovations include a description of activity areas. (Page 10-21)
13. The architectural design fulfills the building specification needs as determined by the district, but the process is not formalized. (Page 10-22)
14. New construction, remodeling, and renovations incorporate effective safety features. (Page 10-23)

Acquisition of School Sites

15. The district begins school site selection in advance of future need based on expected growth patterns, but the process is not formalized and there is no strategic plan to guide the selection. (Page 10-24)
16. The board considers the most economical and practical locations for current and anticipated needs, including such factors as the need to exercise eminent domain, obstacles to development, and consideration of agreements with adjoining counties. (Page 10-26)

Construction Costs

17. The district has not established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the construction program. (Page 10-27)

18. The district has considered, and where possible implemented, the general requirements recommended in the SMART Schools Clearinghouse Frugal Construction Standards. (Page 10-28)
19. The district minimizes construction costs through the use of prototype school designs and frugal construction practices. (Page 10-30)
20. The district secures appropriate professional services to assist in facility planning, design, and construction, but no written procedures formalize the process. (Page 10-30)
21. The district can demonstrate that funds collected for school projects were raised appropriately. (Page 10-33)

Timely Completion of Projects

22. District planning provides realistic time frames for implementation that are coordinated with the opening of schools. (Page 10-33)
23. For each project or group of projects, the architect and district facilities planner develop a conceptual site plan and building specifications. (Page 10-34)
24. The district follows generally accepted and legal contracting practices to control costs, but there are no formal procedures in place to guide the contracting process. (Page 10-34)
25. The district has assigned one person with the authority and responsibility to keep facilities construction projects within budget and on schedule. (Page 10-36)
26. The board minimizes changes to facilities plans after final working drawings are initiated in order to minimize project costs, but there is no written standard to evaluate proposed changes. (Page 10-36)
27. The district recommends payment based on the work completed and withholds a percentage of the payment pending completion of the project, but the process is not formalized in any written procedure. (Page 10-37)
28. The district requires appropriate inspection of all school construction projects. (Page 10-38)

Construction Program

29. The district conducts a comprehensive orientation to the new facility prior to its use so that users better understand the building design and function, but there is no orientation standard established by the district. (Page 10-39)
30. The district does not conduct comprehensive building evaluations for each project at the end of the first year of operation and regularly during the next three to five years to collect information about building operation and performance. (Page 10-40)
31. The district analyzes their limited building evaluations to determine whether facilities are fully used, operating costs are minimized, and changes in the district's construction planning process are needed, but the process should be formalized. (Page 10-41)
32. The district analyzes maintenance and operations costs to identify improvements to the district's construction planning process. (Page 10-42)

Background ---

The Osceola County School District operates the Facilities Planning and Construction department (FPC) at the district level. The office reports to the district superintendent through the deputy superintendent for School Operations and Human Resources. An associate superintendent for Maintenance and Facilities supervises both the Maintenance (Chapter 11) and Planning and Construction departments. (refer to

Facilities Construction

Exhibit 10-3). FPC has experienced significant growth in personnel, students to house and budgets managed since 1993 as shown in Exhibit 10-2 below.

Exhibit 10-2

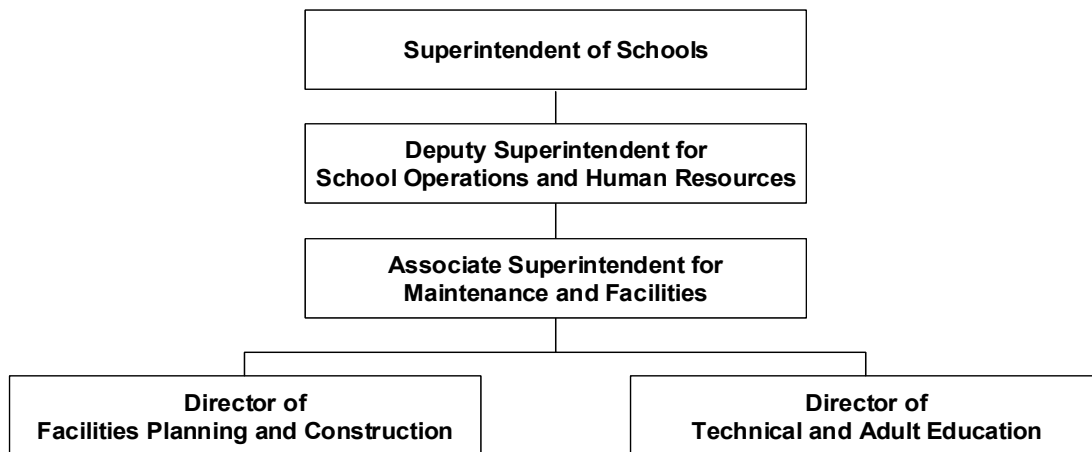
The Department Has Grown Along with the Increasing Numbers of Students and the Capital Budget

Year	Number of FPC Staff	Student Population	Annual Capital Budgets
1993	8	20,458	\$42,150,602
1994	10	21,621	\$36,196,817
1995	10	22,540	\$57,860,211
1996	10	23,281	\$73,640,436
1997	11	24,338	\$73,857,863
1998	13	28,601	\$42,741,764
1999	15	30,216	\$82,920,709
2000	14	31,993	\$107,992,875
2001	17	34,849	\$ 96,962,421
2002	17	37,763	\$136,658,998

Source: Osceola County School District.

Exhibit 10-3

The District Level Facilities Planning, Construction and Maintenance Department is responsible to the Superintendent of Schools



Source: Osceola County School District.

A school district’s facilities construction function typically includes broad participation of many different segments of the community, including parents, teachers, educational administrators, the business community, state and local government agencies, the professional design and construction communities and other local groups. Facilities construction in a public school district includes decision making and prioritization activities relating to siting, design, movement of student populations, growth management, financial planning, and contracting to meet the district’s need to house students.

Modern school facilities often encompass a wide variety of design elements that are intended to support activities beyond the primary requirement, which is to provide an appropriate educational environment for the youth of the district. Today, educational facilities tend to include elements specifically designed to

serve the local community by providing access to after-hours meeting spaces, adult, citizenship and English language education, athletic fields and auditoriums.

To ensure that a school district's facility construction program is efficient and effective, the district should

- determine, with community input, future facilities needs through a systematic evaluation of enrollment projections, current capacity, budget realities, available alternatives, and current law and uses this information to develop a five-year facilities work plan;
- develop educational specifications for each project to meet student education needs;
- use a proactive system to select and acquire appropriate school sites in a timely and economical manner;
- control construction costs through internal and external review of the construction program;
- use generally accepted architectural planning and financial management practices to complete projects on time and within budget; and
- train building users and evaluate the construction program results to maximize use of new facilities, minimize operation costs, and provide feedback for future construction planning.

Facilities Work Plan

The district's goals should be to ensure that the facility construction program is efficient and effective; to determine, with community input, future facilities needs through a systematic evaluation of enrollment projections, current capacity, budget realities, available alternatives, and current law; and to use this information to develop a five-year facilities work plan. To achieve these goals, the district should

- establish a facilities planning committee that includes a broad base of school district personnel, parents, construction professionals, and other community stakeholders;
- establish authority and assign responsibilities for facilities planning;
- base the five-year facilities work plan, which establishes budgetary plans and priorities, on the master plan and input from the facilities planning committee, and a thorough demographic study and enrollment projections;
- evaluate alternatives to minimize the need for new construction when developing the annual five-year facilities work plan, and prioritizes construction needs;
- comply with current Laws of Florida with respect to its construction program;
- comply with the Florida Building Code for all projects with dates of construction contracted after March 1, 2002; and
- ensure responsiveness to the community through open communication about the construction program and the five-year facilities work plan.

1 The district has a facilities planning process that includes a broad base of school district personnel, parents, construction professionals, and other community stakeholders.

Establishing a facilities planning committee is one practice that can enable the district to ensure that a school district's facility construction program is efficient and effective. The facilities planning committee

Facilities Construction

should include a broad base of school district personnel, parents, construction professionals, and other community stakeholders. The planning committee should determine future facilities needs through a systematic evaluation of enrollment projections, current school capacities, budget realities and current law. Alternatives to new construction should be developed and considered. The district can use this information to develop a five-year facilities work plan. Accordingly, the district should establish a facilities planning committee that is broadly representative of the community and free of conflicts of interest, with access to knowledgeable facilities planning, design, and construction professionals, and accurate information regarding local land use and growth restrictions; ensure that the committee responsive to needs expressed by the business community; address the feasibility and cost-effectiveness of alternative program solutions; and meet periodically during the year to review the status of work on the long-range plan for the previous year, to consider any changing parameters, and to make recommendations to the school board for adjustments to the long-range plan.

The district has more than one advisory group to help with their facilities construction issues.

The Osceola County School Board has a Business Advisory Board (BAB) and uses it to provide input on several topics that may have an impact on the local community. The BAB was established by county ordinance and is officially charged to make periodic reports on the district's use of school impact fees assessed by Osceola County. The school board also asks the BAB to oversee the use of its portion of the county sales tax and to provide general input on the overall construction program of the district. This is outside of the official charge of the committee, but the voluntary extension of assistance by the members of the BAB has resulted in a successful partnership with the district.

The expanded role of the BAB includes oversight of some of the district's capital budget. Recent recommendations of the BAB to the school board have involved capital leasing programs, charter schools, and impact fee revenue and expenditures. The BAB is composed of seven members of the Osceola County community including physicians, business people, planners and financial and real estate professionals. Three members are appointed by the school board and four are appointed by the county commission. District personnel, as well as a school board member and the deputy superintendent for School Operations and Human Resources regularly support the BAB. The assistant superintendent for Business and Fiscal Services, assisted by the associate superintendent of Maintenance and Facilities also provide staff support and technical expertise to the committee, which meets on a monthly basis.

The associate superintendent for Maintenance and Facilities Construction has also developed a Construction Advisory Committee (CAC), a committee that reviews the policies and procedures of the district's building program. The CAC works closely with the BAB and is composed, primarily, of design and construction industry professionals and district personnel. This group advises the district about more technical construction issues and helps to keep the district's construction standards current.

The process by which information is shared and how issues are assigned for review with the BAB and the CAC is both formal and informal. The BAB is charged with specific responsibilities by county ordinance, but FPC staff brings issues forward to the BAB and the CAC. As the two groups have matured in their knowledge of public education capital outlay and the educational facilities construction process, the members have become proactive regarding issues of concern and suggestions for program management and improvement.

The Capital Outlay Committee (COC), another district level committee, is composed of district level and site-based personnel and helps to recommend and set capital project priorities requested for consideration during the annual budget preparation cycle. Several members of the committee have permanent appointments, such as the director of Facilities Planning and Construction, while other members change for each capital budget cycle. Capital projects, which are usually generated by school principal request, are considered by the COC and a priority assigned. The highest priority projects are then scheduled for completion as capital resources permit. Projects that do not make the current list are eligible for

consideration the following year. Interviews with individual facilities managers (generally school principals) revealed that there is a high level of satisfaction with this approach, and that they believe that it is an inclusive process, which provides maximum opportunity for the equitable distribution of limited capital outlay dollars.

The district does not have a mission statement, but through a combination of documents including the Educational Plant Survey, a privately prepared demographic study, and the five-year work plan, an informal short-term strategic plan for the district has emerged.

The district contracts with a consulting company, Ivey, Harris and Walls, Inc., “to broadly analyze the demand and generalized service area locations for future elementary, middle and high schools.”¹ The analyses help the district plot population growth patterns, anticipate site locations for new schools and their associated service areas, and are based on data from a number of sources including the United States Census, the Orlando Area Metropolitan Planning Organization Data Projections, and the Osceola County Planning Division among others.

The district prepares an Educational Plant Survey (EPS) as required by Florida law (s.235.15, *Florida Statutes*), which describes the location and physical condition of their existing schools, the student capacity and the number of students assigned to each school. The Educational Plant Survey also includes recommendations, based on these factors and anticipated population growth, for relocating students within existing schools through remodeling or the acquisition of new sites and the construction of new facilities to meet future needs. The condition assessment component of the EPS results in recommendations for renovation of existing facilities.

The Facilities Five-Year Work Plan, mandated by Florida law (s.235.185, *Florida Statutes*), is prepared and submitted to the Department of Education by district staff. It is primarily a budget document and details a schedule of major projects intended to properly maintain the educational plant and ancillary facilities of the district and to provide an adequate number of satisfactory student stations for the projected student enrollments and is based on information contained in the EPS. The Five-Year Work Plan has become, inappropriately so, the strategic plan for the district. A five-year view of capital needs is inadequate and reactive in nature when consistent, rapid growth is occurring in a school district; a much longer-term view is necessary to assure that the district will develop adequate funding and make appropriate land acquisition decisions.

A comprehensive strategic plan includes a number of factors that develop a shared vision for the five-member school board, the superintendent, district administration, site-based administrators, teachers and community (including parents and business leaders), and reflects the district’s long-term goals and objectives for locating and housing programs and students. The Osceola County School District must undertake a comprehensive strategic planning initiative to build upon the information contained in the consultant prepared demographic study that projects district growth and the required physical facilities necessary to accommodate that growth. This initiative is to be designed to develop the shared vision, the district’s long-term goals, objectives, implementation initiatives, timelines, and responsibility assignments (see Chapter 4, Action Plan 4-1). Additionally, performance measures are to be defined and refined to measure accomplishment of objectives. Capital project priorities (site acquisition, construction, remodeling, renovation, maintenance) are to be established and linked to the district’s anticipated revenues and budget projections.

¹ *Summary Analysis and Report of Osceola Schools Service Area Boundaries 1997-2020*, prepared by Ivey, Harris & Walls, Inc., page 1, April 1997.

Recommendations

- *We recommend that the district develop a strategic plan for facilities construction and maintenance which projects long-term capital needs required to house district programs and students.*

Action Plan 10-1 provides the steps needed to implement this recommendation.

Action Plan 10-1

Develop a Strategic Plan for Facilities Maintenance and Construction	
Strategy	Develop program strategic plan.
Action Needed	<p>Step 1: Establish a task force to begin a comprehensive planning process, including a vision statement, which addresses the district’s long-term needs for site acquisition, renovation, remodeling, new construction including ancillary space, and long-term maintenance.</p> <p>Step 2: Complete a written situation analysis to determine the district’s future needs in 5-, 10- and 20-year increments. This analysis should address the step 1 needs in relation to projected capital outlay revenues and expenditures.</p> <p>Step 3: Develop districtwide goals focused on the provision and maintenance of appropriate learning environments and develop linkages to the district’s future capital outlay budgets.</p> <p>Step 4: Develop additional long-term goals where needed. All long-term goals should reflect the district’s vision statement and set the direction for facilities planning and construction.</p> <p>Step 5: Develop the short-term (five years) measurable objectives and annual priorities the district must achieve in order to achieve the long-term goals. The objectives and priorities should show how goals will be met and how progress toward goals will be measured.</p> <p>Step 6: Develop strategies that provide an action plan for accomplishing each objective. The strategies and, at a minimum, the action plans must identify staff responsible for implementing them and a time frame for their completion.</p> <p>Step 7: Develop measures by which the district will be able to assess whether it has reached its goals.</p> <p>Step 8: Present the program strategic plan to the school board.</p> <p>Step 9: The superintendent makes changes they deem necessary and approves the program strategic plan.</p> <p>Step 10: Publish and disseminate the results to program staff and the public.</p>
Who Is Responsible	The school board and superintendent, with support from the Business Advisory Board, the Construction Advisory Committee and the Facilities Planning and Construction Department.
Time Frame	January 31, 2004
Fiscal Impact	This can be implemented with existing resources.

2 The district has established authority and assigned responsibilities for facilities planning.

Established authority and assigned responsibilities must first exist to provide the proper framework for planning. Effectively managing a school district's facilities requires a district to have a sound facility planning process, which includes the following:

- a standing facilities committee composed of a broad base of stakeholders;
- a written strategic plan and procedures that help guide the development of an organization chart;
- clearly defined lines of authority and responsibilities and guidelines for the delegation of authority; and
- an organizational structure that considers facility planning and is reflected in the organizational chart.

Authority to manage the Facilities Construction program is outlined in the Exhibit 10-4, the District's Organization Chart.

While ultimately reporting to the superintendent of the Osceola County Schools, the Maintenance and Facilities Department (MFD) is administered by an associate superintendent who is a registered architect. The director of Facilities Planning and Construction, in turn, is also a registered architect and is charged with the oversight of all construction projects for the district and assists in the design of new facilities. The responsibility of identifying the source and use of capital outlay funds for the district is not a function of the MFD, but is properly delegated to the assistant superintendent for Business and Fiscal Services.

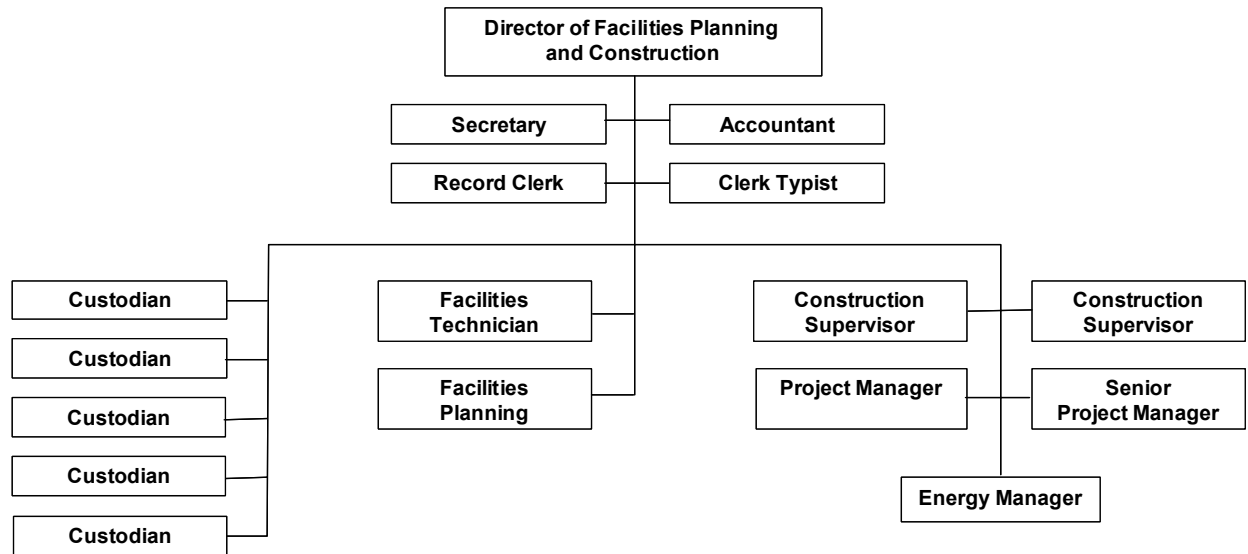
The maintenance department, administered by a former school principal, is charged with the total maintenance of all the facilities in the district as well as overseeing the warranty phase of new construction projects. The Maintenance Department conducts preventive maintenance, responds to work order requests, and maintains the fire alarm and security systems (see Chapter 11).

Additional support staff, as shown in the following organization chart, includes secretarial, accounting and clerical support, technical facilities staff, construction supervisors and project and energy managers. The district office custodial staff is also assigned to the department as a matter of convenience. Well-developed job descriptions enumerating responsibilities for the particular positions, required experience, qualifications, and necessary combinations of training and certification are available in the department.

Responding to changes in the Florida Building Code, an additional section, called the Building Department, will be added to FPC for the purposes of coordinating permitting, plan review, building code inspections, and record retention. The district has committed \$181,695, in the preliminary budget for 2002-03, to the new department so that three additional staff, licensed under the new code, can be hired to manage the new activities and to coordinate with project architects and engineers. The final budget is due for adoption in September 2002.

Exhibit 10-4

Facilities Planning and Construction Organization Chart



Source: Osceola County Public Schools.

Recommendations

- *We recommend that the district establish goals and performance measures for the new Building Department.*

Action Plan 10-2 provides the steps needed to implement this recommendation.

Action Plan 10-2

Establish Goals and Performance Measures for the new Building Department	
Strategy	The district will update its organizational chart, and prepare job descriptions to accurately reflect the desired outcomes of and framework for the newly created Building Department.
Action Needed	Step 1: Establish an organization chart that considers the new Building Department and accurately frames the work of the new office. Step 2: Prepare written procedures that will clarify the role and responsibilities of the new office functions for both staff and the school board. Step 3: Provide for the implementation of the lines of responsibility as shown in the organization chart. Step 4: Provide for regular lines of communication among the managers that report to the associate superintendent for Maintenance and Facilities. Step 5: Provide for regular lines of communications among the directors and supervisors. Step 6: Periodically review policies in order to keep them current and eliminate any that are outdated. Step 7: Present to board for approval.
Who is Responsible	Associate superintendent for Maintenance and Facilities

Time Frame	November 30, 2002
Fiscal Impact	This can be implemented with existing resources.

3 The five-year facilities work plan provides budgetary plans and priorities based on the educational plant survey and input from the facilities planning committee.

The five-year facilities work plan is prepared using information developed from multiple sources including a comprehensive demographic study, the Five-Year Educational Plant Survey, and five-year capital budget projections.

The district school board oversees the capital outlay process and uses the expertise and input of the Business Advisory Board, the Construction Advisory Committee, and the Capital Outlay Committee, as well as district staff. A starting point for deliberations concerning the need and location of major school projects, either complete schools or significant additions to existing space, is an extensive demographic study, which predicts student population growth patterns using a number of tools and diverse databases. The information used by the advisory groups is generally developed by FPC staff, is shorter term in focus, and not tied to any district-wide strategic plan.

The Five-Year Educational Plant Survey reports district needs by listing the condition, student population, student capacity, and capital outlay needs for existing facilities. The survey document helps focus the capital outlay process by recommending the movement of students to less crowded or newly constructed facilities. Osceola County School District's new survey is due during the 2002-03 fiscal year. Recommendations for the location and construction of new school facilities are made in this document and are based on the demographic study, which serves to identify where the facilities will be needed and predicts how many students will have to be housed during the next five-year period.

The five-year capital budget projections are summarized in the five-year work program which is prepared by the assistant superintendent for Business and Fiscal Services, adopted by the school board, and submitted to the Florida Department of Education, Office of Educational Facilities. The current plan forecasts projects and funding sources through the 2005-06 fiscal year. Approximately \$96,000,000, 5,209 new student stations, two new high schools, one new elementary school, and additions to two existing schools are identified in the plan along with maintenance, repair and renovations which are projected to cost approximately \$41,000,000. Consideration is given to revenue from multiple fund sources that can legally be used for different types of capital outlay projects. This information is then blended with the recommendations contained in the Educational Plant Survey and the recommended priorities set by the advisory groups. There are no long-term plans that provide a future vision of how the district will house programs and students beyond the five-year study.

Recommendations

- *We recommend that the district develop a strategic plan for facilities construction and maintenance which projects long-term capital needs required to house district programs and students.*

Action Plan 10-2 provides the steps needed to implement this recommendation.

4 The five-year facilities work plan is based on a thorough demographic study and enrollment, projections, but is not considered as part of a larger strategic plan for the district.

The district conducts an independent service area demographic study which is updated every five years or less.

The district contracts with a consulting company, Ivey, Harris and Walls, Inc., to identify the need and general location for new schools. The 1997 edition of the study predicts that the county population will increase to 264,700 by 2020 with the student population growing to 51,901. The 2000 Census reported that Osceola County had a population of 172,493, while state records show 37,744 students enrolled in October, 2001. A long-term plan to accommodate the anticipated 14,157 students is critical. Ivey, Harris and Walls uses information from several sources to complete their recommendations:

- 1980 and 1990 housing and population data from the U.S. Department of Commerce, Bureau of the Census;
- Socio-economic Data Projections for Osceola County as prepared by the Orlando Area Metropolitan Planning Organization (MPO);
- Existing and Projected Public School Enrollments from the Osceola County School District and the Florida Department of Education;
- Future Population Projections, sourced from Florida Population Studies –February 1997, as prepared by the University of Florida Bureaus of Economic and Business Research; and
- Certificate of Occupancy data 1990-1995 as prepared by the Osceola County Planning Division.²

Recommendations

- *We recommend that the district develop a strategic plan for facilities construction and maintenance which projects long-term capital needs required to house district programs and students.*

Action Plan 10-2 provides the steps needed to implement this recommendation.

5 The five-year facilities work plan is based on an evaluation of the physical condition and the ability of facilities to meet educational needs; however, the evaluation effort could be stronger.

The district's planned facilities assessment study was cancelled due to budget constraints; however, they maintain and use the Florida Inventory of School Houses (FISH) data.

FISH data provides the school district's planners information that identifies the size, availability and condition of spaces within the districts facilities. FISH does not include information at a detail level that is sufficient to produce the type of analysis necessary to make good capital project decisions. Keeping the

² Ibid., page 2.

data current requires periodic school site visits to validate recorded items such as space utilization, building condition, number of student stations, and adequacy of building systems; all part of an up-to-date facilities inventory system. The district has committed a portion of the time of a Facilities Technician to this process. The technician's job responsibilities include the oversight, revision, and preparation of Florida Inventory of School Houses reports and the EPS.

To ensure optimal use of building capacity, FISH data, in conjunction with facility site reviews, needs to be used to analyze and identify instructional areas or teaching stations and to identify buildings and/or spaces that do not count as "satisfactory areas," or, areas in which the space of a station does not exceed the normal space and occupant design established by state school building codes. The district conducts a five-year plant survey and annual safety inspections. However, these processes do not collect the types of information that would be available through a formal evaluation of existing facilities (also referred to as facility audits or facility appraisals).

A facilities audit applies a formal methodology in evaluating and grading all aspects of facilities, including the school site, structural and mechanical features, roof conditions, plant maintainability, school building safety and security, room use characteristics, educational adequacy, and a proper environment for education. These audits are useful in identifying facility needs that are not defined through current inspection and survey programs. A thorough evaluation of the district's facilities will provide district staff with a better description of existing facility conditions and more specific information on facility needs for each school and ancillary space in the district, while also providing a better information base for use in planning future maintenance projects. Frequent facility audits including assessments based on formal evaluation criteria will provide the district with a more comprehensive list of its facility needs.

The district evaluates schools for health and safety deficiencies, but realizes it has difficulties in completing required corrections.

The district is statutorily required to perform annual health and safety inspections of all facilities. The inspections are summarized into a report that details the corrections necessary, assigns responsibility for each correction, and assigns an estimated cost. Determining whether school personnel or district maintenance personnel are responsible for the correction is the responsibility of the risk management inspector. The principal is required to sign the report for the school. Requests to the Maintenance Department to correct the noted deficiencies are then entered into the work order system by the Risk Management Department. These corrections are funded from the district-wide safety correction fund. Corrections that were determined to be operational in nature, such as changing light bulbs, removing flammable materials, or eliminating obstructions to exits, are funded from the school's budget. The district perceives reluctance, among the principals, to expend funds for issues that they don't see as critical to the day-to-day operation of their school.

A greater understanding, by the principal, of the way a facility operates and the requirements for operating safe and secure facilities will enhance the districts ability to complete necessary corrections. The principals are not usually well trained in facilities operations and maintenance and the implementation of an educational program to teach principals the basics of facility maintenance and operations will enhance the district's efforts to eliminate operational health and safety deficiencies.

Recommendations

- *We recommend that the district conduct a formal audit of facilities to develop accurate information about facilities condition and the use of space prior to the development of each five-year educational plant survey.*

Action Plan 10-3 provides the steps needed to implement this recommendation.

Facilities Construction

- *We recommend that the district implement principal educational programs, which teach basic facilities maintenance and operations. (See Chapter 11)*

Action Plan 10-4 provides the steps needed to implement this recommendation.

Action Plan 10-3

Conduct a formal facilities audit	
Strategy	Conduct a formal audit of district facilities designed to develop accurate information about the physical condition of the facilities and the use of space prior to the development of each five-year educational plant survey.
Action Needed	<p>Step 1: Develop a comprehensive format for an audit of the district’s facilities, to include, as a minimum, the items below.</p> <ul style="list-style-type: none"> • Structural design and integrity • Mechanical systems • Electrical systems • Finishes • Fire safety, health and sanitation issues • ADA requirements • Educational suitability • Utilization satisfaction • Technological readiness • Site and building adaptability including potential for expansion • Site size and layout • Space (size, number, utility, and flexibility of various areas in the facility and the relationships of these areas to each other) • Light, heat and air • Acoustics • Aesthetics • Equipment • Availability of utilities • Hazardous materials inventory • Maintenance adequacy • Estimates of future operational and maintenance cost considerations <p>Step 2: Develop a list of prioritized needs based on the completed comprehensive audit.</p> <p>Step 3: Recommend repair, replacement, remodeling or renovation projects based on the prioritized needs for inclusion in the five year plan.</p>
Who is Responsible	Associate superintendent for Facilities and Maintenance
Time Frame	January 31, 2004
Fiscal Impact	This can be implemented with existing resources.

Action Plan 10-4

Implement principal educational programs	
Strategy	Develop and deliver educational programs designed to teach site-based managers basic facilities maintenance and operations.

Action Needed	<p>Step 1: Develop a course curriculum to introduce basic maintenance and operations concepts to site-based managers. Course elements should introduce concepts of</p> <ul style="list-style-type: none"> • fire safety, health and sanitation • energy conservation • mechanical systems • electrical systems • custodial and grounds maintenance, and • hazardous materials. <p>Step 2: Require all new managers to attend course.</p> <p>Step 3: Make course available to existing managers.</p>
Who is Responsible	Director of Maintenance
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

6 When developing past annual five-year facilities work plans the district has evaluated alternatives to minimize the need for new construction, but these evaluations are not done for each new project.

The district does not regularly review alternatives for every new project.

District personnel have considered alternatives to new construction during the last five years, but the growth of the district’s student population has been so dramatic and, as reported by the FPC, the reactions of the community negative to alternative proposals, that the issues and suggestions studied, with the notable exception of charter schools, have not been acceptable substitutions. It is important that the district and, in turn, those responsible for planning facilities have a reasonable understanding of the attitudes of the public towards different kinds of alternatives that might be used to enhance capacity and avoid construction. Both year-round schools and charter schools have been evaluated and the district presently has no schools on a modified schedule and six charter schools.

The district is working with charter schools to assist in providing elementary student stations. As charter schools are proposed, the district works with the chartering agent to locate the school so that it will provide relief for an over crowded school and not compete with a school that does not have an over crowding problem. This cooperation has allowed the district to concentrate its capital monies on the high rate of student growth and still provide enough student stations at the elementary level.

The district has, in the past, reviewed alternatives to new school construction to help provide student stations for the growing student population. These alternatives have included converting existing buildings to provide student stations such as the Tupperware Performing Arts Center which it will purchase and convert to provide a performing arts school for the district. The total cost of purchasing the facility and converting it to a school is less than constructing a new school.

Relocatable classrooms are being used at schools that have an overcrowding problem, and there are no new facilities being built to provide relief. For about 60% of the cost of new student stations, the district can install a modular unit that will provide a safe classroom environment, with associated spaces, for an extended period of time. When permanent construction is completed, the modules can be relocated to provide relief at other facilities or they can be incorporated with new construction to provide permanent student stations. Relocatable classrooms are recommended as part of the five-year educational plant survey and are included in the five-year capital project work plan. The work plan shows the district

Facilities Construction

having 340 relocatables in use by the 2004-05 school year, housing 7,693 students, or approximately 20% of the total student population.

The district has minimally experimented with alternatives to new construction due to a perception that parents, teachers and administrators would object to the alternatives and the belief that alternatives would be temporary fixes at best, given the district's rapid growth history and projections for the future. The district has not adopted a formal procedure of evaluating alternatives to reduce the demand for new construction; it has utilized relocatable buildings to accommodate short-term facility needs at certain schools, but is in the process of reducing their dependence on them. However, other alternatives, including extended day schedules, joint use facilities, year-round schools, and changes in grade configuration could be further examined in order to fully utilize existing facilities, and possibly reduce the need for new construction.

Facilities planners should give consideration to the use of multi-track year-round programs in its schools as a means of addressing student growth. School districts can save construction funds through multi-track year-round schooling. Major costs can be avoided by using a year-round multi-track approach. If the district can avoid building a new school, it avoids the cost associated with building design, engineering, construction, furnishing, as well as infrastructure. There are, however, additional costs associated with operating a year-round school. These include feasibility studies, administrative planning time, teacher in-service training and acceleration in maintenance requirements. These costs are minimal compared to the cost of new construction.

In a typical multi-track school operating four tracks on a 45/15 schedule (students attend for 45 days, then have a vacation for 15 days, with one-fourth of all students on vacation at any one time), the school is in operation of 242 days each year, as opposed to the 180 days for a regular school. Thus, maintenance, repair, and utility expenses increase; secretaries, custodians, cafeteria workers, counselors, bus drivers, and other staff must be available for the full 12 months, with proportionate increases in salaries.

Extended-day schedules increase the capacity of individual schools by lengthening the school day for the facility, although not for the individual student. An extended-day school may have additional periods of instruction, with a groups that attend school for shared periods as well as early and late sessions. Implementing a version of extended-day schedules at schools experiencing substantial student enrollment increases could reduce the need for new school construction.

Recommendations ---

- *We recommend that the district thoroughly examine alternatives to new construction including an analysis of the short-term and long-term cost implications and the overall advantages and disadvantages.*

Action Plan 10-5 provides the steps needed to implement this recommendation.

- *We recommend that the district solicit public input from the community to determine attitudes and potential barriers to developing alternative solutions to new construction.*

Action Plan 10-6 provides the steps needed to implement this recommendation.

Action Plan 10-5

Examine Alternatives To New Construction	
Strategy	The district needs to examine the alternatives to new construction, including an analysis of short-term and long-term implications. The analysis should be completed by a task force of facilities planning professionals and district specialists in other areas including education, fiscal and operations, and representatives of the BAB and the CAC.
Action Needed	<p>Step 1: Establish a task force charged with enumerating and examining alternatives to new construction.</p> <p>Step 2: Develop the alternatives into short-term and long-term solutions.</p> <p>Step 3: Determine cost implications of short- and long-term alternatives.</p> <p>Step 4: Enumerate advantages and disadvantages of alternatives.</p> <p>Step 5: Conduct a complete evaluation of different alternatives, giving weight to educational, operational, and fiscal factors.</p> <p>Step 6: Present the alternatives to the superintendent.</p> <p>Step 7: Publish and disseminate the results to program staff and the public.</p> <p>Step 8: Utilize this information in preparing five-year work plan.</p>
Who is Responsible	Superintendent, deputy superintendent for School Operations and Human Resources, associate superintendent for Maintenance and Facilities
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 10-6

Solicit public input on alternatives to new construction	
Strategy	Conduct a series of well-advertised public hearings to solicit community opinions about short- and long-term alternatives to new facilities construction.
Action Needed	<p>Step 1: Schedule a series of focused public forums to present alternatives identified by the task force in Action Plan 10-6.</p> <p>Step 2: Use a combination of methods including, but not limited to direct mail, distribution via student handout, local media advertising and web- based advertising to announce the locations and schedules for the forums.</p> <p>Step 3: Prepare list of short- and long-term alternatives explaining advantages and disadvantages for each alternative and make available to public.</p> <p>Step 4: Accept public input and comments.</p> <p>Step 5: Compile results in usable report format.</p> <p>Step 6: Use results to determine alternatives acceptable to public in meeting needs of district.</p> <p>Step 7: Utilize this information in preparing five-year work plan.</p>
Who is Responsible	Director of Community Relations and staff of the FPC
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

7 District planning prioritizes construction needs, but more formality should be introduced into the process.

Site and district administrators, acting as the Capital Outlay Committee, recommend construction priorities, but the process has not been committed to writing and distributed to the site administrators.

The district has informal procedures in place whereby projects are requested and given initial priority ranking by the responsible site administrator based on the individual facility’s need. All requests are compiled and reviewed by the Capital Outlay Committee for further prioritization and to establish budgets for each proposed project. The Capital Outlay Committee is appointed each year and includes a combination of district administrators and site-based administrators. Different site-based administrators are appointed each year to serve on the committee, but the same district managers maintain their membership each year.

Priorities are then recommended within the capital outlay budget so that health and safety and educational needs, i.e., those projects providing additional instructional capacity are met prior to funding of other projects, which would provide administrative or support space. The inclusion of site-based as well as district personnel on the committee is intended to ensure equitable funding for all grade levels, campuses, and ancillary facilities.

Public approval is required prior to constructing noninstructional administrative or ancillary support spaces.

The capital budget only recommends construction of space not carrying student stations when a request for that type of space receives prior approval by the public.

Recommendations

- *We recommend that the district formalize the capital outlay project request process in writing and distribute it to all site-based administrators.*

Action Plan 10-7 provides the steps needed to implement this recommendation.

Action Plan 10-7

Formalize the Capital Outlay Project Request Process	
Strategy	Establish written procedures that clearly delineate the process for approving capital outlay projects and the responsibilities of the Capital Outlay Committee.
Action Needed	Step 1: Develop written procedures that outline at a minimum those shown below. <ul style="list-style-type: none"> • Committee membership and how annually appointed members are chosen. • An outline of specific responsibilities assigned to the committee. • The process to be used to place capital outlay requests before the committee. • The methodology to be used in determining construction priorities. • The committee’s responsibility for or in emergency situations. • Critical time lines and required reporting dates.

	<ul style="list-style-type: none"> • A method to revise long-term recommendations. • A mechanism for documenting decisions and reporting to the board.
Step 2:	Present proposed policy to the Business Advisory Board and Construction Advisory Committee for review and input.
Step 3:	Use policy in developing project recommendations to the school board.
Step 4:	Facilities director coordinates committee activities.

Who Is Responsible	Associate superintendent for Maintenance and Facilities
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

8 **The district can demonstrate that the construction program complies with current Florida law.**

The district prepares several reports required by Florida law. Examples of these reports include the five-year educational plant survey, the five-year capital project work plan, and FISH change orders, among others. These documents are then submitted to the proper authority in Tallahassee to ensure the continued flow of capital outlay dollar to the district. The Department of Education, Office of Educational Facilities, verified that all Osceola construction program related and capital outlay documents and reports are submitted complete and in a timely manner.

Recommendations

No recommendation.

9 **For all projects with dates of construction contracted after March 1, 2002, the district can demonstrate that the construction program complies with the Florida Building Code.**

The department is prepared to meet the requirements of the new building code.

Historically, key personnel in the department have attended courses of instruction and received certification as building code inspectors in compliance with the requirements of Section 235.26, *Florida Statutes* and the rules of the State Board of Education. They include the associate superintendent for Maintenance and Facilities, the director of Facilities Planning and Construction and all project managers. Additionally, each individual is also certified and licensed by the State of Florida, Department of Business and Professional Regulation, Board of Building Code Administrators and Inspectors for the specialty or specialties for which they are responsible. The March 1, 2002 implementation of the Florida Building Code has required that the personnel continue instruction so that they are certified under the new code requirements. Architects contracted to design facilities for the district are required by the *Florida Statutes* to use the new code.

To ensure that they are in compliance with the changes in the Florida Building Code, the district has committed funding for an additional section, called the Building Department, which will be added to FPC for the purposes of coordinating permitting, plan review, building code inspections, and record retention. A sum of \$181,695 has been approved by the board in the preliminary 2002-03 budget and will be used to

enable the new department to manage the new activities and to coordinate with project architects and engineers.

Recommendations

No recommendation.

10 **The school board ensures responsiveness to the community through open communication about the construction program and the five-year facilities work plan.**

The school board meets monthly to consider construction issues.

The district conducts monthly construction workshops, which are board meetings focused primarily on construction issues. The board meets in a less formal format than a regular board meeting would allow. These workshops/board meetings allow for an in depth discussion of capital outlay and construction issues and allow the individual project managers to discuss their individual tasks and construction projects and respond to any issues that may arise concerning those projects. These meeting are held in addition to the bi-monthly regular board meetings. They are advertised prior to the meeting and public input is allowed. Because of commitment of the school board to spend focused time on construction issues at these meetings, there are fewer construction issues to be discussed at the regular board meetings allowing more time to be spent on educational concerns.

Recommendations

No recommendation.

Educational Specifications

11 **The district develops descriptions and educational specifications for each project.**

Detailed educational specifications are developed for new schools.

For each new school construction project the district develops a thorough project description by preparing a detailed educational specification. The educational specification is based on guidelines in the State Requirements for Educational Facilities (SREF) and include educational program components relating to the curriculum, instructional methods, staffing, and support services; also included is a statement of the school's philosophy and program objectives. The program goals, objectives, and activities are defined in the educational specifications.

The educational specifications provide for consideration of joint use of facilities with other entities. The district staff work with local county and city government staff to plan for sidewalks, joint use recreational facilities and other infrastructure as may be appropriate. District-level staff, principals, teachers, and parents are included in the development process.

Staff members have been involved in establishing goals, objectives, and instructional strategies.

The educational specifications are reviewed by knowledgeable staff and administrators in curriculum, media, food service, and technology. In addition, an educational administrator is assigned as planning principal for new school construction and is involved in the development of the plans and specs. Every attempt is made to assure that schools are designed with classroom layouts that provide flexibility of teaching methods. Multiple teaching methods are studied and accommodated in the new designs so that physical changes are not required to change teaching styles. Future overcapacity concerns are addressed by developing a strategy to utilize relocatable classrooms if they should become necessary.

The district-level Instructional Technology Department assigns staff members to the project review committee, and they assist in the development of the educational specifications. The educational specifications address including the latest technology, computers, networks, satellites, etc. as requested by the district's Technology Committee.

Recommendations

No Recommendation.

12 Educational specifications for new construction, remodeling, and renovations include a description of activity areas.

Detailed educational specifications are developed for new schools.

Prototype educational specifications, which were developed with district level and community input and approved by the school board, are used to develop educational specifications for new schools. The prototype educational specifications address critical common design issues while the educational specifications that are prepared for each new school construction project describe the number of areas to be constructed, their size, spatial relationships to one another, and purpose, and the staff who will utilize the space. They address the curriculum, staffing, and support services and the number and size of the areas required for each purpose and the space relationships for large and small group areas. This includes areas for small-and large-group instruction, conferences, media centers, storage, and teacher preparation. Institutional support areas and spaces for pupil services and general support, and special program spaces for activities such as ESE, vocational education are identified and meet the legal requirements.

The educational specifications address environmental, utility, storage, display, and furniture and equipment concerns.

The educational specifications identify and describe the building design elements necessary to provide an adequate learning environment. Consideration is given to acoustics, lighting, temperature, and aesthetic elements. The size and location of storage is considered based on the intended use. For instance, athletic fields require larger size, exterior access storage areas, while art rooms and chemistry laboratories have considerably different requirements. Extra storage may be deemed necessary due to modified schedules.

Facilities Construction

Appropriate placement of display units, such as white boards and tack boards, is determined and furniture and equipment decisions are made based on the size, location, and intended use of the space.

Utility needs are identified.

The educational specifications identify and describe the facility need for water and sewerage, and may include recommendations to consider solar assisted heating when feasible or desirable. Laboratory spaces may require gas, compressed air, or have additional electrical needs. Technology spaces are considered so that advanced power needs and cable conduits are described. Communications issues, which include fire alarms, central clock systems, telephones, closed circuit TV, and energy management systems are described.

Emergency shelter accommodations have been included where required.

The district has an interlocal agreement with the local public safety department for Osceola County, which includes emergency shelter accommodations. The educational specifications include all shelter requirements required by the local Emergency Management Agency.

Recommendations ---

No recommendation.

13 The architectural design fulfills the building specification needs as determined by the district, but the process is not formalized.

Detailed educational specifications are provided to the designing architect.

The district provides contracted architects with the detailed requirements developed through the educational specification process that they must use in designing the planned facility. The drawings include schematic layouts of buildings, parking, roads, and physical education playground areas. These schematics demonstrate that the sizes meet all educational and service activity requirements, provide for future expansion, and conform to the state's standards specified in current Florida law and SREF. The architect develops various phased drawings for review and approval prior to completion of the final construction documents to ensure compliance with all requirements for construction.

Design elements described in the educational specifications and in DOE prototype school plans are included in the various phases of the architectural design, which are then subjected to a design review committee.

Phase I Site Plan documents detail provisions made for students, staff, and visitors arriving, parking and departing from the school, provisions for access by the disabled, emergency and service vehicles, and bus loading and unloading are developed. Consideration is given to efficient and functional circulation patterns within the classrooms and between activity areas.

Phase III Plans include descriptions of the public address, closed-circuit television, telephone, computer networking, and security systems.

DOE prototype school plans incorporate safe school design and the district uses the Florida Safe School Design Guidelines (1993) for the design of the new schools.

Joint use possibilities should be considered for the facilities and implemented with county and city governments, and other institutions including community colleges and universities. These facilities might include libraries, indoor and outside recreation/athletic facilities, and other spaces. Design elements to be considered include flexible energy management systems to allow for off-peak use and safety considerations, which include separation of the student areas and separate entrances from those intended for public use. The district is encouraged to use the schools for as many joint use functions as possible while still maintaining the safety of the students.

Site administration, district maintenance and technology staff members, and department managers should all be members of a design review committee, which matches the written specifications to the final architectural plans.

When the Osceola County School District determines a new school is needed and selects a design professional to develop the design, a design committee is formed to provide assistance and act as one of the district representatives in the design process. The district uses prototype or reuse designs when feasible, but, prior to each reuse of a school design, an evaluation is performed to identify modifications that may be required to adapt the plan to current facility requirements. The committee membership includes district staff from Facilities Planning and Construction, Facilities Maintenance, Media and Instructional Technology, Information and Technology Services, Food Services, Curriculum and Instruction and others as needed. In addition to district level staff, school level staff including principals, teachers, and custodians are involved at appropriate times in the development of the plans. As the plans move through the various design stages, the committee members are asked to review the plans to insure the inclusion of desired design elements in the final plan. At the end of the design process, the committee members are asked to review the plans again to verify that all of the required elements are included in the design. After final review and approval by the committee, the plans are presented to the school board for approval. This process has proved to be successful for the district and minimizes design-related problems encountered once the facility is occupied and operational.

Recommendations

No recommendation.

14 New construction, remodeling, and renovations incorporate effective safety features.

The district meets all life safety issues required by the Florida Building Code

All new construction designs utilize DOE prototypes, which incorporate appropriate life health and safety features. Additionally, a Life Safety Plan is prepared for each school design and individual safety needs are assessed for facility renovation projects and revised or added as required. Appropriate members of the FPC, the new building department and contracted design professionals are certified under and meet the requirements of the Florida Building Code

District renovation and remodeling projects include the correction of health safety report items and include the Safe School Design Guidelines. Each school performs an assessment of needs and submits capital improvements requests as part of the district's annual capital outlay request process.

Recommendations

No recommendation.

Acquisition of School Sites

15 **The district begins school site selection in advance of future need based on expected growth patterns, but the process is not formalized and there is no strategic plan to guide the selection.**

The district uses a comprehensive site selection matrix and contracts studies for projected growth patterns.

The site acquisition process used by the district meets the requirements of Florida law and the FPC uses a site selection matrix to assist in the decision-making process. If the parameters of the site selection matrix are met and found satisfactory then any site so analyzed would meet or exceed the state recommendations. The process is not formalized in writing, however.

An example of the use of the matrix can be demonstrated by the analysis that preceded the site acquisition for Elementary C. The site met the requirements of Sections 235.054, 235.19, and 235.193, *Florida Statutes*, and Section 1.4(2), State Requirements for Educational Facilities (SREF) and followed basic acquisition procedures.³

The district has established a site selection decision matrix based on the Florida Statutes and SREF for site selection and can demonstrate that site selection criteria for Elementary C were established prior to the identification of potential sites and include future consideration of construction and operational costs. The site selected meets the previously established selection criteria.^{4,5}

The district conducts Phase I environmental audits on all property which certifies the property as free of environmental hazards before purchasing. The district's Elementary C environmental reports were submitted to OPPAGA for review, were complete, comprehensive, and written by contractors with special expertise in environmental auditing. A preliminary assessment was made of the site and it was found to be without significant environmental concerns. A subsequent, much more detailed report on Elementary C's proposed site found no on- or off-site environmental concerns.

The district does not have a site selection committee.

The district Facilities Planning and Construction Department works to identify potential school sites and make recommendations to the board for review and approval, so, currently, there is no representation of a number of district stakeholders in the site selection process. These stakeholders, including administrators, principals, instructional staff, local government officials, architects, real estate officials, and community members, bring a wealth of information to the process that the district may not otherwise consider. The

³ This could include receiving recommendations from site selection specialists or real estate/ development professionals, planning acquisition prior to the projected need, reviewing potential sites and recommending sites to the Board in priority order.

⁴ Site selection criteria include such general categories as safety, location, environment, soil characteristics, topography, size and shape, accessibility, site preparation, public services, utilities, costs, availability, political implications (zoning, environmental impact report requirements, joint use, etc.), transportation of students, and integration.

⁵ The district can demonstrate that preliminary reviews and tests (geological, toxic, flood, airport proximity, etc.) were conducted prior to final selection.

purpose and role of such a committee is to assist in selection of potential sites, help evaluate identified sites, and recommend identified sites to the board.

The committee process would incorporate the requirements of Florida law and the state requirements for educational facilities concerning site acquisition. These requirements concern the consideration of the most economical and practical locations and the minimum site size needed by type of school. Due to the large amount of public funds spent, participation in the site selection and acquisition process by representatives of various stakeholders is essential, and practical, to earn necessary recognition of public accountability.

By having a long-range mission statement and associated goals, a planning committee and a site selection committee, the school district would be better able to purchase land for construction well in advance of the need. For example, if the district is aware that it will need to build an elementary school in the south end of the district by the year 2020, the site selection committee can begin to consider locations now. This may enable the district to have more choices and pay a lower price for the piece of land. It would also enable the district to start building early if the need arises. Evaluating potential sites would be a responsibility of the site selection committee once implemented.

Recommendations

- *We recommend that the district commit the site selection process to writing and that the written process be adopted as a formal procedure of the district school board.*

Action Plan 10-8 provides the steps needed to implement this recommendation.

- *We recommend that the district enable a site selection committee to assist in the planning and acquisition of sites for future schools and that the committee be charged with determining site locations in accordance with the district school board’s formally adopted strategic plan, mission statement and goals.*

Action Plan 10-9 provides the steps needed to implement this recommendation.

Action Plan 10-8

Commit the site selection process to writing	
Strategy	The district should develop formal, comprehensive written procedures that fully outline the site selection process.
Action Needed	Step 1: Outline requirements of the Florida Statutes Step 2: Develop written evaluation procedures to be followed that ensure all legal requirements are being met. Step 3: Develop a written valuation and appraisal process for recommended sites that includes selection methods for outside firms specializing in marketing analyses and property appraisal techniques. Step 4: Establish written criteria for the site selection. Step 5: Prepare a written evaluation document to be used during the evaluation process. Step 6: Forward the written procedures and the evaluation document to the school board for approval and formal adoption as a board procedure. Step 7: Distribute approved policy to responsible employees and committee members.

Facilities Construction

Who is Responsible	Assistant superintendent for Business and Fiscal Services and the assistant superintendent for Maintenance and Facilities.
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

Action Plan 10-9

Formally assign site selection responsibility to a site selection committee	
Strategy	The school board should create a committee to oversee the site selection process.
Action Needed	<p>Step 1: The board should develop a site selection committee comprised of various stakeholders including persons with appropriate qualifications to carry out the related tasks.</p> <p>Step 2: The committee should be charged with developing procedures to be followed in evaluating sites, ensuring that all legal requirements are being met.</p> <p>Step 3: The established criteria for the site selection process should be developed into an evaluation document to be used during the evaluation process and approved by the board.</p> <p>Step 4: After committee approval, the evaluation document should be presented to the school board to assist in the acquisition decision process.</p>
Who is Responsible	Osceola County School Board assisted by the superintendent and other staff as determined appropriate
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

16 The board considers the most economical and practical locations for current and anticipated needs, including such factors as the need to exercise eminent domain, obstacles to development, and consideration of agreements with adjoining counties.

The district coordinates site selection with local political subdivisions and uses a combination of tools to select economical and practical locations.

The school district’s short-term determination of the most economical and practical site locations are consistent with the guidelines listed in the demographic study, prepared by Ivey Harris and Walls, and the criteria and ranking established in the Site Selection Decision Matrix. Sites are selected based on the Site Selection Matrix, which examines the various criteria for development of a site for a new school facility. The district has not needed to pursue condemnation in order to acquire school sites. Condemnation is a last resort, but would be used on an as needed basis. The district contracts with an outside firm to conduct a market analysis and property appraisal as part of the site selection decision matrix. Appraisals are conducted for all land purchases.

Recommendations

- *We recommend that the district commit the site selection coordination process to writing and that the written process be adopted as a formal procedure of the district school board.*

See Action Plan 10-9 which provides the steps needed to implement this recommendation.

Construction Costs

17 The district has not established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the construction program.

Accountability issues are not supported by an adequate goal statement.

As noted above, the district is lacking in the areas of long-term strategic planning, mission statements, and goals. In particular, the school district's published goals do not address issues of construction funds accountability.

No formalized process exists to help analyze construction costs.

The Construction Advisory Committee assists the district in reviewing its construction program and the district has developed a project database to provide information necessary to compare program performance and project costs with other school districts and the local market.

However, the district has not established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the construction program. These mechanisms are essential for the district to improve its facilities construction program. Accountability mechanisms will ensure that the district is building facilities in locations that best meet the need of the district. They can also ensure that the district is building in the most cost-effective manner.

The process to establish accountability mechanisms needs to include, at a minimum,

- development of goals and objectives to implement accountability to the public at large, to improve the performance, efficiency, and effectiveness of the district's construction program;
- development of performance benchmarks and cost-efficiency measures, including comparisons to similar adjoining districts, to evaluate the program and use these tools to improve management decision making;
- creation of procedures to evaluate the performance and cost of the program, and analysis of the data to recognize potential cost savings; consider the implementation of alternatives, such as outside contracting and privatization; and
- development, establishment, and implementation of strategies to continually assess the reliability of program performance and cost data.

Recommendations

- *We recommend that the district formalize in writing accountability mechanisms to ensure the performance, efficiency, and effectiveness of the construction program.*

Action Plan 10-10 provides the steps needed to implement this recommendation.

Action Plan 10-10

Formalize accountability mechanisms in construction	
Strategy	The district will develop written accountability measures to evaluate the performance of the construction program.
Action Needed	Step 1: Develop performance benchmarks for the construction program. Step 2: Develop peer district comparisons to compare against benchmarks. Step 3: Review significant peer district differences to determine what factors influence the differences. Step 4: Develop strategies to improve construction program.
Who is Responsible	Assistant superintendent for Facilities and Maintenance
Time Frame	June 30, 2003
Fiscal Impact	This can be accomplished within existing resources.

18 The district has considered, and where possible implemented, the general requirements recommended in the SMART Schools Clearinghouse Frugal Construction Standards.

The Florida Legislature, during its 1997 Special Session, established the SMART Schools Clearinghouse as the agency responsible for administering several programs designed to assist and encourage Florida school districts to build SMART schools. As of June 30, 2001, the SMART Schools Clearinghouse Board was sunset. However, the district is still encouraged to continue to apply the Frugal Construction Standards that ensure appropriate industry standards and optimal life cycles. That may include, but is not limited to, standards for optimal size of core facility space, design-build, performance contracting, energy efficiency, and life-cycle systems costing.

The SMART Schools Clearinghouse encourages school districts to consider the recommendations and incorporate as many as practical and possible into their schools. By following a determined and straightforward approach to designing and building SMART schools Florida’s school districts can make a significant impact on reducing the cost of building and maintaining schools while continuing to provide a high quality learning environment for students.

The school district should continue to endorse and support the implementation of Frugal Construction standards as part of the design and construction of educational facilities. The design team needs to be encouraged to comply with the practical design solutions that are functional and cost effective. When applicable, the design team, construction manager and district facilities staff can help control construction costs by

- being involved in development of the educational specifications and monitoring the cost implications of decisions made by the district’s educational specifications committee;
- studying the educational specifications and helping translate them into a precise program;
- being involved in site selection and helping determine the best utilization of potential school sites;
- questioning the Occupant Design Criteria Tables and looking for better and more efficient ways to allocate space within the school;
- seeking simple and straightforward architectural, civil, structural, mechanical, and electrical design solutions;
- monitoring the architectural, civil, structural, mechanical, and electrical planning and design solutions to control costs; and

- producing complete, high quality construction documents.

Applying such procedures may lead to the qualification for a School Infrastructure Thrift Award (SIT award). The intent of the Legislature is to provide SIT award money for school districts that use due diligence and sound business practices in the design, construction, and use of educational facilities. A school district may seek the SIT award provided that the cost per student station for new construction of educational facilities does not exceed the amounts shown in Exhibit 10-5 below.

Section 235.216 (2)(a), Florida Statutes states the annual cost per student station shall be adjusted using the Consumer Price Index (CPI). The CPI, as published by the Office of Economic and Demographic Research, was projected on February 27, 2002 at 1.024%. Based on this percentage, the dollar amount projected for January 2003 is used as the state's "not to exceed amount" for a SIT Award. The change of cost per student station is reflected below.

Exhibit 10-5

Criteria for School Infrastructure Thrift Awards

School Level	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	Annual Increase
Elementary	\$11,600	\$11,865	\$12,102	\$12,382	\$12,784	\$13,063	\$279
Middle	\$13,300	\$13,604	\$13,875	\$14,197	\$14,657	\$14,978	\$321
High	\$17,600	\$18,003	\$18,361	\$18,786	\$19,396	\$19,820	\$424

Source: Florida Department of Education.

In accordance with the Clearinghouse amended policy approved on July 13, 1999, the cost per student station will be determined by either (1) the Construction Contract Award Date, or (2) the date the Construction Manager (CM) gave a signed Guaranteed Maximum Price (GMP) to the school board.

The district continues the attempt to build strong construction teams.

The district has a positive working relationship with architects, engineers, and contractors and has participated in TEAM building programs in the past. The district is currently implementing a construction survey that will provide feedback about team relationships at intervals throughout the project. The Facilities Department, Maintenance Department, Food Service, Media, Custodial, Risk Management and Curriculum departments work together to develop projects.

The district designates the director of the Facilities Planning and Construction Department to monitor and keep projects within budget and on time.

Design flexibility accommodates the growth of permanent facilities, different teaching methods and joint use possibilities.

The district plans for future growth as recommended by SREF. New school site plans indicate where expansions may be if or when needed. New school site plans indicate where relocatables will be sited when needed. Schools are designed with classroom layouts that provide flexibility of teaching methods while new schools are designed to accommodate various teaching styles without requiring physical modifications.

The district strives to construct educational facilities that are flexible and adaptable to different instructional methods without physical modifications to the facility. This is done by designing in flexible spaces and shared spaces that can be used in multiple ways. Classrooms are arranged so that, if desired, teachers can incorporate interactions between classes. Spaces like the CCTV Lab in elementary schools, which are only used at certain times of the day, can be opened up and used as part of the media center for small group reading or other purposes. The district designs all classrooms in elementary schools the same

so that the school can accommodate varying populations of primary and intermediate students from year to year, providing adequate educational spaces.

The district has an approved project in the budget for a new auditorium for regional educational use and is purchasing the Tupperware Center for use as performing arts center in place of building three additional auditoriums.

A joint use high school campus partnering the district with neighboring Orange County School District, which would also incorporate some community college space (Valencia) is presently under consideration. Under construction is a multi-purpose facility in partnership with the City of Kissimmee.

Recommendations

No recommendation.

19 **The district minimizes construction costs through the use of prototype school designs and frugal construction practices.**

The district uses the DOE prototype designs.

The School District of Osceola County (SDOC) was the first to construct the state designed prototype school/Central Avenue Elementary. The district has reviewed the SMART school clearinghouse directory of frugal school designs and uses prototype and SMART school designs.

Frugal and life cycle cost analysis are applied to district design standards, project goals and objectives and other items listed. Life cycle cost analysis are applied to the HVAC system of all new facilities.

Recommendations

No recommendation.

20 **The district secures appropriate professional services to assist in facility planning, design, pre-construction and construction, but no written procedures formalize the process.**

The district has no formalized selection process for professional services, validated in a written procedure, which has been adopted by the district school board.

The district's selection process for obtaining professional services is conducted in accordance with Florida law. The district follows the state requirements for selection of professional services/RFQ. However, there is no formalized process in place, adopted by the board, to guide the administrators in the selection process.

The district can demonstrate that procedures for the selection of appropriate professionals to assist in the process of facility planning, design and construction are in compliance with legal requirements.

Chapter 287.017, *Florida Statutes*, establishes a threshold for determining the need for architectural selection committees. A good outline for the process to be followed in the selection for services is shown below.

The district forms an independent selection committee generally includes

- one or more school board members;
- the assistant superintendent for Business and Support Services;
- parents and business people to represent the community;
- a principal;
- the Maintenance Department manager;
- the supervisor of Vocational/Technical Education;
- the director of Finance;
- the Purchasing, grounds, warehouse and property management supervisor; and
- the Facilities director.

The membership of the committee should be determined by district administrators and based on the size of the project and the need for special expertise to address unusual project parameters.

A public advertisement for professional services is made and proper bid documents are sent to at least three prospective bidders.

During the committee meeting each proposal is discussed and scored based on the following criteria:

- location of the firm;
- professional qualifications;
- current/future workload;
- specific individuals assigned;
- minority status;
- proof of licensing;
- sworn statement stating that no conflict of interest exists;
- volume of work awarded by Osceola County School Board;
- past projects histories, and
- Form SF54 information.

The three proposals with the highest point totals are short listed and invited for an interview.

During the interview the applicants are questioned in more detail about items listed above.

Samples of previous work are presented to the committee.

A firm is selected and awarded the opportunity of contract negotiations with the school district.

Upon board approval, the contract for services is signed. The contract form has been developed by the district legal counsel and incorporates the requirements of the standard American Institute of Architects (AIA) contract along with the specific requirements of the project being completed. Those requirements include the time frame for completion, the allowable reimbursable expenses, the degree of construction supervision that will be required, and verification of the absence of contingent fees. The fee agreed to in the contract is a total fixed fee plus approved reimbursable expenses.

While the district has no formal written process for evaluating architects, the staff agrees that the architect’s quality of work is considered in future selections. Given the amount of current and future new construction and major renovations in the district, it is important to have a formal evaluation process in order to use the information to ensure quality with future projects.

An appropriate legal authority reviews district contracts and the contractor should be formally evaluated after completion of the project.

The district’s approved contracts comply with requirements of Florida Statutes. Legal council approves all district contracts.

The district does not conduct professional performance evaluations of the contractor during and at time of completion of a construction project. These evaluations should be formalized, completed and referred to the board for use in considering in future contractor selections.

The performance of the design professional is not formally reviewed at the end of a project. The design professionals evaluation should be recorded with the project records.

Recommendations

- *We recommend that the district formalize the design professional evaluation and selection process.*

Action Plan 10-11 provides the steps needed to implement this recommendation.

Action Plan 10-11

Formalize the design professional selection process	
Strategy	Establish written procedures that clearly delineate the process for evaluating and selecting design professionals.
Action Needed	Step 1: Review of the Florida Statutes governing the competitive selection of design professionals and contractors. Step 2: Develop written procedures in compliance with the statutes that outline the selection and bid processes. Step 3: Develop evaluation criteria for contractors and design professionals for use in future selections. Step 4: Present the written procedures to the BAB and CAC for review and comment. Step 5: Present the written procedures to the school board for approval and adoption as a formal policy of the district. Step 6: Distribute copies of the approved process to appropriate district staff and the public.
Who is Responsible	Assistant superintendent for Business and Fiscal Services and the assistant superintendent for Maintenance and Facilities.
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

21 The district can demonstrate that funds collected for school projects were raised appropriately.

The district appropriated \$128,628,066 in 2001-02.

Multiple fund sources are consolidated and totaled to predict the amount available for capital projects. All of the funds listed were appropriate for use in school construction. They included impact fees, capital outlay and debt service (CO&DS), capital outlay bond issues (COBI bonds), public education capital outlay (PECO) allocations, certificates of participation (COPs) money, school infrastructure thrift awards (SIT), sales taxes, project refunds, land sales, local capital improvement funds (LCIF), energy rebates and capital outlay taxes. A capital outlay budget file supported the capital outlay revenue projections. The total dollar expenditures were close, but the numbers did not match. This may be due to a difference in preparation/expenditure dates. Project expenditure recaps were presented. Detailed information about the appropriations can be found in Chapter 9, Use of State and District Construction Funds, Exhibit 9-2.

Recommendations

No recommendation.

Timely Completion of Projects

22 District planning provides realistic time frames for implementation that are coordinated with the opening of schools.

The district establishes time frames for all projects and considers contracting methods that best fit with timing requirements.

Project updates are presented to the board on a monthly basis. The construction time for each new facility is determined based on the size and complexity of the project and detailed in the construction contract. The contractor is given ample time for the construction. The district utilizes Construction Manager at Risk with Guaranteed Maximum Price (GMP) (see detailed explanation in finding 24, page 43) and liquidated damages clauses in construction contracts to ensure that projects are completed on time and within budget. The contract for construction includes the requirement for timely construction with fines if they are not met.

At the completion of each phase of design, the architects and project managers provide a budget update to the board. During project delivery, the board receives monthly updates of the project financial status in spreadsheet format. This is also made available for public review. The various phases of design and budget are reviewed and approved by the board prior to continuing with the project.

The three new elementary schools, Poinciana, Partin Settlement and Central Avenue, constructed in the past two years and the addition to Discovery Intermediate all opened on schedule and in time to house students at the beginning of the school year.

Recommendations

No recommendation.

23 For each project or group of projects, the architect and district facilities planner develop a conceptual site plan and building specifications.

Well-developed educational specifications facilitate this part of the design process.

The project architect and district staff develops conceptual site plans that consider the current and future development of the site including temporary and future facilities needs and pricing considerations.

Conceptual site plans are prepared during the development of all projects. These plans evaluate various options for the development of the site to ensure the best use of the facility for the present and the future needs. The conceptual plans are based on the educational specifications discussed in Item 11.

Operational planning, staffing, initial and life cycle costs, energy efficiency and other factors are considered in development of school designs and technical specifications. Plans evaluate various options for the development of the site to ensure the most cost effective and efficient use of the facility.

The district has prepared design standards, which are applicable to all projects and are given to the design professional to communicate the expectations of the district in regard to materials, finishes and equipment. The architect develops building specifications for each project using the district design standards as a guide.

Recommendations

No recommendation.

24 The district follows generally accepted and legal contracting practices to control costs, but there are no formal procedures in place to guide the contracting process.

The board has used Construction Manager at Risk (CM) and design-build on more than 95% of construction projects in the last 5 years.

When making a decision to build, a district is faced with the choice of what type of contracting method to use. The district needs to consider alternatives to maximize efficiency or effectiveness of the construction project, saving costs, making the project flow without delays, and, in general, for better documentation of management decisions.

The school district has evaluated costs and benefits of outsourcing construction program services, but there is no formalized process in place that outlines how to conduct such an evaluation.

The traditional approach plus alternatives to the traditional approach are discussed below.

Traditional Design-Bid-Build. Utilizing this methodology, the owner retains an architect through a qualification-based selection process who designs the project based on the owners' programmatic requirements (educational specifications). Upon approval of the owner, the architect prepares contract documents for bidding purposes that consist of plans and specifications. The owner then bids the project and a general contractor is selected based upon the lowest responsive bid.

Design-Build. The design-build process offers a single source of responsibility for both design and construction phases. In most cases the owner will contract with a general contractor, which, in turn, subcontracts its architectural work to an independent architect. In some cases, however, the architect is an employee of the general contractor. The process involves the owner advertising for design build-teams to submit total cost bids to design and construct a building based on a program and criteria established by the owner. Design-build is most often used for simple uncomplicated projects that have pre-determined functional requirements or projects that are designed and constructed the same way many times.

Construction management. Professional, rather than entrepreneurial direction, is the key element CM brings to the entire design and construction process. With this process, the district hires a construction manager based on qualifications who then provides services before, during, and after the actual construction process.

After selection, the construction manager makes significant input relating to cost, quality and time to the architect during the design process. Competitive bidding is still employed for what are traditionally the subcontracts to the general contractor.

Under typical construction management, these become prime contracts to the owner. The various contracts may be bid at once, but are often phased or bid at different times. This is particularly true when time is short and fast-track scheduling techniques are employed to complete the project.

Certain contracts are then bid in advance of others, so that work can get underway on construction elements that must be completed first. This type of construction management is commonly referred to as agency construction management. Recently, many construction management contracts are "at risk" by which the district negotiates a maximum price with the construction manager who contracts directly with the subcontractors. The construction manager is then "at risk" to complete the project within the agreed-upon maximum price.

The associate superintendent for Maintenance and Facilities, in conjunction with school board counsel, has prepared a standard construction contract for use for all school district construction projects. In the event revisions are requested with regard to the standard construction contract, school board counsel will review and comment on the requested revisions.

The district uses Construction Manager at Risk for most of the construction projects. The bidding for each project is conducted by the CM with the district personnel overseeing the process. The CM conducts the bidding, with district oversight. Bid openings are conducted jointly with the construction manager, school district Purchasing and Facilities staffs. The bid results are used to develop the Guaranteed Maximum Price, which is presented to the board for approval. This process has been approved by legal counsel, but there are no formal, written procedures in place to serve as a guide.

Recommendations

- *We recommend that the district develop procedures to formalize the contract selection process.*

Action Plan 10-12 provides the steps needed to implement this recommendation.

Action Plan 10-12

Formalize the contract selection process	
Strategy	Establish written procedures that clearly delineate the contracting process.
Action Needed	Step 1: Prepare a review of the Florida Statutes governing the contracting process. Step 2: Develop written procedures in compliance with the statutes that outline the process. Step 3: Present the written procedures to the BAB and the CAC for review and comment. Step 4: Present the written procedures to the school board for approval and adoption as a formal policy of the district. Step 5: Distribute copies of the approved process to appropriate district staff and the public.
Who is Responsible	Assistant superintendent for Business and Fiscal Services and the assistant superintendent for Maintenance and Facilities.
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

25 The district has assigned one person with the authority and responsibility to keep facilities construction projects within budget and on schedule.

The district employs project managers to oversee projects.

The Department of Facilities Planning and Construction has assigned authority for project completion to a construction project manager who has the required experience and credentials to manage major construction projects. The district establishes a time frame for project completion that coincides with the beginning of the school year. Projects are scheduled for completion in time for school starting in the facility. The project manager is responsible to keep projects within budget and on time.

Each project manager reports to the director of Facilities, who is responsible for completing the five-year work plan.

Recommendations _____

No recommendation.

26 The board minimizes changes to facilities plans after final working drawings are initiated in order to minimize project costs, but there is no written standard to evaluate proposed changes.

Change orders are owner-requested and held to a minimum number.

The district uses Construction Management at Risk, which makes the change order process owner-initiated and board-approved. The only change orders to a project are owner requested and these kept to a

minimum. Standard change order form includes information regarding the reason and person responsible. All change orders (C.O.s), regardless of dollar value or reason, are presented to the school board for review and approval. The district attempts to develop C.O.s to add value to the project with funds that become available from cost savings accrued during the project.

Occasionally, during the construction process, changes to the project are necessary to insure that the final product is the facility needed to support the educational activities that are to be housed there. When changes are needed during construction, the construction manager (CM) prices the change as developed by the design team in conjunction with the district’s representative. The CM, the design professional and the district review the additional cost for fairness and completeness, i.e., that the entire scope of work is included in the price. The CM process used by the district is an open book process that allows the owner to see all costs associated with change order requests. After all responsible professionals are satisfied that the proposed cost of is fair and reasonable, the C.O. is presented to the school board for approval.

Recommendations

- *We recommend that the district develop formal written standards to guide the evaluation of requested change orders.*

Action Plan 10-13 provides the steps needed to implement this recommendation.

Action Plan 10-13

Formalize the change order process	
Strategy	Establish written procedures that clearly delineate the change order process.
Action Needed	<p>Step 1: Develop written procedures for developing and approving construction project change orders.</p> <p>Step 2: Present the written procedures to the BAB and the CAC for review and comment.</p> <p>Step 3: Present the written procedures to the school board for approval and adoption as a formal policy of the district.</p> <p>Step 4: Distribute copies of the approved process to appropriate district staff and the public.</p>
Who is Responsible	Assistant superintendent for Business and Fiscal Services and the Assistant superintendent for Maintenance and Facilities.
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

27 The district recommends payment based on the work completed and withholds a percentage of the payment pending completion of the project, but the process is not formalized in any written procedure.

The district has financial and managerial controls on progress payment requests.

All requests for progress payment applications are submitted to the architect for approval, and then submitted to the district for review, approval and payment. The project architect approves all payment requests prior to the district receiving or accepting the request. Payment applications are not processed until it includes the architect’s and district project manager’s approval and signature.

The district routinely withholds 10% of the contract amount until the substantial completion punch list is finished, a certificate of final completion is signed and all closeout documentation is completed. Until this is achieved, the district also withholds 10% of all progress payment requests.

Recommendations

- *We recommend that the district prepare and adopt a formal procedure for approving and processing capital project progress payments.*

Action Plan 10-14 provides the steps needed to implement this recommendation.

Action Plan 10-14

Formalize the progress payment process	
Strategy	Establish written procedures that clearly delineate progress payment process.
Action Needed	<p>Step 1: Develop written procedures for developing and approving capital project progress payments.</p> <p>Step 2: Present the written procedures to the BAB and the CAC for review and comment.</p> <p>Step 3: Present the written procedures to the school board for approval and adoption as a formal policy of the district.</p> <p>Step 4: Distribute copies of the approved process to appropriate district staff and the public.</p>
Who is Responsible	The assistant superintendent for Business and Fiscal Services and the assistant superintendent for Maintenance and Facilities.
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

28 The district requires appropriate inspection of all school construction projects.

The district performs appropriate inspections.

Until this year and the implementation of the new Florida Building Code, the district has had UBCI inspectors on staff to provide inspections. The district has had seven (7) certified inspectors who inspect all construction projects. Historically, final inspections and certificate of occupancy certifications have been the responsibility of district UBCI inspectors. No facility has been occupied until all life-safety items are approved and a Certificate of Occupancy issued. The district, in recent history, has successfully obtained certificates of occupancy and UBCI inspectors' reports provide required documentation.

The district files appropriate documentation, including FISH data, with DOE as required.

In the past, the project managers inspected the projects for building code compliance and the design professionals inspected for design compliance. With the new state wide building code in place, the district has implemented a district Building Department. The function of the building department is to process plan approval, issue building permits, assure the appropriate inspection of all district construction projects, perform final inspections and issue certificates of occupancy. Initially, the Building Department will coordinate the required inspections and the district's certified inspectors will perform the inspections.

The district is developing a process that will use contracted certified inspectors to inspect all construction activity in the district and the project managers will administer the construction projects.

Recommendations

- *We recommend that the district establish goals and performance measures for the new building department.*

Action Plan 10-2 provides the steps needed to implement this recommendation.

Construction Program

29 **The district conducts a comprehensive orientation to the new facility prior to its use so that users better understand the building design and function, but there is no orientation standard established by the district.**

The CM contract requires orientation training.

At the opening of each new school the district should conduct a walk through for both maintenance and instructional staff, but there is no comprehensive written orientation program established for staff, students, parents, and the general public. Operational training and orientation programs for maintenance, custodial and school staff conducted at the completion of the project, help users better understand building design and functions however, the absence of a comprehensive orientation program results in a lack of understanding by the persons responsible for the building operation. For example, staff might not know the location of all exits or how to properly evacuate students during an emergency.

Elements of a good orientation program would include

- conducting formal orientation and training for appropriate personnel on building electrical, mechanical and life-safety systems;
- pre-occupancy meetings conducted with school and maintenance staffs;
- the Facilities project manager, the construction manager, and the architect conduct the training and orientation program; and
- site-based building managers receiving appropriate basic training in building management fundamentals (see Action Plan 11-5, Chapter 11).

Recommendations

- *We recommend that the district develop and implement a standardized building orientation program that becomes a part of the project contract and is conducted just prior to or in conjunction with building occupancy.*

Action Plan 10-15 provides the steps needed to implement this recommendation.

Action Plan 10-15

Develop a standardized building orientation program	
Strategy	Establish a standardized method of orienting new users to a newly constructed building and incorporate it in the construction contract.
Action Needed	Step 1: Develop written orientation process for users of newly constructed buildings. Step 2: Present the written process to the BAB and the CAC for review and comment. Step 3: Adopt the written orientation process as a formal part of the district’s standard construction contract. Step 4: Distribute copies of the approved process to appropriate district staff and the public.
Who is Responsible	Assistant Superintendent for Maintenance and Facilities.
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

30 The district does not conduct comprehensive building evaluations at the end of the first year of operation and regularly during the next three to five years to collect information about building operation and performance.

Post-occupancy evaluations should be conducted to determine and develop functionality and performance measures for future projects.

A post-occupancy evaluation (POE) should be conducted on every new facility. The POE should be conducted no earlier than one year and no longer than three years after occupancy. This window of time allows for a full school year to occur in the new facility and the POE to occur before any functional design changes or remodeling might take place, which would change elements of the original design. The focus of the POE should be to determine how well the design meets the educational, service, community, and administrative needs of the building’s users. Users, including students, parents, district and school-based maintenance and food service personnel, teachers, administrators and bus drivers, should be surveyed to determine their attitudes about the design. The design professional for the new facility and a representative of the contractor should also be given the opportunity to provide input to the evaluation. The goal is to learn what works well and what does not work well for each group. POEs are conducted by FPC staff.

The information can be gathered using a combination of interviews and written instruments. The evaluators should include a team comprising FPC staff, a design professional not connected with the project under evaluation, and representatives of areas of special expertise, such as information technology and educational services delivery from the district level office. The information gathered is compiled into a comprehensive report, which enumerates the positive aspects and difficulties, if any, with the design.

Information obtained through post-occupancy evaluations should be communicated to educational specification committees, the design review committee and when contracted for a new facility, the design professional. The information should be used to improve the design of subsequent projects.

Recommendations

- We recommend that the district regularly conduct post-occupancy evaluations.

Action Plan 10-16 provides the steps needed to implement this recommendation.

Action Plan 10-16

Conduct regular post-occupancy evaluations	
Strategy	Develop a process to conduct post-occupancy evaluations of new facilities.
Action Needed	<p>Step 1: Review existing literature to develop a post-occupancy evaluation methodology.</p> <p>Step 2: Prepare a written manual to guide the post-occupancy process.</p> <p>Step 3: Designate FPC staff to serve as lead team members for post-occupancy evaluations.</p> <p>Step 4: Conduct post-occupancy evaluations of all new facilities within an appropriate time frame.</p> <p>Step 5: Report the results of the evaluations to the ed spec committees, the design review committee, and design professionals as appropriate.</p> <p>Step 6: Incorporate identified good elements and solutions for design problems in future projects.</p>
Who is Responsible	Assistant superintendent for Facilities and Maintenance
Time Frame	June 30, 2003
Fiscal Impact	This can be accomplished within existing resources.

31 The district analyzes their limited building evaluations to determine whether facilities are fully used, operating costs are minimized, and changes in the district’s construction planning process are needed, but the process should be formalized.

The district needs to formalize its first year building evaluation process.

The district Facilities Department has an energy manager responsible for conducting first year building evaluations, monitoring and evaluating energy usage and operating costs.

The results of these evaluations have been used, by the district, to analyze products, equipment and systems and recommend changes to educational specifications and design standards. Evaluation results have been used in planning new facilities.

Based upon the results of building evaluations the district has implemented changes to District Design Standards. The Department of Facilities Planning and Construction provides construction coordination and quality alert email conferences to allow continued feedback from Maintenance, Risk Management, and School Center personnel.

Recommendations

- *We recommend that the district formalize the data collection and use of information collected during first year building evaluations.*

Action Plan 10-17 provides the steps needed to implement this recommendation.

Action Plan 10-17

Formalize first year building evaluations	
Strategy	Develop a process to conduct evaluations of operating costs and building usage for new facilities.
Action Needed	Step 1: Develop a first year building evaluation methodology. Step 2: Prepare a written process to guide the evaluation process. Step 3: Conduct building evaluations of all new facilities within an appropriate time frame. Step 4: Compile the information and determine efficiencies, operating costs and comparison with other types of mechanical and electrical systems in use by the district and by peer districts. Step 5: Report the results of the evaluations to district staff. Step 6: Use information in design process in future projects.
Who is Responsible	Assistant superintendent for Facilities and Maintenance
Time Frame	June 30, 2003
Fiscal Impact	Can be accomplished within existing resources.

32 The district analyzes maintenance and operations costs to identify improvements to the district’s construction planning process.

The district should continue to develop a feedback system based on maintenance and operations records.

The Maintenance Department maintains records of maintenance and operational costs for each facility. This information is evaluated as part of the capital renewal and replacement program and the district’s Maintenance Department is beginning to review plans and equipment, and make recommendations for the design of systems in all facilities.

Based on analysis of maintenance and operational costs the district has been able to identify and recommend standardization of equipment and building systems to be considered when planning for capital projects. New and more cost-effective equipment is suggested for use in new and renovated facilities, based on maintenance department recommendations and the district implements design changes and standardizations based on their information. The department’s recommendations are being incorporated in the District Design Standards and implemented on a district-wide basis.

Recommendations

No recommendation.

11

Facilities Maintenance

The Osceola County School District has an effective Maintenance Department that maintains safe, functional facilities, which provide an appropriate learning environment. Some additional tools will help enhance the efficiency and effectiveness of the department.

Conclusion

The Osceola County School District (the district) has provided its Maintenance Department with many of the resources necessary to accomplish their stated goal:

The mission of the Osceola school district's Maintenance Department is to provide for our students and staff clean, sanitary and well-maintained facilities. Research has proven that both student achievements, as well as attitudes, are positively affected when this mission is attained.

The department is providing services during a period of rapid growth. Additional attention to computerized systems and the development of benchmarks and accountability measures will enhance the ability of the district and the department to effectively plan future activities, workloads and staffing needs. Attention to issues such as vehicle replacement and warehousing will enhance the department's ability to meet current demands.

During the course of this review, OPPAGA identified a number of district accomplishments in facilities maintenance, some of which are included in Exhibit 11-1 below.

Exhibit 11-1

The District Has Had a Number of Notable Accomplishments in Facilities Maintenance in the Last Three Years

- The creation of a team to manage the movement, installation and maintenance of the district's relocatables.
 - The development of a customer feedback system.
 - The creation of two new staff positions to manage the district's fire alarm systems.
 - The creation of a districtwide custodial services supervisor responsible for facilities inspections and custodian training.
-

Source: Osceola County School District.

Overview of Chapter Findings

OPPAGA reviewed the district's facilities maintenance using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. OPPAGA employed several methodologies to develop chapter conclusions and action plans. For instance, OPPAGA conducted on-site interviews with district level managers, maintenance supervisors, trades workers, school principals, custodians and other customers to develop their perceptions of the department. OPPAGA visited several randomly selected school facilities and gathered information on the facilities maintenance and custodial activities such as the district's facilities maintenance policies and procedures. Questions varied

Facilities Maintenance

depending on the individuals and groups interviewed and the results have been incorporated into this chapter where applicable. OPPAGA also conducted a survey of teachers that included maintenance customer satisfaction questions and included the findings.

An overview of chapter findings is presented below.

Maintenance Functions

1. The district's Maintenance Department mission, organizational structure, and operating procedures are not fully established in writing. (Page 11-4)
2. The district has not established maintenance standards in its short- and long-term plans for providing appropriately and equitably maintained facilities within budget and in accordance with the district's five-year facilities work plan and annual budget. (Page 11-7)
3. The district has not clearly identified or communicated performance standards and expected outcomes to maintenance staff. (Page 11-9)
4. The district ensures that maintenance and custodial standards are regularly updated to implement new technology and procedures, but experiences difficulty in providing training to site-based staff. (Page 11-11)
5. The district has created a customer feedback system to identify and implement program improvements and is refining the instrument and the data collected. (Page 11-12)
6. The district has not fully established and implemented accountability mechanisms to ensure the performance and efficiency of the maintenance program. (Page 11-13)

Budget for Facilities Maintenance

7. The district accurately projects cost estimates of major maintenance projects. (Page 11-15)
8. The administration has developed an annual budget with spending limits that comply with the lawful funding for each category of facilities maintenance. (Page 11-15)
9. The board maintains a maintenance reserve fund to handle one-time expenditures necessary to support maintenance emergencies. (Page 11-16)
10. The Maintenance Department periodically evaluates maintenance activities to determine the most cost-effective method of providing needed services. (Page 11-16)
11. The district minimizes equipment costs through purchasing practices and maintenance. (Page 11-17)
12. The district uses proactive maintenance practices to reduce maintenance costs. (Page 11-18)

Maintenance Program Goals and Outcomes

13. The maintenance and operations department regularly reviews the organizational structure of the maintenance and operations program to minimize administrative layers and processes. (Page 11-18)
14. Presently, the Maintenance Department does not have the tools in place to regularly review the staffing levels of the maintenance program in order to maximize the efficient use of personnel. (Page 11-19)
15. The Maintenance Department ensures qualified staff by using appropriate hiring practices. (Page 11-21)
16. The Maintenance Department has written job descriptions for each position within the department. (Page 11-21)
17. The district provides appropriate supervision of maintenance staff. (Page 11-22)
18. The district provides some staff development training for maintenance workers to enhance worker job satisfaction, efficiency, and safety, however, principals would benefit from training focused on facilities management. (Page 11-22)

19. The district provides Maintenance Department staff the major tools and equipment required to accomplish their assigned tasks, but the district needs a maintenance vehicle replacement policy. (Page 11-23)

Computerized Maintenance Management System

20. A computerized control and tracking system is used to accurately track work orders and inventory. (Page 11-24)
21. The Maintenance Department has a system for prioritizing maintenance needs uniformly throughout the district. (Page 11-26)

School Equipment and Facilities

22. District policies and procedures clearly address the health and safety conditions of facilities. (Page 11-26)
23. The school district complies with federal and state regulatory mandates regarding facility health, safety, and energy efficiency conditions. (Page 11-27)
24. The Maintenance Department identifies and implements strategies to contain energy costs. (Page 11-27)
25. The district has an energy management system in place, and the system is maintained at original specifications for maximum effectiveness. (Page 11-28)
26. The district is aware of and prepared for the permitting and inspection requirements of the Florida Building Code. (Page 11-28)

Fiscal Impact of Recommendations ---

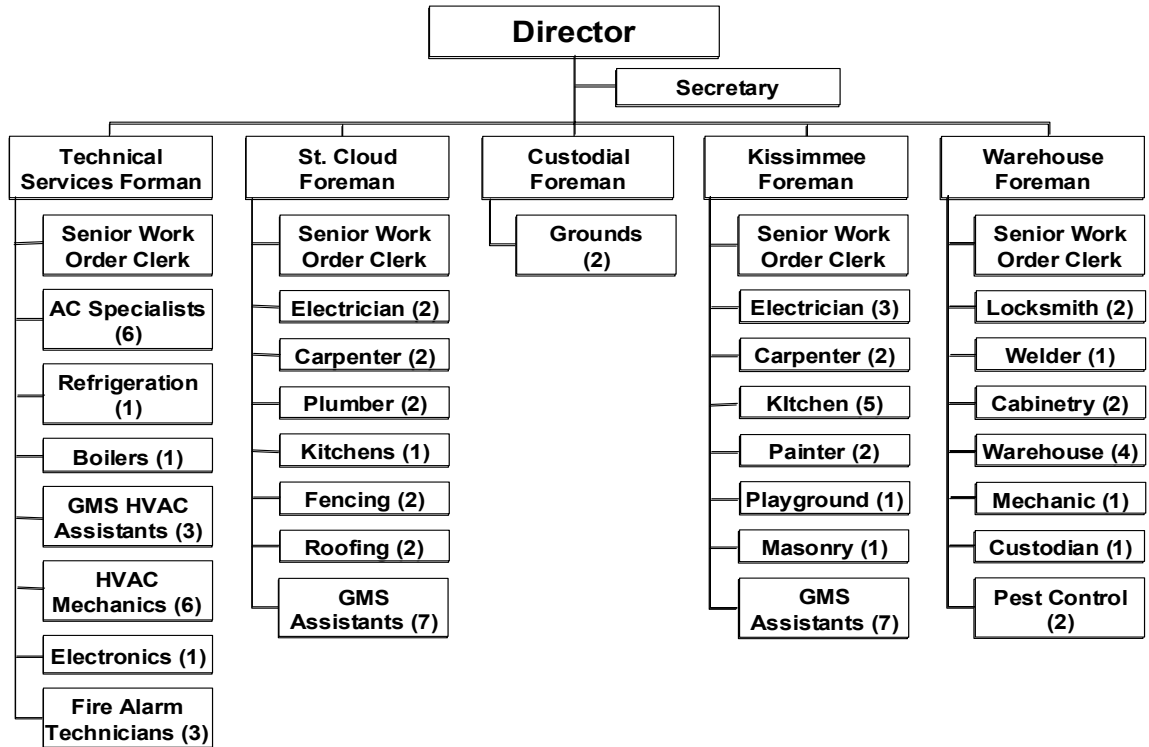
None of the recommendations in this chapter have a fiscal impact.

Background ---

The Osceola County School District's Maintenance Department has 86 employees and provides services for all aspects of building and facilities maintenance for approximately 5 million square feet as recorded in the Florida Inventory of School Houses (FISH). The maintenance budget last year was \$3.3 million and increased to \$3.7 million for the current year. Trade specific occupations of department employees include electrical, plumbing, welding, carpentry, boiler specialty, fire alarm with national certification, heating, ventilating and cooling (HVAC) mechanic, refrigeration, kitchen equipment, certified locksmith, pest control specialty, roofing, fencing, auto mechanic, cabinetry, and masonry. These specific trades are supported by an additional 26 general maintenance workers. The workers are supervised by foremen who report to a maintenance director. The line of authority above the director includes an associate superintendent for maintenance and facilities, the deputy superintendent for school operations and the superintendent of schools. There are clerical and secretarial personnel assigned to support the various functions of the department. Exhibit 11-2 shows the current departmental organization chart.

Exhibit 11-2

The Facilities Maintenance Functions are Performed Through a Department Organized in Accordance with the Chart Below



Source: Osceola County School District.

Maintenance

1 The district’s Maintenance Department mission, organizational structure, and operating procedures are not fully established in writing.

The district has recently developed a mission statement and a strategic plan.

The district’s Maintenance Department mission, organizational structure, and operating procedures are not fully established in writing or consolidated in a single document. There is a maintenance handbook. A departmental mission statement, recently developed, which defines the purpose and expected outcomes of the department, is to be included in a revision of the handbook. As it is now written, the maintenance handbook does not include a mission statement or other elements of this practice. The handbook contains chapters interpreting rules on behavior, district employment, leave, payroll and time keeping, and for the use of radios, tools, vehicles, and uniforms. Appendices include the specific school board rules for each topic, and detailed instructions for handling hazardous materials and work conditions.

The Maintenance Department is administered in accordance with a published organization chart that corresponds to the five-year facilities work plan and has been approved by the school board. Observations by the OPPAGA facilities team and interviews conducted with supervisors and employees

of the Maintenance Department verified the adherence to the organization chart. OPPAGA verified, in Chapter 9, Use of Construction Funds, that the school board approves the plan during special monthly meetings, which are focused on facilities and construction issues. The district's major maintenance projects were scheduled in accordance with the five-year capital outlay work plan.

The Maintenance Department has written procedures that provide for

- replacement and selection of equipment;
- purchase of equipment, supplies and materials;
- establishing a level of maintenance expectations and maintenance standards;
- maintenance budget criteria;
- management of facilities;
- facilities standards;
- personnel staffing policies; and
- use of facilities and equipment.

These procedures are not consolidated in any single document, however. Access to policies and procedures that govern the operation of the department is critical to supervisors and employees if they are to successfully complete their assigned tasks. Some procedures are the responsibility of departments outside the control of the Maintenance Department. For example, policies governing the purchase of equipment, supplies and materials are rightfully placed under the authority of a purchasing officer who, in this case, is located outside of the Facilities and Maintenance departments.

The documents cited by the district as including the listed procedures are

- Annual Budget
- Maintenance Handbook
- District Salary Handbook
- School Board Rules
- Five Year Projection
- Annual Budget
- Maintenance Handbook
- District Salary Handbook
- Capital Outlay Requests
- Equipment Management Goal
- Terms Handbook

These documents should be readily available to the maintenance staff and must be up to date, including the latest changes or additions that may have been made. The documents should be located in a common area that ensures easy access by the staff. The procedures should also be available to school district personnel, in general, as well as the public.

Up-to-date written operational procedures for the custodial services department are not currently available to school personnel and the public. There is a custodial inspection manual available; however, this is a new and developing function of the Maintenance Department. The department recently hired a head custodian to act in a dual role of facility inspector and custodian trainer. The new head custodian is developing current custodial training manuals and sanitation/housekeeping standards for the district which did not exist prior to the creation of the head custodian position. The head custodian is also

attempting to standardize products, equipment and fixtures. The Florida Department of Education has several formulae, training, housekeeping, and sanitation standards that can be helpful in this development. Other duties of the head custodian include quarterly school inspections, custodian training, and coordination and minute keeping of the custodial council. These are significant duties, which require substantial time and effort, and additional personnel may become necessary to assist in the custodial operations area. Fully developed standards and guidelines for housekeeping, as are being prepared by the head custodian, can be adopted by a district school board and site-based administrators held accountable for any failure to meet the adopted standards.

Recommendations

- *We recommend that the director of maintenance continue to revise the maintenance handbook to include a mission statement, goals, and other appropriate elements.*

Action Plan 11-1 provides the steps needed to implement this recommendation.

- *We recommend that district procedures affecting maintenance be located in the department so that they are readily accessible by department employees, site-based employees, and the public.*

Action Plan 11-2 provides the steps needed to implement this recommendation.

- *We recommend that the effort to develop custodial training, sanitation, and housekeeping standards be given priority and that the school board formalize the results as district policy.*

Action Plan 11-3 provides the steps needed to implement this recommendation.

Action Plan 11-1

Revise the Maintenance Handbook	
Strategy	Continue the revision handbook process begun by the director of maintenance.
Action Needed	Step 1: Develop mission statement and goals for the Maintenance Department. Step 2: Develop organizational structure in written format. Step 3: Develop operational procedures. Step 4: Determine procedures to be included in the manual. Step 5: Determine procedures of other district departments or functions to be referenced in the manual. Step 6: Consolidate as single document. Step 7: Present handbook to the school board for adoption as an official policy of the district.
Who Is Responsible	Director of Maintenance
Time Frame	January 31, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 11-2

Centrally locate district procedures	
Strategy	Consolidate and locate procedures that affect the Maintenance Department in a central location accessible to maintenance and site staffs and the public.

Action Needed	<p>Step 1: Review district policies to determine those that have a direct impact on the operations of the Maintenance Department.</p> <p>Step 2: Assign staff member responsibility for keeping the polices and procedures current and up to date.</p> <p>Step 3: Select area within Maintenance Department to locate the policies.</p>
Who Is Responsible	Director of Maintenance
Time Frame	January 31, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 11-3

Develop Custodial Standards

Strategy	Continue the development of custodial training, sanitation and housekeeping standards and formalize the results as district policy.
Action Needed	<p>Step 1: Develop mission statement and goals for custodial operations.</p> <p>Step 2: Develop organizational structure in written format.</p> <p>Step 3: Develop training standards and guidelines.</p> <p>Step 4: Develop sanitation standards.</p> <p>Step 5: Develop housekeeping standards.</p> <p>Step 6: Present standards to the school board for adoption as an official policy of the district.</p> <p>Step 7: Distribute policy to site-based administrators.</p> <p>Step 8: Hold site-based administrators accountable, in their annual review, for meeting the adopted standards.</p>
Who Is Responsible	<p>Director of Maintenance for development</p> <p>Superintendent for accountability of administrators</p>
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

2 The district has not established maintenance standards in its short- and long-term plans for providing appropriately and equitably maintained facilities within budget and in accordance with the district’s five-year facilities work plan and annual budget.

Site based management is affected by the lack of established maintenance standards.

Site-based school management places decision-making authority over personnel and resource management at the level of the school principal. Since there are no district established standards for custodial and maintenance activities, the principals do not have comprehensive guidelines for the allocation of staff or how to determine expendable support resources such as custodial or other maintenance supplies. Further, lacking a comprehensive district standard, a principal cannot be held accountable for the physical condition or cleanliness of their school. The lack of comprehensive district standards allows each principal to set independent maintenance and custodial standards. These standards differ from school to school.

For example, some district schools have head custodians, who may complete minor maintenance activities, in addition to traditional supervisory and custodial duties. Some facilities have plant managers, in lieu of a head custodian, who are expected to take a more responsible role and complete more complex

Facilities Maintenance

maintenance tasks for the educational plant. Information gathered during interviews revealed that the plant manager position was established primarily to provide a continuing step in a career ladder for senior or head custodians, and not as a solution for a school with greater maintenance needs.

There is a lack of consistency among facility administrators when determining which position is best for the school. Logically, a plant manager, who is required to be better trained and more experienced and is in a higher level position than a head custodian, should be appointed to older, secondary grade level, perhaps larger schools, where the demand for daily maintenance chores is greater. Conversely, head custodians are more appropriate at the elementary level, and in newer schools, which have considerably less and different needs for plant maintenance.

The Maintenance Department has not established short- and long-term goals and objectives for itself that are consistent with a mission statement.

There was no written mission statement at the time of OPPAGA's initial meeting with district maintenance managers and staff. Recommendations and Action Plan 10-1 in Chapter 10 address the need for strategic planning in the Facilities and Maintenance department.

The department considers the following activities and documents as documentation of its goals and standards:

- five-year tentative work plan,
- weekly foreman and tool box meetings, and
- preventive maintenance procedures.

However, while these may be valuable tools in funding and completing required day-to-day and long-term maintenance projects, they do not substitute for goals. Establishing short- and long-term goals for the department and developing a plan to implement the goals ensure that the department will meet the district's needs in an equitable manner. Short- and long-term plans require the inclusion of a written comprehensive projection of the following needs:

- manpower,
- budget,
- equipment, and
- physical condition assessments and repair/replacement needs of district facilities including, but not limited to, paint, roofs, HVAC equipment (tracking age and repair history), grounds (including paving), electrical service, and plumbing.

The district offered the following documentation to demonstrate that maintenance activities are well planned and that the individual schools are treated equitably as to the allocation of maintenance resources:

- five-year tentative work plan,
- annual capital outlay plan,
- HVAC summary,
- safety report summary,
- plumbing report summary, and
- roof report summary.

These summaries are important pieces of the maintenance function, and there was general agreement among school-based personnel that they were treated equitably. It is not clear, however, how these

individual documents interrelate and are subsequently assembled into a comprehensive plan, with set priorities, intended to meet the district's maintenance needs.

The district should reassess the above-mentioned needs (manpower, budget, equipment, etc.) and include them as considerations in long-term plans. This will ensure that the resources necessary to provide adequate, equitable maintenance are available in the future. The five-year project lists, report summaries and capital outlay budgets simply do not address all these elements as a single comprehensive plan. Action Plan 10-1 in Chapter 10 (page 10-8) sets a framework for the development of a strategic plan for the district's Facilities and Maintenance departments.

Site managers believe that their schools are treated equitably and that important projects were given priority focus.

The district has an annual budget for facilities maintenance. Site-based administrators were in agreement that maintenance funds and staff time are distributed equitably among the schools. Two factors surfaced repeatedly as the equity issue was discussed. First, site-based administrators were satisfied with both response times and service levels experienced in resolving day-to-day repairs or emergency needs that they reported to the department. Second, the site-based administrators felt they were part of a participatory process (discussed in Chapter 9) that determined what capital projects, related to building maintenance, renovation, and remodeling, would be approved and scheduled for the coming budget year. Not every administrator was granted every project that they requested, but they were satisfied with the equitable nature of the decision-making process. Finally, the Maintenance Department assembles and maintains a current life-safety projects list, which is based on inspections performed at each individual facility. Attention is given to deficiencies noted on this list to assure that any necessary corrections or repairs are given priority and accomplished swiftly, without regard to site. The focus is on safety for the students, staff, and visitors to the district.

Recommendations

- *We recommend that the district develop short- and long-term goals for the Maintenance Department, coordinating with strategic plan development discussed in Chapter 10.*

Action Plan 10-1 (page 10-8) provides the steps needed to implement this recommendation.

3 The district has not clearly identified nor communicated performance standards and expected outcomes to maintenance staff.

The department needs to clearly identify benchmarks and their relation to maintenance employee performance.

The district identifies and communicates performance standards and expected outcomes to maintenance staff through a series of job descriptions and performance appraisals. The Maintenance Department has performance standards that are written and communicated to staff, but which stop at the level presented in the maintenance handbook.

In the past, performance standards for commonly repeated tasks were loosely established by the district on the basis of internal review or by using available benchmarks of industry practices. Recently, after the beginning of this review, the maintenance superintendent and staff began actively determining average benchmarks for the majority of tasks performed by department personnel. Some 500 regularly

undertaken tasks were analyzed using the *R. S. Means Manual*, which identifies times required to complete maintenance tasks, and by conducting interviews of district maintenance staff. Job and task completions times suggested by the staff were compared to the times identified as accepted industry standards in the Means Manual. When the opinion of the staff and the information from the Means Manual differed, the maintenance director conducted a focused interview with those employees having special knowledge, skills and abilities in the specific task. The reasons for the difference in time were expressed and a resolution of the difference was made.

Once fully established, performance standards will be used to assign work, review completed assignments, and prepare annual performance appraisals for employees. Trade-licensed employees, directors, and foreman with knowledge, skills, and abilities in specific trade areas, have helped establish the benchmarks in use by the district. The next step for the department will be to provide additional documentation of the relationships between benchmark standards, work assignments, satisfactory performance and annual performance appraisals. In addition, the district should have a process for communicating failures to meet performance standards and a way to track responses to those failures. The district cited the annual performance review as the mechanism for determining much of the above. The development of comprehensive benchmarks, however, will allow the district to review employee performance in the short term and provide quicker feedback.

Recommendations

- *The maintenance director should continue his effort to develop benchmarks for maintenance tasks.*
- *Once established, benchmarks are to be used to evaluate the performance of the Maintenance Department and the individual staff members.*

Action Plan 11-4 provides the steps needed to implement this recommendation.

Action Plan 11-4

Maintenance Task Benchmarking	
Strategy	Communicate expectations to Maintenance Department personnel by developing performance standards for frequently repeated maintenance tasks.
Action Needed	<p>Step 1: Identify tasks which are appropriate for the application of performance standards.</p> <p>Step 2: Develop comprehensive performance standards for the tasks utilizing a combination of nationally recognized standards and district experience.</p> <p>Step 3: The supervisors and the lead forepersons hold staff meetings to explain the performance standards while making the standards available to all staff members. The custodial supervisor should communicate the performance standards for custodians to the site administrators.</p> <p>Step 4: The director reviews the performance standards with the school board and submits them for adoption.</p> <p>Step 5: The board approves the use of the performance standards for the evaluation of staff.</p> <p>Step 6: Include appropriate standards in job descriptions.</p> <p>Step 7: Include elements of standards in annual employee performance reviews.</p> <p>Step 8: Use standards as a planning and evaluation tool.</p>
Who is Responsible	Maintenance director

Time Frame	June 30, 2003
Fiscal Impact	This can be completed with existing resources.

4 The district ensures that maintenance and custodial standards are regularly updated to implement new technology and procedures, but experiences difficulty in providing training to site-based staff.

The Maintenance Department experiences some difficulties in providing up-to-date training experiences for the employees.

The Maintenance Department gives supervisors and employees access to national organizations, national publications and a combination of in-house and supplier/manufacturer training. The site-based management structure embraced by the district, however, hampers the delivery of training to site-based personnel in maintenance and custodial standards which are regularly updated to implement new technology and procedures. While the Maintenance Department provides opportunities to employees to ensure they well trained in the latest technologies, the department reported that it perceives reluctance on the part of some site-based managers to allow sufficient release time to employees to receive the training and to attend custodial council meetings.

The custodial council was formed as a way to regularly communicate with custodial staff located away from the district office. Officers are elected and hold one-year terms and meetings intended to inform and train employees regarding new techniques, materials, and equipment are held monthly. Site-based staff is also given an opportunity to provide input to higher level administrators and ask for help with individual needs. Meetings may also be called to deal with pending or existing emergency situations. District maintenance staff stated that it is difficult to get regular attendance by site-based employees.

The district uses an electronic system, which is accurate, comprehensive and up-to-date, to record staff development activities when they occur. The records become part of the employees' permanent files and provide a history of educational activities completed by management and staff.

Recommendations

- *We recommend that site-based administrators provide sufficient release time for school-based maintenance and custodial personnel to attend district sponsored training and custodial council meetings.*

Action Plan 11-5 provides the steps needed to implement this recommendation.

Action Plan 11-5

Release time for staff training

Strategy	Enhance the training of site-based personnel.
Action Needed	<p>Step 1: The maintenance director and the custodial supervisor in cooperation with site-based administrators and the custodial council shall develop a long-term staff training program that includes the following elements:</p> <ul style="list-style-type: none"> • job safety, • team work, • use of tools, chemicals, and equipment, • interpersonal communications,

- work habits, and
 - job skills.
- Step 2: Maintenance Department managers will consult with site-based administrators to determine the best schedule for release time for site-based maintenance staff to attend training sessions and council meetings.
- Step 3: Maintenance Department prepares a set annual schedule of custodial council meetings and distributes it to site-based administrators and staff.
- Step 4: Maintenance Department prepares a training schedule, which allows for all site-based maintenance and custodial staff to receive at least two training sessions per year.
- Step 5: The training curriculum, schedule, and expected outcomes and the schedule of custodial council meetings are presented to the school board for approval and endorsement as a requirement for site-based staff.
- Step 6: The program is to be evaluated annually using feedback from site-based administrators and the custodial council.

Who is Responsible	Maintenance director
Time Frame	June 30, 2003
Fiscal Impact	This can be completed with existing resources.

5 The district has created a customer feedback system to identify and implement program improvements and is refining the instrument and the data collected.

The Maintenance Department is in the process of completing a comprehensive feedback system.

The department is just beginning a customer feedback system designed to identify customer perceptions and recognize and implement necessary program improvements. Previously, there has been no formal feedback system in place, but the current maintenance director has developed an assessment instrument to begin the feedback process. Principals, cafeteria managers, and athletic directors were asked to rate their satisfaction with six service areas and were given an opportunity to expand their answers in three open-ended questions. Teachers were not included in the initial survey, but are being considered for future assessments. The results of this first survey were not available at the time of publication of this review.

Customer feedback should be used to conduct self-analyses directed at improving the performance and productivity of the Maintenance Department. The tools historically in place, which include construction workshops, interviews/visits with principals and weekly contact by the maintenance foremen with principals and administrators in their service areas, are good methods to assess immediate, short-term satisfaction levels. Maintenance Department customers should also be surveyed, at least annually, to determine the strengths and weaknesses of the department's long-term service. The written instrument will allow necessary anonymous input and alert departmental managers if potential problem areas exist.

The Maintenance Department has established good communication methods between customers and maintenance personnel. The district email system is available should a customer wish to contact district personnel. The principals are furnished contact numbers and are encouraged to phone the appropriate person with any comment or complaint about the Maintenance Department's service, emergency needs, etc. The director and all foremen have cell phones and field numerous weekly calls from the school principals.

The maintenance supervisors communicate information about customer satisfaction with maintenance personnel using information gathered in a somewhat informal structure, during a series of regularly schedule workshops, and staff meetings. Some of the meetings are designed to provide customer

feedback to maintenance personnel, the public and the district school board. Other regularly scheduled meetings are intended to efficiently assign, schedule, and complete work. Trades workers and foremen participated in interviews conducted by OPPAGA and confirmed that they felt included in the work assignment and feedback processes.

OPPAGA, as part of this review, asked approximately 400 district teachers to voluntarily respond to two questions relating to custodial and maintenance services. The responses are outlined in the table below and indicate that greater than 60% of the respondents agree that their Maintenance Department is responsive and the schools are clean, while less than 15% responded negatively.

Exhibit 11-3

Responses to OPPAGA Survey

Question	The Maintenance Department is responsive to requests involving repair needs	Our custodial services maintains a clean environment
Agree with statement	107	119
Percentage	62.2%	69.2%
Neutral about statement	27	12
Percentage	15.7%	7.0%
Disagree with statement	18	23
Percentage	10.5%	13.4%
Number Not Applicable or Not Responding	20	18
Percentage	11.6%	10.5%

N = 172.

Source: OPPAGA.

Recommendations

- *None*

6 The district has not fully established and implemented accountability mechanisms to ensure the performance and efficiency of the maintenance program.

The department uses accountability and performance measures for special projects, but should apply those techniques to overall program management.

The district has not fully established and implemented accountability mechanisms to ensure the performance and efficiency of the maintenance program. The Maintenance Department does not have clearly stated goals and measurable objectives that reflect the expected outcomes of their work effort and address the major aspects of the department’s purpose and expenditures. In order to regularly evaluate their activity the district must use appropriate performance and cost-efficiency measures and interpretive benchmarks. The department provided examples of in-house evaluations conducted by their maintenance personnel, which were used in the decision making process when considering the value between out sourcing services and managing in-house programs. The development and regular use of performance measures is a logical and easily accomplished outgrowth of what the department has already produced.

Facilities Maintenance

Performance measures are essential if the district is to operate an effective and efficient facilities maintenance program. The process to establish accountability mechanisms need to include, at a minimum

- development of goals and objectives to demonstrate accountability to the public at large and to provide a pathway for continuous improvement of the performance, efficiency and effectiveness of the maintenance program;
- development of performance benchmarks, including comparisons to similar Florida school districts for use in evaluating the program and using the benchmarks to improve management decision making;
- development of procedures to evaluate and analyze the performance and cost of the maintenance program to identify potential cost savings and facilitate the consideration alternatives, such as outside contracting or privatization; and
- the development, establishment, and implementation of strategies to continually assess the reliability of program performance and cost data.

Recommendations

- *We recommend that the district establish and implement performance measures to ensure the efficient and effective operation of the maintenance program.*

Action Plan 11-6 provides the steps needed to implement this recommendation.

Action Plan 11-6

Establish Maintenance Department accountability measures	
Strategy	Develop performance measures to ensure Maintenance Department accountability.
Action Needed	<p>Step 1: Identify major activities and programs that are the responsibility of the Maintenance Department.</p> <p>Step 2: Identify goals and measurable objectives for each activity or program noted that reflect the purpose and mission statement of the Maintenance Department.</p> <p>Step 3: Develop performance and cost-efficiency standards and interpretive benchmarks, including comparisons to adjoining districts, to evaluate each activity or program and use these in management decision making.</p> <p>Step 4: Use the standards to evaluate the performance and cost of department activities and develop potential cost savings of alternatives, such as outside contracting and privatization.</p> <p>Step 5: Implement alternatives as appropriate.</p> <p>Step 6: Apply the same benchmarks and standards to evaluate the results of selecting the alternatives.</p> <p>Step 7: Periodically report the results of the alternative selections including successful and unsuccessful activities, cost savings or additional expenses and customer satisfaction.</p>
Who is Responsible	Director of Maintenance
Time Frame	July 1, 2004
Fiscal Impact	This can be implemented with existing resources.

Budgeting for Facilities Maintenance

7 The district accurately projects cost estimates of major maintenance projects.

Most Maintenance Department projects are managed by the Facilities Construction Department.

Most major maintenance projects are managed by the Facilities Planning and Construction Department, and the Maintenance Department oversees smaller scope projects. The department prepared estimates for six maintenance projects that were completed during the 2001-02 fiscal year. The projected total costs of the projects amounted to approximately \$294,000, while the actual overall costs, after the projects were completed, amounted to approximately \$285,000, or 3% less than the estimates. The district bases its cost estimates on past experience with prior similar projects, current estimating cost standards and local market conditions. It is important to note that, by their very nature, some maintenance and renovation projects may be difficult to accurately estimate without incurring expenses which would be considered excessive when compared to the overall costs of the project. These projects amounted to significantly less than 1% of the total expenditures on construction, renovation and remodeling projects conducted by the district. Additional information about capital outlay, construction, maintenance and renovation project estimating can be found in the Chapter 10 (page 10-27) review.

Recommendations

- *None*

8 The administration has developed an annual budget with spending limits that comply with the lawful funding for each category of facilities maintenance.

The district provided source and use of funds documents to support the legal use of funds.

The district provided the source and use of funds budgets, school board rules, and the annual capital budget to verify the appropriate use of funds. The capital budget addresses long-term, major project goals for maintaining and operating district facilities and deferred maintenance items. The district constructs schools in compliance with Florida Statutes and the State Requirements for Educational Facilities. More detailed information about this topic can be found in Chapter 9, Use of Construction Funds, Best Practices 1 and 2 (pages 9-3 through 9-7).

The district allocates the annual budget to each school based on the individual school's weighted FTE. This provides equity among the schools but does not account for the school's age, conditions or square footage. It is the purview of the school principal to make decisions regarding the amount that will be spent on custodial and maintenance activities.

Recommendations

- *None*

9 The board maintains a maintenance reserve fund to handle one-time expenditures necessary to support maintenance emergencies.

The district reserves \$120,000 for maintenance emergencies.

The district and Maintenance Department do not use the reserve fund for recurring expenses, reserving the funds for emergency expenses. Emergency needs include unplanned failures of major equipment or systems, whose repair costs will exceed \$750.00. The budgetary policy is flexible enough to ensure funding of unforeseen maintenance needs that could adversely affect the district's mission if not funded (e.g., emergency funds). District administrators reported that the reserve fund is adequate for their needs.

Recommendations

- *None*

10 The Maintenance Department periodically evaluates maintenance activities to determine the most cost-effective method of providing needed services.

Maintenance Department personnel perform program cost evaluations.

The Maintenance Department evaluated the costs of providing fire alarm technician services; the costs of establishing a team responsible for relocatable siting, installation, and maintenance; and attempted comparisons of custodial and grounds keeping outsourcing with in-house expenses during the last two years. An annual review of costs for services to determine if other delivery methods are more cost-effective should be an ongoing regular function of the department. The development of the performance and accountability measures discussed in best practice 6 and Action Plan 11-6 (page 11-14) will facilitate these evaluations.

The Maintenance Department provided the following analysis in support of their decision to create two new staff positions to manage the district's fire alarm system. They estimated the cost of outsourcing the fire alarm services for 2001-02 based on a current bid for fire alarm systems inspection, testing and maintenance services, and a three-year history of actual costs. The results are displayed in Exhibit 11-4 below.

Exhibit 11-4

**Outsourced Fire Alarm Maintenance Costs
Compared with Estimated In-House Expenses**

		Year 1	Year 2
Estimated Private Contractor Expense	Technician, vehicle and parts	\$278,000	\$ 278,000
Estimated District Costs	Technicians	\$112,000	\$ 112,000
	Vehicles	\$ 34,000	\$ -
	Parts	\$ 50,000	\$ 50,000
	Total District Expense	\$196,000	\$ 162,000
Anticipated Savings to District		\$ 82,000	\$ 116,000

Source: Osceola County School District.

Recommendations

- *We recommend that the Maintenance Department continuously evaluate programs and services to determine the most cost-effective way of meeting its.*

Action Plan 11-6 above contains the steps needed to implement this recommendation.

11 The district minimizes equipment costs through purchasing practices and maintenance.

Purchasing activities are centralized.

As previously noted, policies governing the purchase of equipment, supplies, and materials are placed under the authority of a purchasing officer, who in this case is located outside of the Maintenance Department. The Maintenance Department cooperates with the purchasing department to accomplish volume purchases whenever cost-effective. The Maintenance Department considers equipment operating and maintenance costs when buying new equipment using their in-house records, which detail preventive maintenance and cost histories. Refurbishing or repairing is considered as an alternative purchasing new items and the most cost-effective method is selected.

The Maintenance Department assists with the cost evaluations for maintenance of specific facility designs and recommends strategies to reduce labor and long-term maintenance costs. As the district continues to grow, cooperation and input from the Maintenance Department is critical to the construction program. Already, the department has made suggestions to the district facility design department which has led to standardizing major items, such as HVAC systems. This will result in lowered costs of maintenance personnel training and smaller parts inventories. The department uses a combination of reports including work order cost histories and utility usage to make these recommendations.

Recommendations

- *None*

12 The district uses proactive maintenance practices to reduce maintenance costs.

Preventive maintenance is an important element of the district's activity.

A preventive maintenance program has been implemented to reduce long-term maintenance costs and service outages. A software program in use by the district generates work orders, which include descriptions of the location of the noted equipment and the type of maintenance that should be performed. Existing and new equipment have been entered into the system along with the manufacturers' recommended maintenance activities. The work orders are then assigned to the appropriate maintenance personnel for completion. Preventive maintenance work orders are not classified as first priority, but are appropriately subservient to emergency needs and life safety items. The preventive maintenance program tracks scheduled work and completed repairs for each piece of equipment in the system. The district recently upgraded the program to a database program which will allow the district to compile and analyze operational cost information about the equipment in use. The district will be using the newly generated information to help develop the performance measures recommended in best practice 6. Prior to this upgrade, the program could not be used to generate reports about equipment history or the associated costs of ownership.

Recommendations

- *None*

Maintenance Program Goals and Outcomes

13 The maintenance and operations department regularly reviews the organizational structure of the maintenance and operations program to minimize administrative layers and processes.

The maintenance department structure is reviewed annually.

The district periodically reviews the staffing of every department to ensure that the most cost effective organization is in place. This annual review is made by the district leadership team under the guidance of the superintendent. The team includes the deputy superintendent, three associate superintendents and two assistant superintendents. Their annual review is applicable to all district departments. The Associate Superintendent for Facilities Planning and Construction is a member of the leadership team and participates in the review of the organizational structure under his supervision. The annual review of the structure covers facilities and maintenance operations and attempts to relate the activities in the five-year plan to the staffing structure. Development and implementation of the benchmarks and performance standards discussed in this chapter will result in a better understanding of the structure.

Recommendations

- *None*

14 Presently, the Maintenance Department does not have the tools in place to regularly review the staffing levels of the maintenance program in order to maximize the efficient use of personnel.

The district provided examples of the impact of their periodic organizational reviews.

Organizational reviews should occur on a regular basis and those reviews should be tied to the benchmarks, standards, and strategic plans developed by the district and the department. Reviewing the organization allows managers to determine the best structure for the district given current district goals, objectives, and priorities. Recently, the Maintenance Department has made some changes to its organizational structure, shifting the functions of some workers and creating positions where new needs have developed. Most recently, the department organized a team of workers to complete all installations, maintenance, and relocation of the relocatable classrooms in the district. Previously, these tasks were performed as individual assignments to the various trade areas, depending on the services required at each relocatable unit. The maintenance director reported that during certain times of the year, the need to provide services to multiple relocatable units resulted in substantially diminished service to the rest of the district. The move to a single team shifted the demand from peak periods so that a more even flow of work is now possible.

Another example of developing the organization to meet changing needs is the creation of two fire alarm technician positions. Unsuccessful in using private contractors to service and maintain the fire alarm systems at each facility, the Maintenance Department hired, equipped, and provided vehicles to two technicians that now have the responsibility to maintain all of the district's systems.

The district does not use staffing formulae.

The district has not developed a staffing formula for either the custodial function or for Maintenance Department activities. Staffing formulae are important to determine proper staffing levels and to ensure adequate and equitable allocation of staff resources to meet the needs of the district's facilities. Prior to the beginning of this review, the department had no standards or benchmarks by which to compare maintenance activities. The development of the tools discussed in finding 3 above (page 11-12) will create a framework that the department can use to perform staffing level evaluations. While there are appropriate staffing formulae available for custodial activities prepared by the Florida Department of Education, the district has not used them to make staffing decisions. Staffing decisions are the purview of the site-based administrator.

The district cannot demonstrate that it maximizes the efficient use of personnel.

Due to the site-based nature of the district's management structure, it is difficult to demonstrate that appropriate staffing levels exist because of the often dual responsibilities assigned to personnel at the individual schools and the ability of site administrators to shift resources at will. The district does not conduct comparisons with peer districts to judge the efficiency and effectiveness of their custodial operations. School managers choose either a head plant operator or head custodian for their schools. The job responsibilities are different, but overlap for each position. Since one school might have a head custodian and another a plant operator, who is also responsible for light maintenance tasks, applicable

comparisons and/or benchmarks such as the number of custodial staff in relation to the size of the facilities are not practical.

Exhibit 11-5

Plant Operator and Head Custodian Assignments by Grade Level of School

Type of School	Head Plant Operator	Head Custodian	Custodian Only
Elementary	4	13	2
Middle	7	1	0
High	2	3	0
Combined	1	1	

Note: The combined school with a plant operator is an elementary and middle school, while the combined school with a head custodian includes elementary, middle and high school.

Source: OPPAGA.

District management staff could not explain the rationale behind the assignment of personnel to a school since custodial and plant operator staffing are site-based issues. Staffing formulae should provide for staff as new facilities are brought on-line, should consider grade level configurations that may require different needs and provide staff increases, as existing facilities become older and require more maintenance. Formulae can also provide for reducing staff and closing facilities whenever indicated. Staffing formulae are a significant budgeting tool as well, but they are not in use in the district. Realistic maintenance/custodial staffing formulae for the schools will aid in providing a safe, healthy environment that is conducive to the learning process. Site-based administrators should be required to provide written documentation and justification for decisions that allocate staff outside of the adopted staffing formulae recommendations.

Recommendations

- We recommend the district review the suggested staffing formulae prepared by the Florida Department of Education and develop appropriate measures for the district.

Action Plan 11-7 provides the steps needed to implement this recommendation.

Action Plan 11-7

Develop staffing formulae for the district	
Strategy	Ensure adequate staffing levels in maintenance and custodial operations to meet the needs of the district.
Action Needed	Step 1: Review existing suggested staffing formulae that have been developed by the Florida Department of Education. Step 2: Determine appropriate maintenance and custodial outcomes for the district based on strategic planning efforts and established local standards. Step 3: Develop staffing formulae that meet the indicated outcomes. Step 4: Prepare fiscal note describing impact of formulae adoption. Step 5: Present staffing formulae to superintendent. Step 6: Present formulae to district school board for consideration. Step 7: Hold site-based facilities managers accountable for staffing decisions outside of an adopted formula.
Who is Responsible	Maintenance director
Time Frame	June 30, 2003
Fiscal Impact	Fiscal impact will not be known until completion of formulae development.

15 **The Maintenance Department ensures qualified staff by using appropriate hiring practices.**

The Maintenance Department follows district personnel policies and procedures.

The Maintenance Department follows the policies and procedures of the district personnel office. The Maintenance Department accomplishes maintenance program goals and expected outcomes through the use of qualified personnel and provides appropriate supervision, equipment, and attempts to provide ongoing training to ensure continued professional development and quality work. Procedures are established for attracting qualified applicants based on district needs while district hiring procedures ensure that adequate personal and professional references are obtained and contacted. District procedures include posting job vacancy notices describing job responsibilities; developing job qualifications and educational/professional requirements; an application process and selection criteria; and salary and benefits information, examples of which were provided by the department.

Recommendations _____

- *None*

16 **The Maintenance Department has a written job description for each position within the department.**

The Maintenance Department follows district personnel policies and procedures.

Well-developed job descriptions were provided to OPPAGA by the Maintenance Department along with a job description handbook and a compensation study which are also available for Maintenance Department staff to review. As the district continues to grow and as jobs change due to the introduction of new technologies and materials, the job descriptions must be modernized to best meet the needs of the department. The department has requested a review and rewrite of the existing job description handbook to meet the demands of new technologies. The department's internal job description review committee and the maintenance director review the job descriptions and any revisions before being passed to the next level.

Recommendations _____

- *None*

17 The district provides appropriate supervision of maintenance staff.

The lines of authority are clear.

Levels of authority and responsibility have been assigned to each position and are evidenced by the district organization chart and the job description handbook. See the organization chart at the beginning of this chapter (page 11-4).

Recommendations

- *None*

18 The district provides some staff development training for maintenance workers to enhance worker job satisfaction, efficiency, and safety; however, principals would benefit from training focused on facilities management.

The district provides opportunities for educational growth.

The district has a staff development program. The 2000-01 training schedule includes appropriate training for maintenance staff to enhance worker job satisfaction, efficiency, and safety. The Maintenance Department provides targeted professional development and training programs based on district size and capabilities, identified needs, and the relevant trades. Annual planned training programs are implemented as appropriate for trades personnel, support and supervisory personnel, and administrators.

Pre-service and in-service training programs are made available to operations personnel through an on-line registration system and written training goals and expected outcomes are established in the areas of safety, trades enhancement, cross trades utilization, interpersonal team skills, district policy awareness, and department procedures. They are included in a combination of documents available to employees including the school board rules, the maintenance handbook, and the job description handbook. The maintenance director works closely with the Curriculum Development Department to ensure a planned, sequential program for personnel skills development and the programs include individualized and technical training as well. The district maintains staff development training histories to document the training and educational activities of the department personnel. Training is individualized when possible to fit skills/trades/group needs and to assist employees in meeting work standards. Where possible, there is a defined apprenticeship program offered through the Technical Education Center (TECO).

Training opportunities are limited for principals, however. Educational programs, designed to familiarize school facility administrators with basic physical plant operations and maintenance, are not currently offered. Principals, generally the site-based manager, are given primary responsibility for multi-million dollar physical plants, but receive no district training in how to operate them. Programs including energy conservation, life safety systems and issues, handling and storing hazardous materials, sanitation, building maintenance and responses to emergencies are necessary for principals to understand the plant operations and maintenance aspects of their jobs. The programs should be mandatory for all site administrators.

Recommendations

- *We recommend that the district implement site manager programs, which teach basic facilities maintenance and operations.*

Action Plan 11-8 provides the steps needed to implement this recommendation.

Action Plan 11-8

Implement principal educational programs	
Strategy	Educate principals in basic facilities maintenance and operations.
Action Needed	<p>Step 1: Develop course curriculum to introduce basic maintenance and operations concepts to site-based managers. Course elements should introduce the concepts noted below.</p> <ul style="list-style-type: none"> • Fire safety, health and sanitation • Mechanical Systems • Electrical Systems • Custodial and grounds maintenance • Hazardous materials • Emergency responses <p>Step 2: Require all new principals to attend the courses.</p> <p>Step 3: Make course available to existing managers.</p>
Who is Responsible	Director of Maintenance
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

19 **The district provides Maintenance Department staff the major tools and equipment required to accomplish their assigned tasks, but the district needs a maintenance vehicle replacement policy.**

District equipment may not be adequate to accomplish the job.

A procedure exists for Maintenance Department personnel to acquire equipment, parts, or materials that are not stocked on maintenance vehicles. A combination of maintenance warehouse inventory, limited purchase orders, and credit cards are used for these needs. Small tools are the responsibility of and provided by the individual Maintenance Department employees for their own use. The department provides medium size items such as power tools, gauges, meters, etc. Larger pieces of specialty equipment and tools, such as augers, lifts, scaffolding, etc., which are needed infrequently, are readily available to Maintenance Department employees by renting the equipment from private companies in the district. Tools acquisition is a consideration in the annual budget process.

The district has not established a schedule for replacing maintenance vehicles. Half of the vehicles assigned to maintenance workers are 10 years old or older. Many have mileage in excess of 80,000 miles and are subject to frequent breakdowns according to information developed during interviews with the trades workers, the actual users of the vehicles, on the Maintenance Department staff. There has been no continuing, formal study or data collection, however, which has accurately tracked the numbers of breakdowns and which would support the contention of the trades workers interviewed. An aging fleet, which has frequent out of service days, can have a direct impact on the ability of the department to

accomplish its main goals. The district needs to establish a schedule for replacing the vehicles. In establishing this schedule, it should consider factors such as the age, mileage, condition of the vehicle, past vehicle breakdowns (downtime), and the expected cost to keep the vehicle operating in a safe and effective manner.

Recommendations

- *Establish a vehicle replacement policy for the Maintenance Department.*

Action Plan 11-9 provides the steps needed to implement this recommendation.

Action Plan 11-9

Develop vehicle replacement policy	
Strategy	Develop a policy to guide the replacement of vehicles in the Maintenance Department.
Action Needed	<p>Step 1: Collect and analyze data about existing fleet vehicles including age, general mechanical condition, mileage, cost of operation, repair history, and vehicle breakdown (downtime) history.</p> <p>Step 2: Use this information to identify unreliable, unsafe vehicles or vehicles with extraordinary maintenance costs.</p> <p>Step 3: Prepare a detailed listing of vehicles identified and their condition.</p> <p>Step 4: Determine any cost avoidance that may occur as a result of replacing the identified vehicles.</p> <p>Step 5: Continue to track all vehicles in the fleet so that replacements can be recommended at the appropriate time.</p> <p>Step 6: Determine the cost of new or replacement vehicles.</p> <p>Step 7: Recommend replacement schedule to the assistant superintendent.</p> <p>Step 8: Inform the deputy Superintendent, superintendent and the school board.</p>
Who is Responsible	Director of Maintenance
Time Frame	January 31, 2003
Fiscal Impact	Recommended replacement schedule can be developed with existing resources. Replacement vehicle costs are unknown until study is completed.

Computerized Maintenance Management Systems

20 A computerized control and tracking system is used to accurately track work orders and inventory.

The Total Educational Resource Management System is in place.

The district uses a computerized maintenance management (TERMS) system that provides work order management and work prioritization guidelines for the Maintenance Department. There is no comprehensive computerized inventory management system in place at present, however the existing

system does allow tracking of materials and parts to individual work orders. The inventory of parts held in the department’s warehouse is supervised by a warehouse manager who pulls and often delivers parts and supplies to various job sites. The inventory, which is primarily hand maintained, includes the parts and supplies that are carried on each maintenance vehicle. Each item in inventory, even small inexpensive items such as screws and washers, is hand-counted once a year to verify stock levels, a time-consuming and labor-intensive procedure. Small items of low dollar value should be issued as “truck” or “bench” stock and removed from the inventory, eliminating the need to continue the annual hand count. A small “usable materials” fee of a few dollars can be added to each job order to cover the cost of replenishment of the bench stock items. The system in place does provide for automatic reorder of items determined to be at too low of a level.

The Maintenance Department analyzes information such as effective work hours, hours scheduled versus hours worked, and completion times using information from the TERMS system which generates the department’s work orders. Foremen review TERMS generated time sheets to complete the analyses. These analyses have been compiled by hand due to limitations in the TERMS system, but a recently added module has changed TERMS and it now functions as a data-based system. Maintenance supervisors will now be able to compile more detailed and comprehensive reports and assist in developing benchmarks and accountability measures. Thus, as information is developed using the new module, it will become easier for department managers to routinely review work orders and analyze them to improve performance.

Recommendations

- *We recommend that small, low-cost parts be carried in the Maintenance Department inventory as truck or bench stock and a usable materials fee be assessed to work orders to cover the cost of replacing the items.*

Action Plan 11-10 provides the steps needed to implement this recommendation.

Action Plan 11-10

Reduce labor-intensive inventory practices	
Strategy	Reduce the time and effort necessary to maintain an inventory of items with a unit value of less than \$1.00.
Action Needed	<p>Step 1: Identify inexpensive small parts such as screws, washers, and fasteners currently held in inventory.</p> <p>Step 2: Remove the identified items from the inventory and issue as truck or bench stock.</p> <p>Step 3: Establish a miscellaneous charge to add to the work order to cover the cost of bench stock used in completing a work order.</p> <p>Step 4: Use the accumulated charges to replenish the bench stock inventory.</p>
Who is Responsible	Director of Maintenance
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

21 The Maintenance Department has a system for prioritizing maintenance needs uniformly throughout the district.

Setting work order priorities follows on preset guidelines.

The senior work order clerk in the Maintenance Department manages the day to day prioritization of outstanding work orders, changing their completion schedule based on what emergency work orders have been generated for a particular day and feedback from the foremen who have investigated the emergency needs. Guidelines for the prioritization of work orders are simple, complete, practical, and enumerated on pages 12–14 of the maintenance handbook. Site based administrators enter work orders using pre-assigned priorities (emergency, urgent, routine or health and safety) directly into the TERMS system. Emergency requests print immediately at the Maintenance Department office, are reviewed for clarity and completeness, and forwarded to the appropriate maintenance supervisor. Departmental cell phones and pagers augment and help to accelerate the communication process. The Maintenance Department sets work order priorities based on published, written guidelines and completes regular and emergency maintenance repairs accordingly. The department’s process of setting maintenance priorities is designed to address every school’s needs.

Recommendations _____

- *None*

School Equipment and Facilities

22 District policies and procedures clearly address the health and safety conditions of facilities.

District policies and procedures are appropriately focused on health and safety.

The Maintenance Department’s policies and procedures clearly address the health and safety conditions of facilities, and the district has established and uses written health and safety standards. These standards include the State Requirements for Educational Facilities (Rule 6A-2, *FAC*), FISH reports, the district’s internal health and safety report, the district handbook and the maintenance handbook. Annual life-safety inspections, quarterly custodial inspections, fire alarm inspections, and health and safety work order reports, both closed and open are used to identify existing concerns and serve as benchmarks to evaluate the effectiveness of the program. As mentioned earlier, the district, fully supported by the Maintenance Department, actively focuses on safety for the students, staff, and visitors.

Recommendations _____

- *None*

23 The school district complies with federal and state regulatory mandates regarding facility health, safety, and energy efficiency conditions.

Considerable attention is given to health and safety issues.

The district maintains school equipment and facilities to provide healthy, safe, and energy-efficient facilities. State and federal statutes and rules regulate facility and worker health and safety. The Maintenance Department supplied several documents, which demonstrated knowledge of and compliance with federal and state regulatory mandates regarding facility health, safety and energy efficiency conditions. These included risk management's health and safety manual, FREON disposal logs, pesticide usage logs, MSDS notebooks, a custodial training manual, boiler inspection and fire alarm inspection reports and a review of related, completed work orders. Additional documents including the department's training schedule, the maintenance handbook and individual employee training records reflected regular safety training for employees.

Recommendations

- *None*

24 The Maintenance Department identifies and implements strategies to contain energy costs.

The Maintenance Department is actively participating in planning, identifying, and implementing strategies designed to contain energy costs.

The department routinely monitors utility bills to assure the effectiveness of the energy management system which centrally monitors and controls most facilities in the county. The system is undergoing revisions for upgrades and to include all sites. The district collaborates with its utility providers, the Orlando Utilities Commission (OUC) and the Kissimmee Utilities Authority (KUA), government agencies, available local industry expertise and/or other organizations to identify energy efficiency benchmarks and is undertaking activities of life cycle cost analyses of energy intensive equipment such as air conditioning chillers, analyzing individual relocatable usage, and using test and balance techniques which can be applied to lower usage and increase cost-efficiency. Existing and pending agreements, with local utility authorities include guaranteed pricing and demand charge considerations. There is a district energy manager who is developing a written energy program for the district. The five-year tentative work plan and the capital outlay budget contain energy management enhancement projects including lighting system upgrades, HVAC system enhancements and enhancements to the energy management monitoring and control systems. In addition, the district has focused attention on indoor air quality through a series of efforts including creating work orders specific to indoor air quality, routine monitoring using a remote temperature and humidity data collection system, a filter change and replacement schedule which is accomplished by a district filter replacement team, and an indoor air quality response team.

Recommendations

- *None*

25 **The district has an energy management system in place, and the system is maintained at original specifications for maximum effectiveness.**

The district's energy management system is not complete.

The district does not have a comprehensive energy management system in place at the present time. There are a number of factors which have contributed to the lack of a complete system. Past difficulties with outsourced energy management vendors, mismatched controls, and the lack of a district standard for such systems have slowed the development of a comprehensive system. The Maintenance Department and the school board are aware of the need for a system which will maximize the opportunity for energy savings. There are projects in the five-year capital outlay plan and standards for new construction have been developed which are facilitating the gradual completion of an effective energy management system.

Recommendations

- *None*

26 **The district is aware of and prepared for the permitting and inspection requirements of the Florida Building Code.**

The district has planned for the new Florida Building Code.

The Florida Building Code underwent substantial revision during the 2001 Legislative Session and implementation of the new code was set for March 1, 2002. The Maintenance Department, working cooperatively with the Facilities Planning and Construction Department was aware of and prepared for the permitting and inspection requirements of the new Florida Building Code. Appropriate facilities staff has received training regarding the Florida Building Code and all other applicable state and local requirements. The Maintenance Department works through the new permitting and inspection department to assure all required permits are obtained prior to the start of a project and is developing a procedure which will assure that all necessary inspections have taken place during the project and after completion. A more detailed discussion of the Florida Building Code and the district's response can be found in Chapter 10, Best Practices 2, 9, 14, and 28 (pages 10-9, 10-19, and 10-23 respectively).

Recommendations

- *None*

12

Student Transportation

The Osceola County School District has a well-managed student transportation system that is using most of the best financial management practices. Although the district has managed to keep pace with rapid student population growth, its bus fleet is beginning to age significantly. The district should address its bus replacement needs as well as its growth.

Conclusion

The Osceola County School District Transportation Department's goal is to achieve maximum efficiency. To accomplish its goal, it has implemented proven methods wherever possible and sought innovative approaches when required in managing their assets. The district transportation staff is well trained and professional. Our interviews with recipients of transportation services disclosed general satisfaction. While there are some areas that could be improved, the department is using most of the best financial management practices adopted by the Commissioner of Education.

During the course of this review, we identified a number of district accomplishments in the student transportation, some of which are included in Exhibit 12-1 below.

Exhibit 12-1

The District Has Had a Number of Notable Accomplishments in Student Transportation in the Last Three Years

- The district built a new state-of-the-art bus maintenance facility.
 - The district is implementing a computerized routing system.
 - The district developed an innovative partnership with the technical high school to teach diesel mechanics.
-

Source: Osceola County School District.

Overview of Chapter Findings

We reviewed the district's student transportation using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. We used several methodologies to develop chapter conclusions and action plans. For instance, we interviewed district level managers and gathered information on the student transportation activities such as the district's student transportation activities policies and procedures. To receive additional input, we conducted focus groups with school principals and transportation personnel and interviewed and surveyed teachers.

An overview of chapter findings is presented below.

Student Transportation Services

1. The student transportation office plans, reviews, and establishes bus routes and stops to provide efficient student transportation services for all students who qualify for transportation. However, the efficiency of student transportation services can be improved through complete elimination of

Student Transportation

- courtesy riders, further increasing average occupancy, and completing the transition to an automated routing system. (Page 12-5)
2. The district ensures that all regular school bus routes and activity trips operate in accord with established routines, and any unexpected contingencies affecting those operations are handled safely and promptly. (Page 12-10)
 3. The district effectively and efficiently recruits and retains the bus drivers and attendants it needs. (Page 12-11)
 4. The district trains, supervises, and assists bus drivers to enable them to meet bus-driving standards and maintain acceptable student discipline on the bus. (Page 12-14)
 5. While the district provides student transportation services for exceptional students in a coordinated fashion that minimizes hardships to students and accurately reports exceptional students transported to receive state funding it is not taking full advantage of potential Medicaid reimbursement. (Page 12-15)
 6. The district ensures that staff acts promptly and appropriately in response to any accidents that occur. (Page 12-17)
 7. The district ensures that appropriate student behavior is maintained on the bus at all times. (Page 12-19)

Student Transportation Functions

8. The school district has a process to ensure the school bus fleet is acquired economically; however, it is not acquiring sufficient buses to sustain its current fleet and meet the district's future student transportation needs. The district should also carefully consider its spare bus level. (Page 12-20)
9. The district provides timely routine servicing for buses and other district vehicles, as well as prompt response for breakdowns and other unforeseen contingencies. (Page 12-24)
10. The district ensures that fuel purchases are cost-effective and that school buses and other vehicles are efficiently supplied with fuel. (Page 12-25)
11. The district maintains facilities that are conveniently situated to provide sufficient and secure support for vehicle maintenance and other student transportation functions. (Page 12-26)
12. The district maintains an effective staffing level in the vehicle maintenance area and provides support for vehicle maintenance staff to develop their skills. (Page 12-27)
13. The district maintains an inventory of parts, supplies, and equipment needed to support student transportation functions that balance the concerns of immediate need and inventory costs. (Page 12-28)

Managerial Oversight

14. The district does not provide appropriate technological and computer support for student transportation functions and operations. (Page 12-29)
15. The district has established an accountability system for student transportation, and regularly tracks its performance in comparison with some benchmarks; however, it should include additional benchmarks and improve its public communication of transportation department accomplishments. (Page 12-30)
16. The district coordinates long-term planning and budgeting for student transportation within the context of district and community planning. (Page 12-32)
17. The district monitors the fiscal condition of student transportation functions by regularly analyzing expenditures and reviewing them against the budget. (Page 12-32)

18. The district provides regular, accurate, and timely counts to the Florida Department of Education of the number of students transported as part of the Florida Education Finance Program. (Page 12-33)
19. The district has reviewed the prospect for privatizing student transportation functions, as a whole or in part. (Page 12-33)
20. The district periodically reviews the organizational structure and staffing levels of the student transportation program to minimize administrative layers and processes. (Page 12-34)

Fiscal Impact of Recommendations

Three of this chapter’s recommendations have a direct fiscal impact (see Exhibit 12-2). These recommendations are to increase bus occupancy rates by increasing the number of three-tier runs, seek Medicaid reimbursement for eligible ESE student transportation, and consider reducing the spare bus fleet to no more than 10% of the buses in daily service.

Exhibit 12-2

Three Student Transportation Action Plan Recommendations Have Fiscal Impacts

Recommendation	Five Year Fiscal Impact
<ul style="list-style-type: none"> • Action Plan 12-2: Increase Bus Occupancy Rate By Increasing the Number of 3-Tier Runs 	<ul style="list-style-type: none"> • By increasing its bus occupancy rate, the district could postpone the purchase, operation, and maintenance of 10 buses, and could increase the district share of the state’s allocation, with a positive fiscal impact of about \$1,922,400 over the next five years.
<ul style="list-style-type: none"> • Action Plan 12-6: Seek Medicaid reimbursement for eligible ESE student transportation 	<ul style="list-style-type: none"> • By billing Medicaid for eligible transportation services the district could realize \$24,045 annually or \$120,225 over five years.
<ul style="list-style-type: none"> • Action Plan 12-7: Reduce spare bus fleet to no more than 10% of buses in daily service 	<ul style="list-style-type: none"> • By reducing spare buses to 10% of buses in daily service the district could reduce its fleet by 12 and realize a one time revenue increase of \$78,000

Source: OPPAGA.

Background

Osceola County is a formerly rural county that is now experiencing rapid population growth and urbanization similar to other counties in central Florida. Covering 1,350 square miles, the county’s northern portion reflects the growing urban character of the Orlando metropolitan area while the southern portion of the county remains primarily agricultural and rural. Each day, the district transports 16,314 of its 34,553 students (47.2%).

The county’s student transportation services are diverse. The district must provide student transportation in congested city and suburban settings as well as long distance/long ride time services in rural settings. The district must also accommodate a wide range of diverse student needs. These needs range from transporting Exceptional Student Education (ESE) wheel chair bound students to communicating with students from 101 different countries who speak 50 different languages.

Several years ago the district identified the need to modernize and expand its operations and maintenance capabilities in order to accommodate growth. During the course of our review, the district completed

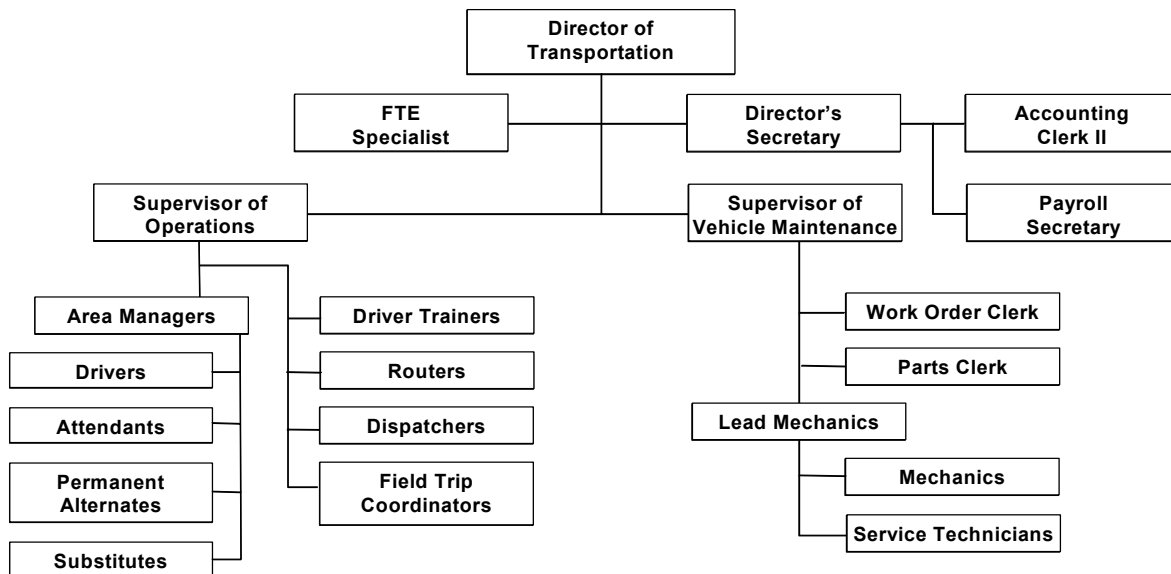
Student Transportation

construction of a new transportation operations and maintenance center centrally located between Kissimmee and St. Cloud. The facility consolidates the functions of two smaller facilities and was engineered to meet the current and near-term needs of the district along with planned capability for future expansion.

All facets of district student transportation are under the supervision of the director of transportation. The department is subdivided into operations and maintenance sections with transportation accounting and payroll functions also included under the director (see Exhibit 12-3).

Exhibit 12-3

The District Student Transportation Functions Are Performed by a Full- Service Department



Source: Osceola County School District.

During the 2000-01 school year, the district provided school bus service to 16,314 of its 34,553 students at 36 school centers throughout the county. Among those being served were 635 students in exceptional student education programs who require special transportation arrangements because of disabilities or the need for specialized classes.

District school buses were driven 39,527 extracurricular field trip miles or 1.14% of the district's total 3,472,318 school bus miles during the 2000-01 year. There were 252 school buses in service (including spares) on 212 school bus routes. Most buses operate on two to three routes each morning and afternoon typically providing transportation to an elementary school, a middle school, and to a high school. Coordinating multiple routes per bus with staggered school times is intended to maximize efficient use of the district's school buses.

Student Transportation Services

1 The student transportation office plans, reviews, and establishes bus routes and stops to provide efficient student transportation services for all students who qualify for transportation. However, the efficiency of student transportation services can be improved through complete elimination of courtesy riders, further increasing average occupancy, and completing the transition to an automated routing system.

The district is moving from a manual to an automated routing system

Efficient bus routing needs to consider such factors as number of students requiring transportation in a neighborhood, destination, distance, traffic, and local hazardous conditions. Small school districts or those with stable populations may be able to rely on manual processes to design their routes and locate stops efficiently. However, large districts and those with growing populations require the use of automated systems to design efficient routes.

There are several automated systems available to help a school district establish efficient routes such as *Plan Ware* and *EDULOG*. These software programs aid in designing the layout of bus routes and bus stop placement. However, their output still requires on-site inspection to ensure recommended stop locations are adequate and devoid of potential hazards.

In Osceola County, district transportation administrators use a multi-step process to design, review, and approve routes. Responsibility for creating and updating the bus routes begins with the route coordinators, who rely on their experience and knowledge of local conditions to manually produce bus routes. After bus routes are created, the transportation area managers conduct an annual review of the bus routes prior to the start of the school year to determine safety and efficiency of routing. The final step in the routing process involves the school board, or its designated representative, who annually approve all routes. Once the routes are approved, area managers notify drivers (both regular and substitute) and distribute approved route maps and driving instructions.

Although EDULOG software has been available in the district for several years, transportation staff considered manual routing more efficient because the quality of the EDULOG database. For example, the program could not determine that abbreviations and full spellings of the same street names were equivalent. Standardization of the program database was needed to make EDULOG a useful tool.

Rapid growth experienced by the district in recent years placed increasing demands on the route coordinators. As a result, district transportation staff determined that it could no longer afford to prepare routes manually and decided to expand the use of EDULOG. During the 2001-02 school year, the district established an EDULOG routing section with a staff of three. Full use of the automated system is forecast for the 2003-04 school year.

Routing adjustments are normally required during the school year due to changing student population and residences. District transportation staff also responds to parents and administrators' routing suggestions and complaints and tries to accommodate their requests whenever possible. Designated hazardous walking areas are reviewed periodically and are removed from the designation list when the hazard no longer exists. The district compares favorably with its peers in the number of hazardous walking conditions students transported as a percentage of total students transported (see Exhibit 12-4).

Exhibit 12-4

Hazardous Walking Conditions in School Year 2000-01 Were Favorable When Compared With Peer Districts

School District	Reported Hazardous Walking Conditions	Number of Hazardous Walking Students Transported	Hazardous Walking Students as a Percentage of District Total
Osceola	9	405	2.48%
Alachua	2	103	0.68%
Collier	17	701	4.34%
Lee	42	770	2.37%
Leon	43	775	6.86%
Manatee	7	771	5.96%
Peer Average	22.2	624	3.5%

Source: Draft *Q-Links: Florida District Transportation Profiles*, July 2002 for School Year 2000-2001, Florida Department of Education and OPPAGA.

Eliminating courtesy riders can improve student transportation efficiency

Students who live two miles or more away from their school are eligible for state funded school transportation. The state funds school district transportation services an average \$354 per year per eligible student.

However, there are occasions where districts may decide to provide transportation services to otherwise ineligible students. These ineligible students are termed “courtesy bus riders” and they do not receive state funding. As a result, the districts must bear 100% of ineligible students’ transportation costs.

The Osceola school district compares favorably with its peers in the number of courtesy riders it transports (see Exhibit 12-5). In school year 2000-01, the Osceola County School District transported 103 courtesy bus riders and, according to its February 2002 Transportation Survey, is currently transporting 78 middle school courtesy bus riders. Transportation staff reports these riders would have to cross busy 4-lane highways that would otherwise qualify as hazardous walking conditions if the students attended elementary school. Florida Statutes allow transportation funding for elementary school students living less than two miles from school who encounter hazardous walking conditions but do not offer a similar provision for middle school students.

Because of the safety issue, the district has chosen to transport these middle school students. In one case, a crossover walkway is being constructed that will solve the problem. In the remaining case, transportation staff reports a traffic light may be installed in the future when commercial development takes place in the vicinity. However, we believe that the district should attempt to further influence local governmental agencies to take steps that would allow safe crossing of this highway. These steps could include reduction in speed limits, construction of sidewalks, and the stationing of crossing guards.

We recommend that the district conduct an annual review and continue its effort to improve the hazardous conditions so that all courtesy rides are eliminated.

Exhibit 12-5**Courtesy Bus Riders Transported in School Year 2000-01
Were Favorable With Peer Districts**

School District	Number of Courtesy Bus Riders	Number of District Students Transported	Courtesy Bus Riders As A Percentage of District Total
Osceola	103	16,314	0.6%
Alachua	1,733	15,120	11.5%
Collier	1,029	16,160	6.4%
Lee	2,753	32,434	8.5%
Leon	805	11,298	7.1%
Manatee	271	12,937	2.1%
Peer Average	1,318	17,590	7.5%

Source: Draft *Q-Links: Florida District Transportation Profiles*, July 2002 for School Year 2000-2001, Florida Department of Education and OPPAGA.

Increasing average bus occupancy can improve student transportation efficiency

A critical measure of transportation efficiency is average bus occupancy. Average bus occupancy is defined as the number of students transported divided by the number of buses on scheduled bus routes. If a known number of students can be appropriately served using fewer buses, the average bus occupancy rate and the overall efficiency of the student transportation system will be improved. Osceola County's average bus occupancy rate in school year 2000-01 was 82.6 students per bus, which compares favorably to the state average of 68.68 students per bus.

However, the district could improve its efficiency by increasing the number of three-tier bus runs. Buses can make several runs each morning and afternoon, such as one route to transport children to an elementary school, followed by a second route to a middle school and a third route to a high school. Three-tier runs are more efficient than two-tier runs because they can carry more students during the course of the day. For example, a sixty-five passenger bus at maximum bus occupancy can carry 192 students on a three-tier run each morning. However, the same bus on a two-tier run can only carry 128 students. Thus, adding another tier to a two-tier bus run would increase bus occupancy from 128 students to 192 students, and reduce the number of buses needed by one-third. Using multi-tier bus routes requires schools to stagger their schedules so that buses have time to make runs between school starting times.

Of the district's 212 bus routes in school year 2001-02, 95 were two-tier runs. Based on district information, it is feasible to convert 72 of these routes to three-tier runs (the remaining routes may not be feasible to convert because they involve lengthy routes or schools with special needs). This would allow the district to eliminate 24 bus routes and 10 buses and increase its average bus occupancy by four students as shown in Exhibit 12-6.

Making wider use of three-tier bus routes, the district could save about \$1.9 million over the next five years. As shown above in Exhibit 12-6, the district could save about \$1.5 million over the next five years by reducing its bus fleet by 10 buses. In addition, because reducing the number of buses would increase average bus occupancy, the district could receive a larger portion of the state's funding allocation. We estimate that the district could receive about \$77,600 per year (\$388,000 over five years) by having a more efficient transportation system because the state's transportation funding formula allocates more funds to districts with higher bus occupancy levels.

Exhibit 12-6

Increasing Average Bus Occupancy Could Have a \$1.9 Million Fiscal Impact

	Current Mix of Tiers	Proposed Mix of Tiers
Affect on Average Bus Occupancy of Changing Tier Mix		
Number of buses (in 2001-02 for current mix)	212	202
Average bus occupancy for 2000-01	82.6	
Estimated number of students transported (number of buses times average bus occupancy)	17,511	17,511
Expected average bus occupancy with proposed mix of tiers (estimated number of students transported divided by the proposed number of buses)		86.6
Increase in average bus occupancy (students per bus – 86.6 less 82.6)		4.0
Improved Fiscal Position By Using Proposed Mix of Tiers		
Estimate of deferred costs by eliminating 10 buses		
Annual recurring costs:		
Average driver cost		\$ 15,000
Average maintenance costs		1,500
Average cost of fuel		3,239
Total annual recurring costs		\$ 19,739
Number of fewer buses operated		10
Total annual reduction in recurring operating costs		\$ 197,390
Total recurring costs for five years (total annual reduction x five years)		\$ 986,950
Non-recurring cost reduction by eliminating 10 buses:		
District's average cost per bus	\$ 54,745	
Number of fewer buses needed	10	
Total non-recurring costs reduced		547,450
Total costs avoided by increasing number of three-tier routes		\$1,534,400
Recurring revenue associated with increased bus occupancy		
Annual revenue potential from increased bus efficiency	\$ 77,600	
Number of years	5	
Total recurring revenue over five years		388,000
Total fiscal impact of using more three-tier bus routes		\$1,922,400

Source: Office of Program Policy Analysis and Government Accountability.

In recent years the district has reduced the number of three-tier bus routes due to parent concerns that some students could be picked up or dropped off after dark if school schedules started too early or too late in the day. Currently, school start times are limited to between 7:30 AM and 8:50 AM. In the past, start times ranged from 7:15 AM to 9:10 AM, which allowed for three-tier runs. The district should revisit this issue and use three-tier bus routes when feasible considering both safety and efficiency.

Recommendations

- *We recommend that the district conduct an annual review and take steps to improve hazardous conditions in order to eliminate all courtesy bus rides.*
- *We recommend the district increase the number of three-tier runs by staggering all school start times in order to maximize the efficiency of student transportation resources.*

Action Plan 12-1

Discontinue Courtesy Rides	
Strategy	Evaluate the hazardous conditions that cause the district to offer courtesy bus rides, with the aim of improving the conditions and eliminating this service.
Action Needed	<p>Step 1: The transportation director compiles a list of all courtesy rides, citing reasons and indicating in each case if courtesy bus service is provided using existing resources and established routes.</p> <p>Step 2: In addition, the study should determine if courtesy service was provided without re-routing buses or creating additional capacity.</p> <p>Step 3: Determine which courtesy riders create additional capacity needs or result in re-routing buses. Determine why these students are receiving courtesy bus service, including safety and other issues.</p> <p>Step 4: The director of transportation contacts other agencies (i.e., Osceola County Sheriff’s Office; city police departments; Florida Highway Patrol; Osceola County government; Florida Department of Transportation) that can help decrease or eliminate hazards that necessitate courtesy rides. Present the results of these contacts to the assistant superintendent for Business and Fiscal Services to formalize communications and obtain the other agencies’ cooperation in dealing with these hazards.</p> <p>Step 5: Evaluate the cost/benefits of implementing this program.</p> <p>Step 6: Outline the program’s benefits and suggestions, bringing to the superintendent for approval before submitting an action plan to the school board.</p> <p>Step 7: With the superintendent’s approval, and after the necessary public notice and information period (and when any changes have been made), bring the action plan to the school board for approval.</p>
Who Is Responsible	Assistant superintendent for Business and Fiscal Services; transportation director; interaction with external agencies; approval by the superintendent and school board.
Time Frame	Complete the study by December 31, 2002; school board approval by April 30, 2003; community outreach and input completed by August 1, 2003; implementation by August 15, 2003.
Fiscal Impact	This Action Plan can be accomplished within existing resources.

¹ This recommendation does not imply that the district should discontinue courtesy riders in cases where no documented alternatives exist to address significant safety concerns.

Action Plan 12-2

Develop Transportation Plan to Increase Bus Occupancy	
Strategy	The department should analyze options to increase bus occupancy including options revising bell schedules in order to increase the number of 3-tier runs.
Action Needed	<p>Step 1: Identify policy options to evaluate that have the greatest impact on increasing bus occupancy through revised bell schedules.</p> <p>Step 2: Conduct cost-benefit analysis of policy options.</p> <p>Step 3: Produce a report and present it to the superintendent and school board to make a decision on how to increase bus occupancy.</p> <p>Step 4: Implement school board decision.</p>
Who Is Responsible	Assistant superintendent for Business and Fiscal Services; director of transportation; approval by superintendent and school board
Time Frame	Complete analysis of options by December 31, 2002; school board approval by March 31, 2003; community outreach and input by June 30, 2003; implementation by August 1, 2003.

Fiscal Impact	By increasing its bus occupancy rate, the district could postpone the purchase, operation, and maintenance of 10 buses, reducing the related recurring and non-recurring costs by about \$1.5 million and could increase its share of the state's allocation by about \$0.4 million, resulting in positive fiscal impact of about \$1.9 million over the next five years.
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2 The district ensures that all regular school bus routes and activity trips operate in accord with established routines, and any unexpected contingencies affecting those operations are handled safely and promptly.

Bus routes in Osceola County generally function with few problems. The district has procedures to ensure that substitute bus drivers can operate the bus route if the primary driver is unable. Bus overcrowding is infrequent and usually occurs only at the beginning of the school year. Bus routes are scheduled to minimize the number of students that have to travel on buses for more than one hour as stated in school board policy.

With few exceptions, regular school bus routes are operated with few reported problems

The district has effective procedures to handle incidences where the regular driver is unable to perform their assigned routes. The school district requires that any driver who will be absent from work notify the transportation office as far in advance as possible. This notification is in writing to the area manager or by phone to the dispatcher. The dispatcher then notifies one of the substitute drivers who will drive the route. Substitute drivers have access to copies of all bus routes and schedules.

Overcrowding is an infrequent problem in the school district. According to route coordinators, the beginning of the school year is the most frequent time for overcrowding. When overcrowding occurs, the drivers of the overcrowded buses fill out a district form on the overcrowding and submit it to the route coordinator. The route coordinator then shifts bus stops among nearby bus routes to alleviate overcrowding and notifies the affected drivers of the route changes.

Review of bus breakdown road calls disclosed 95 incidents during the 2000–01 school year. Twenty percent (19 out of 95) were non-mechanical flat tire problems. The district has established procedures to use in case of bus breakdowns. These procedures have been distributed to maintenance staff, route coordinators, school principals, and bus drivers.

Few bus riders are on buses longer than the school board recommends. The district transports 119 students from the Yehaw Junction area of the county a distance of approximately 60 miles to school. The district also transports 47 magnet school students and 26 ESE students on routes of 60 minutes or more.

The district has adopted a policy (Section 3.1.5.G of the board policies) that states bus drivers cannot discharge a student at any stop other than the one the student usually uses without a parental request (in writing) and permission from the school principal. Use of this policy helps prevent discharging of students at bus stops other than their regularly assigned neighborhood stops. Bus drivers are reminded of this policy yearly via annual training.

Field Trip Costs Are Appropriately Charged to Users

The district schedules buses and drivers for the many miles of field trips taken by students. The district traveled 39,527 miles on field trips in school year 2000-01. Field trip miles accounted for 1.14% of all school bus miles during the year (3,472,318 miles). Schools are required to turn in requests for field trip transportation to the district transportation department at least 10 days prior to the date of the field trip.

The area managers take the requests and notify drivers of the field trip. The field trip drivers are given procedures to use in case of breakdown and a list of emergency contact numbers.

Field trip drivers are selected based on an equity system. Drivers with the least number of credited field trip hours are offered trips first. Should a driver refuse the trip, it is then offered to the next person on the list. However, refusal of a field trip, no matter the reason, results in the field trip time being charged to the driver as if he/she had actually driven the trip. A field trip hourly report is regularly posted at each facility.

According to the transportation program manager, the district has been charging schools full cost of field trip transportation including the administrative cost. The schools are currently being charged

- \$15.42 per hour driver charge,
- \$0.66 per mile, and
- a \$3.50 administrative fee.

Recommendations

- *None.*

3 The district effectively and efficiently recruits and retains the bus drivers and attendants it needs.

The district is experiencing driver recruiting problems similar to other Florida school districts

Like many Florida school districts, the Osceola County School District has turnover in its bus drivers and assistants and difficulty in finding new drivers to meet its growth needs. During the 2000–01 school year the district employed 226 bus drivers and 64 assistants along with 24 substitute drivers. From July 30, 2001, to May 30, 2002, the district had a turnover of 20 drivers (8.8%). To replace these drivers and meet growth needs, the district hired 38 drivers (including 4 assistants who qualified to become drivers) in the same time period. The district said that as of the end of the 2000–01 school year it had 24 driver vacancies, which had only improved to 22 vacancies by the middle of the 2001-02 school year.

Information about driver turnover is available to transportation managers in a manually produced format. An improved method for collecting and categorizing turnover data would assist in developing driver retention strategies.

The district uses several methods to notify the public of job opportunities for bus drivers. It primarily relies on ads placed in the local newspaper classified advertising sections. For example, Florida law requires school bus drivers to hold a Class B Commercial Drivers License. Whenever the district offers training classes for the Class B Commercial Driver License, the district advertises in order to inform the public that training classes are being scheduled for persons wanting to be a school bus driver. The district also formed a recruiting team of experienced drivers and attendants to develop and distribute recruiting materials to public events and locations.

Recruiting new bus drivers requires constant transportation management attention. Relatively low pay and other nearby job opportunities are reasons drivers leave the school district. The district does hold formal exit interviews to determine exactly why the drivers and assistants leave their positions. These

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interviews also point to low guaranteed work hours as a source of driver dissatisfaction. The district guarantees 4.5 hours of work time per day for 187 days during the school year with no guaranteed hours during the summer.

The district collects information on wages and benefits offered by adjacent school districts and by local employers that are likely to be competing for the pool of applicants. However, it is not clear how this information is used in setting drivers' pay scales or as a recruiting tool.

To make bus driving more attractive to prospective applicants, school districts frequently provide bus drivers incentives, financial or otherwise, for good performance in areas such as safety record, timeliness, attendance, and ability to maintain discipline on the bus. These incentives can be used as a cost-effective method to enhance driver retention and performance. The Osceola County School District offers incentives to drivers such as end of year bonuses for in-service training attendance, completion of three months service after training, and bus rodeo participation.

According to district transportation staff, some drivers leave shortly after completing school district training and obtaining their commercial drivers' licenses. District records indicate 92 drivers were trained between August 2000 and August 2001. Only 66 of them were still employed as of November 2001. In this situation, the district pays for the cost of training without receiving full benefit from the investment. The district could institute a reimbursement policy with a contract obligation for all new drivers who fail to complete a designated period of service after driver training. However, district staff believes this may act as a deterrent to new driver applicants. The district could also consider establishing stronger screening criteria in order to eliminate driver training candidates who may not stay for a period past training.

Recommendations

- *Overall, the district substantially meets this best practice; however, some issues need to be addressed.*
- *We recommend that student transportation staff improve its ability to track driver turnover rates and reasons for such turnover. In addition to conducting exit interviews, the district's procedures should include asking drivers who are leaving employment voluntarily to complete a survey indicating their reason(s) for resigning and asking them to rate the department. These surveys can be used to identify and assess the reasons for turnover and, if applicable, suggest necessary changes to the district's student transportation operations and driver training.*
- *We recommend that the district consider requiring reimbursement from all drivers who complete the Commercial Drivers License course and fail to complete a minimum period of service after they are hired.*

Action Plan 12-3

Improve Driver Turnover Data Tracking

Strategy	Collect and analyze bus driver and attendant related data to help formulate and implement plans to assist the district in recruiting and retaining bus drivers and attendants.
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Action Needed	Step 1: The transportation director, with the assistance of the district's Human Resources Department, will review information currently collected from employees resigning their bus driver and attendant positions and assess its usefulness in the district's recruiting and retention efforts.
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Step 2:	The Human Resources Department, with the assistance of the transportation director, will create a bus driver and attendant voluntary exit survey and devise a method of automating the collected data.
Step 3:	The Transportation Department will continue to conduct exit interviews with resigning bus drivers and attendants and will share the results with the Human Resources Department.
Step 4:	The transportation director, with the assistance of the district's Human Resources Department, will determine what information on wages and benefits need to be collected from adjacent school districts and local employers that are likely to be competing for the pool of applicants for positions as bus drivers and attendants. They will also determine the school districts and local employers this information should be collected from.
Step 5:	The Human Resources Department, with the assistance of the transportation director, will survey the adjacent school districts and local employers for wage and benefit information as determined above on a semi-annual basis and share the results with the transportation department.
Step 6:	The transportation director, with the assistance of the Human Resources Department, will analyze exit interview and wages and salary information on a semi-annual basis to formulate and implement plans for the recruitment and retention of bus drivers and attendants.
Who is Responsible	Transportation department director, human resources manager
Time Frame	Data elements, exit survey design and selection of school districts and local businesses to be completed by October 31, 2002; exit survey will be solicited from all bus drivers and attendants resigning after November 1, 2002; surveys of local school districts and local employers will take place beginning in May 2003 and continuing every six months from that date; information from exit interviews and surveys will be analyzed with plans formulated and implemented beginning in June 2003 and continuing every six months from that date.
Fiscal Impact	The recommendation can be implemented with existing district resources.

Source: OPPAGA.

Action Plan 12-4

Agreement With Drivers for Training Reimbursement if Driver Voluntarily Leaves District Employment	
Strategy	The district should consider establishing a policy that as a condition of employment, new driver candidates sign a pre-employment agreement stipulating that, once employed by the district, if a driver voluntarily leaves employment before the end of a six-month period, he/she agrees to reimburse the district for the cost of training.
Action Needed	<p>Step 1: Assistant superintendent for Business and Fiscal Services, together with the Human Resources Department and legal counsel, and with input from the transportation director, determines that such a policy will not become a deterrent to hiring replacement drivers. If found to be a deterrent, cease further consideration. If found not to be a deterrent, proceed to Step 2.</p> <p>Step 2: Assistant superintendent for Business and Fiscal Services, together with the Human Resources Department and legal counsel, and with input from the transportation director, determines the language to be included in the bus driver pre-employment agreement. Legal counsel provides required exculpatory language to prevent unnecessary litigation or personnel grievances.</p>

	Step 3: The level of reimbursement costs claimed by the district is to be supported by the Finance Department, which needs to determine that the amount is fair and not so high that prospective employees will not wish to accept the terms and conditions offered.
	Step 4: Submit proposed contract to superintendent and school board for approval
	Step 5: Periodically update the agreement based on current costs.
Who Is Responsible	Assistant superintendent for Business and Fiscal Services; Human Resources Department, legal counsel, transportation director; Finance Department
Time Frame	March 31, 2003, and ongoing
Fiscal Impact	Potential cost savings from reduced employee turnover and administrative costs cannot be established until initial analysis in Step 1 is completed.

4 The district trains, supervises, and assists bus drivers to enable them to meet bus-driving standards and maintain acceptable student discipline on the bus.

The district provides sufficient training, supervision, and support to bus drivers to meet district requirements.

District student transportation staff offers initial training classes for prospective bus drivers that are scheduled on an as-needed basis. Training classes for prospective bus drivers allow them to receive a Class B (school bus) commercial driver’s license.

According to the district, new trainees also receive 75 hours of initial training plus 12–15 hours of on-bus training including observations, driving buses without students, and driving buses with students and a trainer onboard. School district policy requires drivers pass an annual physical examination to ensure that the drivers are medically capable of safely operating buses.

The district provides training and testing for current bus drivers and monitors their driving performance. Each driver receives 13 hours of paid annual in-service training prior to the start of the school year. This training includes topics such as handling difficult people, pre-trip inspections, and student disciplinary referral writing. District transportation administrators use periodic staff meetings to discover current problems and issues, which are then addressed during in-service training sessions throughout the school year. The drivers also receive yearly dexterity testing during pre-year training. We reviewed a random sample of 10 drivers training records and found all included current physical examination records.

State law provides that holders of commercial driver’s licenses (such as school bus drivers) can lose their licenses for a period of time for serious, specified traffic convictions. Such traffic violations include unlawful speed (15 MPH or more over the speed limit), careless or reckless driving, and traffic offenses committed in a commercial motor vehicle resulting in the personal injury of any person. If convicted of two serious traffic violations within three years, the bus driver will lose his/her license for 60 days. A third conviction within three years results in 120-day disqualification of driving privilege. Conviction of other more serious driving offenses, such as driving with an alcohol concentration of .04 or more, can disqualify a person from operating a commercial motor vehicle for one year.

In addition to state regulations, the district transportation department has established guidelines to suspend drivers for varying lengths of time depending on the degree of speeding above posted limits. The transportation department also reviews the state’s traffic violation database monthly with driving printouts placed in personnel files twice a year. Drivers who serve during summer school also have their records checked one additional time prior to the start of the summer term.

The Transportation Department takes substance abuse by bus drivers and mechanics seriously. The school board has adopted a policy on substance abuse covering bus drivers and other transportation staff such as mechanics that perform safety-sensitive functions. The district conducts drug and alcohol tests on those applying for a job as a bus driver or mechanic, drivers after accidents, and random tests for all current drivers and mechanics. A private firm (through a contract with the Human Resources Department) confidentially handles the random selection of drivers and mechanics for testing and the tests themselves. Staff members tested to be positive for alcohol or drugs are not allowed to drive or repair buses and will be discharged from their employment according to district policy. The district does have an employee assistance program to assist those staff that admit to substance abuse problems prior to test results being received. While in the employee assistance program, employees are not allowed to drive or repair buses.

Since inception of the district's substance abuse policy on July 1, 1995, two drivers and one mechanic have been discharged for testing positive for a controlled substance and one driver was discharged for testing positive for alcohol while on duty.

Recommendations

- *None*

5 While the district provides student transportation services for exceptional students in a coordinated fashion that minimizes hardships to students and accurately reports exceptional students transported to receive state funding it is not taking full advantage of potential Medicaid reimbursement.

District student transportation is involved in special transportation decisions

Some Exceptional Student Education (ESE) students require specialized transportation services to allow them to attend appropriate schools. These services include items such as wheelchairs lifts, supplemental medical oxygen, special transportation restraints, and a controlled temperature environment (air conditioning). The district transportation program handles such needs by transporting these students using specially equipped mini-buses. Other ESE students do not need specialized transportation services and can instead ride regular bus routes to their schools.

Currently the district operates 43 of the specially equipped mini-buses on 57 ESE routes. ESE students who cannot feasibly be transported to school may be given a transportation grant to compensate for alternative transportation. Only five ESE students in the district receive transportation grants.

Specialized student transportation needs are determined in staffing meetings where an Individual Education Plan (IEP) is drawn up for each exceptional education student. These IEPs have to be developed for each exceptional student with the plans dictating what services (including transportation) the exceptional student should receive. Various teachers, staff on special programs at the school, transportation staff and parents of the ESE student usually attends IEP staffing meetings. Transportation staff then uses decisions made in these meetings and adjusts bus routes to provide the specialized transportation services.

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The district's total ESE student population is 6,319 students of which 824 are transported on specially equipped buses. District policy clearly states criteria for transportation of ESE students on specially equipped buses. However, district policy does not clearly state that every effort should be made to mainstream ESE student riders.

Transporting ESE students on specially equipped buses when they could ride regular school buses whenever appropriate can increase transportation costs for a district, reducing transportation efficiency. The smaller buses used by the school district for specialized transportation hold fewer students, frequently have longer bus runs than do regular school buses, and cost more to operate on a per student basis than regular buses. Operating more specialized buses than is necessary can also reduce the average bus occupancy rate, which is a component in the state student transportation funding formula and thus reduce state transportation funds coming into the county. To minimize transportation costs, the school board should expand its written ESE policies to state that the district use the most cost-efficient service delivery system to meet the transportation needs of students.

District does not seek Medicaid transportation reimbursements

Medicaid will reimburse the school district for some transportation services provided in association with an eligible exceptional student receiving a medical treatment or service. Currently the reimbursement rate is \$1.93 per trip. For example, the district would be partially reimbursed for transportation to and from school of a Medicaid-eligible exceptional student that receives physical therapy at a school site as part of the student's individual education plan.

The district has not applied for Medicaid transportation reimbursements in the past, and district staff state they do not believe the potential return is sufficient to recover the administrative cost of Medicaid transportation claims. Based on experience in other districts, we estimate that 30% of exceptional students are also eligible for Medicaid and those students receive at least eight eligible trips per month. If Osceola experienced a similar rate of Medicaid we would expect 30% of the eligible students or approximately 247 students would use school transportation services for the 180-day school year. Based on this estimate, the district could receive approximately \$34,350 a year from Medicaid (see Exhibit 12-7).

Exhibit 12-7

Claiming Medicaid Transportation Reimbursement for Eligible Exceptional Student Could Increase Revenues by \$120,225 Over the Next Five Years

	Fiscal Year				
	2002-03	2003-04	2004-05	2005-06	2006-07
Annual Cost Recovered	\$34,350	\$34,350	\$34,350	\$34,350	\$34,350
Less 30% Contractor Billing Fee	\$10,305	\$10,305	\$10,305	\$10,305	\$10,305
Cumulative Cost Recovered	\$24,045	\$48,090	\$72,135	\$96,180	\$120,225

Source: OPPAGA.

Recommendations

- *Although the district substantially meets the best practice area, we recommend that the school board establish and implement a exceptional student education (ESE) policy to ensure that students ride regular buses whenever possible and appropriate.*
- *We recommend that the district apply for Medicaid reimbursement for all qualified exceptional education trips.*

Action Plan 12-5

Establish a Clear Policy for Mainstreaming Exceptional Students' Transportation	
Strategy	Modify current ESE student policy to clearly express a desire that exceptional students ride regular buses whenever possible and appropriate..
Action Needed	Step 1: The ESE director, assisted by the transportation director draft a modification to current district policy clearly stating that ESE students should ride regular buses whenever possible and appropriate. Step 2: Superintendent and school board approve policy amendment.
Who Is Responsible	ESE director; transportation director; superintendent; school board.
Time Frame	July 1, 2003
Fiscal Impact	None

Action Plan 12-6

Collect Medicaid Reimbursement for Qualifying Students' Transportation	
Strategy	Pursue efforts to collect Medicaid reimbursement for all qualifying student transportation trips.
Action Needed	Step 1: Assistant superintendent for Business and Fiscal Services assigns the responsibility to determine the appropriateness of obtaining reimbursement from Medicaid for transportation services related to qualified students to the ESE coordinator, assisted by the transportation director. Step 2: The ESE coordinator, contacts the appropriate person who can provide billing information for Medicaid-reimbursable expenses. Step 3: Once Medicaid billing information has been determined, the ESE coordinator assisted by the transportation director, establish procedures to capture this information in an auditable fashion. Step 4: The district bills Medicaid using the proper form and/or format required for expedient reimbursement.
Who Is Responsible	Assistant superintendent for Business and Fiscal Services; ESE coordinator; transportation director
Time Frame	July 1, 2003
Fiscal Impact	Net revenue of \$24,045 annually. This impact considers the cost of employing a contractor charging 30% of the \$34,350 in revenue generated for billing services.

6 The district ensures that staff acts promptly and appropriately in response to any accidents that occur.

District student transportation takes various steps to prevent and minimize problems arising from accidents

Given the amount of time school buses are on the road each school day, it is almost inevitable that some accidents involving district school buses will occur during a school year. All school districts are required to report all bus accidents involving \$500 or more damage to the Florida Department of Education. The Osceola County School District had 14 accidents involving its school buses during school year 2000-01. School bus drivers were reported as the causal factor in 3 of these accidents (see Exhibit 12-8). Nine of the accidents resulted in property damage over \$500. Primary responsibility for post accident investigation is assigned to the operations manager. The maintenance manager directly assists in the investigation.

Exhibit 12-8

**District Accidents Rate in School Year 2000-01
Was Favorable With Peer Districts**

School District	Total Number of Bus Accidents	Number of Accidents With Driver As Cause Factor	Number of Accidents With Cause Factor Other Than Driver
Osceola	14	3	11
Alachua	21	5	16
Collier	9	2	7
Lee	78	15	63
Leon	36	14	22
Manatee	22	4	18
Peer Average	33.2	8	25.2

Source: Florida Department of Education and OPPAGA.

To prevent or minimize traffic accidents involving its vehicles the district requires bus drivers to conduct a pre-trip inspection prior to all bus runs. The pre-trip inspections are documented on written forms and turned in each week. Problems found are reported to maintenance staff for repairs. The maintenance manager spot-checks the forms. Drivers have been disciplined for not conducting the pre-trip inspections. We randomly selected 10 bus maintenance file folders for review. In 8 of the 10 files, all pre-trip inspection forms were properly filled out and present. One record had missing forms for two periods and one record had an error in recording odometer readings.

The district made various preparations in order to minimize additional problems arising from accidents. All buses on routes are equipped with two-way radios that are monitored by the dispatcher during normal bus operating times. All buses on out of county or after hours trips are required to have cell phones in order call designated transportation staff in case of emergency. Accident procedures are published in the driver's handbook and covered during in-service training.

Bus drivers conduct bus evacuation drills that are observed and coordinated by the principals at each school each semester. The district has procedures that are used when bus accidents occur. These procedures direct specific transportation staff (e.g., operations manager, maintenance manager, and the transportation director) what actions to take upon receipt of information that a bus has been involved in an accident or other emergency.

Recommendations

- *We recommend that the district improve review of pre-trip inspection forms to ensure they are properly filled out and filed.*

7 The district ensures that appropriate student behavior is maintained on the bus at all times.

District policy guides student discipline actions

The district has established policies to govern student discipline on school buses. As contained in section 7.3.1 D (2) of school board policy:

Any pupil who persists in disorderly conduct on a school bus shall be reported to the principal by the driver of the bus. After investigating the degree and severity of the student's misconduct, the principal of the school the student attends may administer disciplinary consequences at the school level up to and including suspension of transportation to and from school and school functions at public expense, out-of-school suspension and/or recommendation for expulsion.

As stated in board policy, bus drivers are to report persistent disorderly conduct on buses to school principals. These reports are made to principals using written school bus incident reports. According to Florida Department of Education data, the district had a total of 27 reported bus discipline incidents in school year 2000-01. Student transportation disciplinary incidents represented 0.87% of the district's total reported disciplinary incidents. This rate compares favorably with the peer districts, which averaged 3.06% of total district incidents and with the state average of 3.40% during the same period (see Exhibit 12-9).

To help bus drivers facing discipline problems on their buses, the district transportation office provided the drivers with initial and in-service training. Newly purchased buses are being equipped with video cameras to provide additional evidence of student misbehavior. School site staff periodically schedules conferences between parents, bus drivers, principals, and other appropriate district staff to help resolve perceived discipline problems on buses.

Exhibit 12-9

District School Bus Disciplinary Incident Rate in School-Year 2000-01 Was Favorable Compared to Peer Districts

School District	Total Number of Bus Disciplinary Incidents	Bus Disciplinary Incidents As A Percentage Of Total District Disciplinary Incidents
Osceola	27	0.87%
Alachua	27	1.14%
Collier	14	0.87%
Lee	427	9.84%
Leon	26	1.64%
Manatee	18	1.81%
Peer Average	102.4	4.70%

Source: Florida Department of Education and OPPAGA.

Recommendations

- None

Student Transportation Functions

8 **The school district has a process to ensure the school bus fleet is acquired economically; however, it is not acquiring sufficient buses to sustain its current fleet and meet the district's future student transportation needs. The district should also carefully consider its spare bus level.**

Purchase and retirement of buses could be improved

Staff at the Transportation Department (the transportation manager and the maintenance manager) annually determines how many buses need to be replaced. This determination is based on an examination of records on all buses in the fleet for factors such as costs of operating the individual buses, miles operated, and the ages of the buses along with district budget allocations. District growth is also a significant factor because the student population has been increasing at a rate of 8% to 9% per year. Projections are used by the transportation staff to forecast the number of additional buses needed to accommodate new growth.

New buses are generally ordered via the Florida Department of Education's pool purchase with the assistance of district purchasing staff and school board approval. In the 2001-02 school year, the district attempted to negotiate lower purchase prices based on modified specification requirements. Ultimately the district succeeded in obtaining prices comparable to pool purchase rates. All newly purchased buses are inspected prior to being placed in service and are usually assigned to the longest routes.

The district purchased 27 used buses during school year 1999-2000 because of increasing demand for student transportation services. All of these buses were at least 10 years old when purchased by the district.

Buses that are replaced are placed in a salvage status and turned over to district purchasing for sale at auction. The district receives approximately \$6,500 per bus at auction.

The district should reduce its number of spare buses

As of March 2002, the district school bus fleet consists of 252 buses, supporting 212 routes in daily service. The district has 36 buses (14.51%) as spares. The district also possesses 4 buses for training purposes only.

To determine the number of spare buses needed, a district should analyze peak out of service figures including scheduled inspection and preventative maintenance out of service, unscheduled out of service for repair, buses needed to serve all of the daily routes, and buses needed to meet activity trip requirements.

Of the 248 buses the district uses for operations and spares, transportation staff reports that the peak number of out of service buses for unscheduled repairs is 4 and the average number of spare buses required for activity trips is 7. We estimate that the number of buses undergoing mandatory 20-day inspections on a daily basis is 13.¹ Thus the minimum operating requirement for the district would appear to be 236 buses.²

¹ Two hundred forty-eight buses times 0.05 (the daily factor in a 20 work day month) equals 13 rounded to the next whole number.

² Estimate is based on 212 in service route buses, 4 buses out for repair, 7 buses used for activity trips, and 13 buses undergoing inspection.

However, other factors effect spare requirements including anticipated growth during the school year and required capability by separate category such as lift buses or large capacity transit style buses versus 65 passenger standard buses. District transportation staff also reports that they may receive requests for up to 25 after school activity trips during peak periods although buses that have completed their PM routes can meet some of these requirements.

We believe that designating a 10% fleet spare goal is adequate to cover situations such as when buses are temporarily out of service (such as for inspections and repairs) and activity trips as long as the district keeps its policy prohibiting school buses from making field trips during regular morning and afternoon bus route hours. Additionally, low breakdown rates are also required in order to reduce spare buses down to a 10% level. A 10% fleet spare factor could allow the district to surplus 12 buses.³ We estimate that selling these buses would bring the district about \$78,000 (\$6,500 per bus) in non-recurring revenue. The district would also save the costs of inspecting these buses every 20 school days (approximately once a month) during the 10-month school year to meet state regulations. Or the district may be able to delay purchasing new buses rather than selling at surplus.

The district should adopt a standard bus replacement policy

The district has an unwritten policy to generally replace Class C buses after 12 years of operation and Class D buses after 15 years. However, the district has not adhered to this policy. As seen in Exhibit 12-10, as of March 2002, 34% of Osceola County’s bus fleet is 10 years or older with 18% being 12 years or old.

Exhibit 12-10

Osceola County School District’s Bus Fleet Has Many Buses Over 10 Years Old

Age in Years	Number of Buses	Percentage of Total
15 or more	9	3.6%
14	6	2.4%
13	5	2.0%
12	24	9.5%
11	29	11.5%
10	12	4.8%
9	18	7.1%
8	19	7.5%
7	17	6.7%
6	18	7.1%
5	18	7.1%
4	13	5.2%
3	29	11.5%
2	20	8.0%
1	15	6.0%
TOTAL	252	100%

Source: Osceola County School District.

It is important that districts have effective programs to manage the age of their bus fleets, as old buses typically have higher maintenance costs and can become unreliable. There is no generally accepted criterion for when buses should be replaced. In the past, the Florida Department of Education (FDOE) recommended a planned 10-year replacement cycle for all school buses, based on concerns that older

³ Assuming a 10% spare factor, we calculate the total bus fleet requirement (in service buses and spares) by dividing the number of in service route buses, 212, by 0.9. Since 212 buses would be 90% of the required fleet and the spares equal 10% of the fleet, the calculation indicates a total fleet requirement of 236 buses. The difference between the district’s 248 operational buses and our estimated fleet requirement of 236 is an estimated 12 surplus buses.

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buses may not have all safety equipment required on new buses, and the fact that bus salvage values tend to drop dramatically after the eleventh year of service when sold at auction. However, many Florida school districts are successfully using bus replacement schedules that range from 12 to 15 years. In practice, daily mileage and road conditions can affect the length of cost-effective, productive bus use.

The district has considered three options for addressing its aging bus fleet. These are to establish and adhere to a firm replacement schedule, to purchase used older buses that it can operate for a few years, and to lease buses. Each of these options has advantages and disadvantages.

Under the first option, the district would establish a board-approved bus replacement cycle. The advantage of this option is that it would, over time, resolve the problem of an aging bus fleet. However, it would require substantial capital expenditures because the district has not purchased an adequate number of new buses to implement its informal bus replacement policy. For example, in school year 2000-01, the district purchased 14 new buses, while it should have purchased 21 buses under its replacement policy. While this saved money in the short run (the 7 additional new buses would have cost an estimated \$383,000), it led to the problem of increasing numbers of old buses. During the next 5 years, the district will have 103 buses that will have reached 12 years or more of service. Thus, the district would need to purchase a minimum of 21 buses annually over the next 5 years to maintain a 12-year replacement cycle, which will require an estimated \$1.15 million in annual funding. In addition, district staff estimate the district will need another 10 to 15 buses each year to meet anticipated enrollment growth. Thus, the district would need to purchase a total of between 31 and 36 buses per year to meet all of its needs, at an estimated annual cost of \$1.70 million to \$1.97 million.

Under the second option, the district could continue its recent practice of buying used buses. The district bought 27 used buses in 2000 from other Florida school districts, and these buses had over 10 years of service. The district plans to operate these buses for a few years and then replace them. The advantage of this option is that it costs substantially less to buy used buses than new buses (the district paid an average of \$8,500 for the used buses). As the district anticipates that it can sell these buses for an estimated \$6,500 each in two years, it will incur a capital cost of only \$1,000 per year per bus. However, older buses generally have higher maintenance costs and are more prone to breakdowns. The district would need to carefully monitor repair costs and reliability of individual buses to operate under such an option.

District staff is considering a third option, lease-purchase for new buses. The district has published a Request For Proposal and is in the process of receiving and evaluating the responses. The advantage of lease-purchase is that it reduces first-year costs because acquisition costs are financed over the life of the lease, which would leverage the district's current capital acquisition funds. However, the district would incur financing expenses under lease-purchase, which would increase its long-term bus acquisition costs and make it harder to maintain a cost-effective transportation system over time. Since the district is still in the research phase, insufficient information is available to assess this option.

While each of these three options could enable the district to provide safe and cost-effective transportation to its students, each has long-term consequences that the board should carefully consider. The board should ultimately establish a written bus replacement policy that will guide future district bus replacement actions.

Recommendations

- *We recommend that the Transportation Department establish a policy to reduce the number of spare buses to 10% of the number of buses in daily service.*

- We recommend that the Osceola County School Board, using information provided by the Transportation Department, implement a written policy that provides for the cost-effective replacement of school buses.

Action Plan 12-7

Evaluate the Cost-Effectiveness of Reducing the number of spare buses to no more than 10% of the number in daily service	
Strategy	Establish a bus spare policy and determine if it would be cost-effective to limit the number of spares to no more than 10% of the number in daily service.
Action Needed	<p>Step 1: The director of transportation of carry out an assessment of the number of buses required to support operations.</p> <p>Step 2: The transportation director prepares a report and presents it to the superintendent and school board for approval.</p> <p>Step 3: The related school board policy is established.</p> <p>Step 4: As buses are removed from service they should go to auction to recover as much cost as possible.</p>
Who Is Responsible	School board, superintendent, transportation director
Time Frame	July 1, 2003
Fiscal Impact	By reducing spare buses to 10% of buses in daily service the district could reduce its fleet by 12 and realize a one time revenue increase of \$78,000

Action Plan 12-8

Evaluate the Cost-Effectiveness of Establishing a Bus Replacement Schedule and Initiate a Bus Purchase Plan to Meet the Board’s Policy on Age of Buses	
Strategy	Establish a cost-effective written bus replacement policy that will establish normal bus replacement at least at a minimum 12 year cycle.
Action Needed	<p>Step 1: The assistant superintendent for Business and Fiscal Services and the director of transportation carry out an assessment to determine whether it would cost-effective to adopt a 12 year bus replacement schedule. Part of the assessment should include an analysis of all the variables that impact the life cycle of the current fleet such as safety, specification and design, and economy and efficiency. The assessment should consider a range of procurement options, such as adhering to a replacement cycle (10 to 15 years), purchasing used buses, and/or lease purchase. The assessment could also include consultations with the other school districts that have alternate replacement cycles (e.g., the Hillsborough district uses a 12-year cycle and the Miami-Dade district uses a 15-year replacement cycle) as well as FDOE.</p> <p>Step 2: The assistant superintendent for Business and Fiscal Services and the transportation director compare the results of the assessment with the results of the district’s lease-purchase RFP, recommending the most cost effective option.</p> <p>Step 3: The assistant superintendent for Business and Fiscal Services prepares a report and presents it to the superintendent and school board for approval.</p> <p>Step 4: The related school board policy is established contingent upon Step 3.</p> <p>Step 5: As buses are removed from service and replaced, they should go to auction to recover as much cost as possible.</p>
Who Is Responsible	School board, superintendent, assistant superintendent for Business and Fiscal Services, Transportation Director
Time Frame	July 1, 2003
Fiscal Impact	Fiscal impact will depend on the replacement cycle strategy adopted by the school board.

9 The district provides timely routine servicing for buses and other district vehicles, as well as prompt response for breakdowns and other unforeseen contingencies.

Bus-related inspections and preventative maintenance

State-required 20-day bus inspections are the foundation for most bus-related repair work. These inspections cover all major operating and safety systems. Buses with items not meeting specifications are repaired. The district maintenance manager schedules the inspections monthly with inspection schedules being distributed to shop staff and bus drivers. Bus drivers are sent inspection reminders. Buses are usually inspected during the time between morning and afternoon bus runs, as most buses (88%) are stored at the regional bus facilities when not on bus runs. For buses that are stored in locations other than the regional bus facilities, the bus drivers come into the bus facility after their bus runs and are issued a spare bus for use until their buses are inspected and, if necessary, receive repairs. The maintenance manager reviews all major and expensive repairs to determine if they will be cost effective. White fleet repairs and maintenance are appropriately charged to using departments. Bus inspection records are maintained in individual bus files. The latest review of the 20-day inspection records by the Florida Department of Education shows no adverse comments.

Improvements in the automated school transportation management system needed

The district currently has an automated transportation management information system. However, functions such as scheduling 20-day inspections are performed manually. Additionally, the district's vendor has informed the transportation director that it will not continue to support the district's version of software after the end of the current contract.

An automated school transportation management information system contributes to an efficient bus maintenance quality control program. The district has a limited automated fleet maintenance system that tracks labor time, parts, and costs associated with work orders for repairs and 20-day inspections, schedules periodic maintenance based on mileage/time, maintains parts and fluids (fuel and oil) inventory, and produces reports through its work order system.

An improved transportation management information system should be able to perform the following functions:

- schedule all 20-day inspections;
- integrate mileage data with 20-day inspection data to automatically schedule all mileage preventative maintenance services (e.g., oil changes);
- print out automated work orders;
- print out daily the 20-day inspection forms for buses to be inspected including noting if a mileage-based preventative maintenance service is needed;
- maintain equipment warranty information and automatically notify maintenance staff if a part being replaced is under warranty;
- use pre-formatted report formats and graphs to allow maintenance staff to monitor the individual status of all buses based out of their shops on a number of factors such as miles per gallon, repair costs per month, etc. in comparison to similar buses in the fleet;
- use pre-formatted forms and graphs that will alert maintenance staff to potential problems as indicated by excessive repair costs over a period of time or excessive fuel/oil/brake fluid/etc. consumption over a period of time; and

- calculate factors such as the annual total costs and cost per mile for all buses for use in determining which buses need to be replaced.

The district’s current system, CCG, is a stand-alone system. This system will require upgrade within two years because the manufacturer is discontinuing technical support for the district’s current version. The software vendor has a network version, CCG-NT that tracks mechanics hours, accountability for productive/non-productive time, allows bar coding of parts, work orders, repair codes, and equipment, and tracks warranty repairs for reimbursement. District staff estimates that such a system would cost approximately \$16,500 to purchase the upgrade as well as train transportation staff in its use. They further estimate that it would take approximately six months to make the system operational.

However, there are other transportation management software vendors available. The district must decide to either upgrade with CCG or purchase new software within in two years when the current vendor services contract expires. We recommend the district conduct an analysis of its options to determine the most cost-effective means of improving its automated management information system.

Recommendations

- *We recommend that the district upgrade its automated school transportation management information system.*

Action Plan 12-9

Find Maintenance Software Packages	
Strategy	The Transportation Department needs to continue in its efforts to find a maintenance software package that incorporates all areas of maintenance, particularly preventative maintenance scheduling.
Action Needed	<p>Step 1: District staff has indicated its software service contract will expire in two years and the software will no longer receive vendor support. Staff has indicated that it will be contacting other vendors to see which systems are in use, and assessing the pros and cons of each system before making a decision.</p> <p>Step 2: The Transportation Department needs to continue its search for an adequate, supported, widely used, software package to modernize its maintenance program. This search needs to take place in conjunction with the district’s MIS Department.</p> <p>Step 3: The software is acquired, tested and implemented.</p> <p>Step 4: The MIS Department monitors and assists in the implementation.</p>
Who Is Responsible	Transportation director; service manager; MIS Department; Finance Department
Time Frame	July 31, 2004
Fiscal Impact	None; district already plans to budget for upgrade.

10

The district ensures that fuel purchases are cost-effective and that school buses and other vehicles are efficiently supplied with fuel.

Smoothly operating fueling system in district

The district operates an automated fueling system with Phoenix software to supply buses and other school vehicles with fuel. There are three fueling locations in the district. A fourth will open with the new

Student Transportation

transportation center. Because of the distance from some of the schools to the two northern transportation facilities, the district established its third fueling facility at the Horizon Middle School. Locating the fueling facilities at regional transportation facilities and rural bus compounds allows the convenient fueling of buses as drivers prepare to secure their buses at the end of their bus routes.

The district places bids out each year for the purchase and delivery of fuel. Reorder points for each of the district fuel tanks are based on the tank size and volume pumped on an average day. The district purchasing office manually prints out a report every day to determine if reorder points have been reached.

The fueling system reports fuel dispensed to the transportation department's computer system via the district's Wide Area Network (WAN). The fueling stations report the date, time, number of gallons dispensed, cost per gallon, and the vehicle getting fuel. These reports are automatically processed with gallons and cost of fuel charged to the receiving bus. The transportation director and the maintenance manager review fuel system reports to ensure fuel is properly being dispensed and to identify any buses with excessive fuel consumption.

Current records of inspections by the Florida Department of Environmental Protection indicate no environmental problems with the district fueling facilities. While the St. Cloud fueling system uses underground tanks, transportation department staff reports its intent to convert to exclusive use of above ground tanks in the future.

Recommendations

- *None as the district meets this best practice.*

11 The district maintains facilities that are conveniently situated to provide sufficient and secure support for vehicle maintenance and other student transportation functions.

Regional transportation facilities are appropriately located and equipped

Because of previously inadequate facilities, the district recently constructed and began using a new 22 bay centrally located operations and maintenance facility. All of the bays are drive-through, spacious, covered, and well lit, with lubricants and high-pressure air readily available from overhead supply lines. The new facility is state-of-the-art and meets current needs with provision for planned future expansion. Its design reflects considerable analysis and forethought.

The drive-through nature of the new facility eliminates a significant maneuvering hazard present in the old Kissimmee maintenance facility. The three bus lifts in the new facility incorporate drive on technology with safety devices to prevent inadvertent lowering and roll off. The lifts also incorporate integrated lighting for work underneath buses. Floor layouts appear to be appropriate having safety apparatus such as fire extinguishers, eye-washes, and emergency showers.

The district has established procedures to deal with hazardous wastes generated by bus maintenance operations at the regional facilities. Antifreeze and used oil filters are collected and placed in drums marked for the receiving of hazardous waste. Waste oil is collected and placed in a marked tank. The district uses vendors for safe disposal of hazardous waste.

In setting up its new center, the district not only designed a controlled access parts room, it also used the services of a national firm to layout the new parts room for maximum efficiency. The new facility was designed with ample room for storage.

Secure bus parking is adequate

The majority (88%) of the district’s buses are parked at district transportation facilities in Kissimmee, St. Cloud, and Horizon Middle School with the remainder parked at the bus drivers’ homes. These district facilities are securely fenced and lighted.

Recommendations

- None.

12 The district maintains an effective staffing level in the vehicle maintenance area and provides support for vehicle maintenance staff to develop its skills.

Vehicle Maintenance Staffing Is Favorable Compared to Other Districts

The Transportation Department’s fleet maintenance staffing ratio is comparable to its peer districts. As seen below in Exhibit 12-11, school year 2000-01 data from the Florida Department of Education’s “Q-Links” publication shows that fleet maintenance staff serviced an average of 13.2 buses per maintenance worker. This is favorable compared to the buses per maintenance employee ratio in four peer counties (Alachua, Lee, Leon, and Manatee) and comparable to Collier.

Exhibit 12-11

Maintenance Staffing in School Year 2000-01 Is Favorable Compared With Peer Districts

School District	Total Buses in Daily Service	Mechanic Positions	Other Fleet Maintenance positions	Buses Per Maintenance Employee
Osceola	198	12	3	13.2
Alachua	180	14	6	9.0
Collier	233	13	3	14.5
Lee	527	37	6	12.3
Leon	166	16	11	6.1
Manatee	163	10	6	10.2
Peer Average	253.8	18	6.4	10.4

Source: Draft Q-Links: Florida District Transportation Profiles, July 2002 for School Year 2000-2001, Florida Department of Education and OPPAGA.

The Osceola County School Transportation Department currently employs a maintenance manager, two lead mechanics, eight mechanics, four technicians, a parts manager, a driver who also works in the parts department between morning and afternoon runs, and a secretary.

Vehicle maintenance staff are encouraged to improve job skills

The transportation department encourages mechanics to improve their job skills through training opportunities and financial incentives. Regular in-service training is conducted and the district participates in the annual Florida Department of Education bus rodeo as an incentive for mechanics to demonstrate their skills. In addition, the district provides a \$300 annual supplement for ASE- certified master mechanics.

The district has also attempted to improve the language skills of some maintenance staff as an important part of job skill enhancement. While some employees use Spanish as their primary language, there are also variations of Spanish represented among the staff with differences in technical terminology. Since maintenance manuals are written in English, the maintenance manager conducts in-service training covering standardized technical terms to enhance communication.

Recommendations

- *None*

13 The district maintains an inventory of parts, supplies, and equipment needed to support student transportation functions that balance the concerns of immediate need and inventory costs.

Parts inventories are adequate in size and appropriately obtained

District transportation parts room is a controlled access space in the new operations and maintenance center. During the process of moving to the new center, the district identified a number of obsolete parts and is taking steps to dispose of them. The district identified Navistar as a vendor who would accept identifiable obsolete parts at market rates thus maximizing its return on disposal.

The parts inventory is small and sufficient to meet district needs. This can be attributed to standardization of bus engines in the district and use of a just-in-time inventory system. Use of the DT family of wet sleeve diesel engines in the majority of the school buses owned by the district allows the district to maintain a smaller parts inventory than if it used a large variety of engines. The district also has parts contracts with bus distributors allowing the district to order parts with delivery within 48 hours. Use of this just-in-time type of inventory allows the district to minimize its parts inventory while the distributor bears the majority of the cost of inventorying parts.

The district obtains parts and supplies in an economical manner. District purchasing staff works with transportation staff to obtain necessary parts while minimizing costs. The district purchases parts using state or local municipality contracts when the prices are lower and quality is higher than from other sources. The district uses some local firms to perform services that would otherwise require expensive specialized equipment and training. Periodically the maintenance manager calls area part vendors to compare prices and quality for determining what firm should get the district's business.

Parts coming into district parts rooms are properly inventoried and accounted for. All received parts are checked to ensure that each part is the correct one, is properly priced, and the quality of the part is acceptable. The same procedures are used for services. Parts are inventoried with the inventory being kept on a computerized perpetual inventory program.

Automated warranty tracking system needed

The district has taken steps to become a factory-authorized facility for certain repairs in order to minimize down time. However, use of an upgraded automated transportation management information system would improve the maintenance and use of warranty information. Currently the maintenance manager maintains warranty information. There is nothing to notify the mechanic or lead mechanic that the part being replaced is under warranty.

However, due to the need to upgrade or replace its current transportation management software, an automatic warranty tracking system will be a likely feature of the new system.

Recommendations ---

- *We recommend that the district incorporate warranty tracking in a school transportation management information system for the school transportation program.*

See Action Plan 12-9.

Managerial Oversight

14 The district does not provide appropriate technological and computer support for student transportation functions and operations.

Student transportation automation systems need improvement

The student transportation program needs additional computer support. Currently the district uses an older stand-alone software system to maintain its transportation database. Transportation Department management rely on the current management information system in their decision making process. However, their system software will soon lose vendor support and need replacing. Other desirable functions such as tracking driver turnover rates and automatic inspection scheduling were not evident in the district's current system.

There was also no evidence of a formal procedure established to assess the reliability of program performance and cost data reliability. The system needs to be upgraded to improve management oversight. Automatic tracking of required preventative maintenance, training records, warranty parts, parts inventory and commodities reorder points could be better accomplished through such an upgrade.

Recommendations ---

- *We recommend that the district improve its automated school transportation management information systems to enhance necessary information for district transportation staff.*

See Action Plan 12-9.

15 **The district has established an accountability system for student transportation, and it regularly tracks its performance in comparison with some benchmarks; however, it should include additional benchmarks and improve its public communication of transportation department accomplishments.**

The Transportation Department benchmarks its performance and reports the results

The Transportation Department's primary goal is the safe transportation of pupils to and from school. Not stated in the Transportation Department's goal but clearly expressed by transportation staff is its desire to attain the most efficient transportation system possible. To measure department efficiency, the transportation director relies on state Average Bus Occupancy rates (ABO's) to benchmark performance and conducts comparisons with peer level districts. Besides comparing the district to peers, the director also uses United Parcel Service as a model in assessing the department's maintenance operations. District staff also compares allocated funds received and transportation costs as a percentage of total budget with other districts

However, there are other benchmarks the district could also use to measure performance such as ride times, cost per mile, total transportation expenditure per student, on-time pickup and delivery measured as incidents per month, customer service evaluations, parental complaints, and percentage of funding by source. Inclusion of these additional benchmarks will give a broader picture of district transportation performance.

Both the transportation director and maintenance manager review reports generated by the department's computer system to track performance and budget status. In addition, the department solicits feedback from student transportation users. We interviewed school principals who confirmed an effective feedback loop between school and transportation administrators exists and expressed satisfaction in the services they received.

Ultimately the Transportation Department reports its performance to the school board during the course of periodic workshops. The school board focuses on school start and stop times and cost per student transported.

We conducted a survey of teachers regarding on-time pickup and delivery of students and responsiveness of the transportation department's to school needs. Sixty-four percent of the respondents either agreed that pickup and delivery was on time or responded with a neutral answer. Seventy percent agreed or were neutral that the department was responsive. We also conducted a focus group with five school principals who all stated the department was responsive to their needs.

Recommendations

- *We recommend that the district expand its list of performance tracking benchmarks and furnish this information to the school board. Action Plan 12-10*

Action Plan 12-10

Develop Performance Indicators, Benchmarks, and a “Report Card” Style Annual Report for the School Board

Strategy	Develop a list of performance indicators that would be useful to the school board and general public to provide accountability for student transportation performance. Each performance indicator should be associated with a performance target to evaluate performance, and a “report card” style annual report should be made to the school board.
Action Needed	<p>Step 1: Review benchmarks that are appropriate, feasible, and useful for both student transportation operations and vehicle maintenance. Selected benchmarks should support the district strategic plan. Staff should consider the list of performance measures for student transportation operations shown below.</p> <ul style="list-style-type: none"> • Cost per mile for school bus operations • Failure to comply with pickup or delivery schedules within prescribed time ranges (late arrivals), measured as incidents per month • Customer service evaluation rating as good, as measured by routine customer service surveys of principals and parents • Number and percentage of students who have scheduled bus ride times that exceed the district’s standards • Number of all accidents, measured as incidents per 100,000 miles • Parent complaints, measured by number of phone calls and categorized by type of complaint (on-time, discipline, safety concerns, vehicle maintenance, driver performance, etc.) <p>Step 2: For vehicle maintenance staff should consider the performance measures shown below.</p> <ul style="list-style-type: none"> • Downtime of buses, measured as days out of service • Number of breakdowns per 100,000 miles • Maintenance cost for each vehicle, measured against average for all comparable vehicles • Turnaround time for scheduled and corrective maintenance by type of vehicle • Vehicle maintenance hours as a percentage of total hours charged • Vehicle to mechanics ratio • Average maintenance cost per mile by type of school bus • Safety inspections, measured as a percentage of all repair work time. <p>Other performance indicators may be selected based on local interest and data availability.</p> <p>Step 3: For all performance measures that are selected, devise a reporting mechanism and frequency appropriate for that particular measure.</p> <p>Step 4: Collect information on actual performance and report on it at selected intervals.</p> <p>Step 5: Establish performance standards for future school years.</p>
Who Is Responsible	Transportation director and maintenance manager, in consultation with assistant superintendent for Business and Fiscal Services.
Time Frame	<p>July 1, 2003: Identify which benchmarks are appropriate and feasible, and establish the mechanism for measuring them.</p> <p>January 1, 2004: Begin collecting performance information for the 2002-03 school year for each of the established benchmarks.</p> <p>July 1, 2004: Present school board with first annual report on student transportation performance.</p>
Fiscal Impact	This can be accomplished with existing resources.

16 The district coordinates long-term planning and budgeting for student transportation within the context of district and community planning.

The district has a generally effective long-term transportation planning process

Transportation staff members are regular participants in the local community's and the district's long-term planning process. They serve on the district's strategic planning team, coordinate with the county engineer on infrastructure around new school sites, and participate in the Community Traffic Safety Team (CTST), a community organization made up members from local government. The CTST includes growth management and law enforcement officials as well as school district members who meet to consider Osceola County growth, traffic, and safety issues.

The district's budget process also supports planning for its current and future needs. Evidence of this process is found in the newly constructed operations and maintenance center. The new facility reflects long-term planning for the expected growth of the Osceola County School District transportation needs.

As part of the budget process, the transportation director prepares an annual update to the district's five-year plan taking into consideration such issues as future growth, optimal routes, and bus acquisition decisions. Projected bus purchases in the five-year plan are updated at this time. Further, he reports the ability to consult on school board consideration of district educational program decisions. For example, school zone redistricting deliberations included the Transportation Department's business decision recommendations.

We noted one lapse in long-term planning in an otherwise commendable program. The district purchased used 10-year old buses in 2000. This action did resolve an immediate need to provide additional buses for rapid growth. However, the district must now deal with a rapidly aging fleet. We believe the district should consider an increased capital investment strategy to resolve its fleet aging problem. To that end, future bus acquisition decisions should carefully consider the long-term effects of those decisions.

Recommendations

- *We recommend that the district consider an increased capital investment strategy to address its aging bus fleet problem including careful consideration of the long-term effects of that strategy. (see Action Plan 12-8).*

17 The district monitors the fiscal condition of student transportation functions by regularly analyzing expenditures and reviewing them against the budget.

The district performs adequate fiscal monitoring

The student transportation department in Osceola County monitors its expenditures in an adequate manner. The transportation director and maintenance manager review their expenditures at least twice a month. These expenditures include items such as bus repair parts and fuel but do not include salaries. The maintenance manager reviews all completed work orders to ensure that costs are properly allocated and to identify cost trends.

District transportation expenditures are organized in varying categories that break up expenditures in appropriate groups. Information received from district staff indicates that student transportation staff follows district procedures when amending their budgets.

Recommendations

- *None*

18 **The district provides regular, accurate, and timely counts to the Florida Department of Education of the number of students transported as part of the Florida Education Finance Program.**

Students counts performed

The school district surveys the number of students riding its buses through sample counts conducted during October and February of each school year. The district sends these counts to the Florida Department of Education for use in determining the state funds the district will receive for student transportation. The district's management information system staff notifies schools and student transportation of survey dates and provides the survey forms. Bus drivers receive training on how to correctly fill out the survey forms during initial bus driver training and during in-service training. Both route coordinators and school-based staff (usually the school principal) review information on the completed survey forms for accuracy. Transportation management also reviews student count information.

Recommendations

- *None*

19 **The district has reviewed the prospect for privatizing student transportation functions, as a whole or in part.**

The school board considered privatizing all student transportation functions

The school board conducted a study in 1999-2000 considering privatizing all student transportation functions. They decided that the district transportation department provided the most cost-effective alternative and chose to retain the service as a district function.

Selected maintenance repairs are privatized

The district currently contracts out such procedures as rebuilding transmissions, alternators, and air conditioning repairs. The decision to contract out these services resulted from the maintenance manager's determination that it was cheaper to outsource these services than it was to perform them in-house. Vendors are selected based on the maintenance manager's experience with the quality of services

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provided by the local vendors and price comparisons. The maintenance manager checks the quality of the services received with the contractors giving warranties for their services.

The district's effort to conduct a transportation privatization study is commendable. Further systematic study at periodic intervals for transportation as a whole as well as specific maintenance procedures will ensure efficient operations.

Recommendations ---

- *We recommend that the school transportation program review all school transportation functions on a biennium basis to determine if the district could save money and/or improve service quality by privatizing selected transportation functions.*

20 **The district periodically reviews the organizational structure and staffing levels of the student transportation program to minimize administrative layers and processes.**

Relatively “flat” transportation organizational structure

As seen in Exhibit 12-3, the student transportation organizational structure in Osceola County School District is relatively “flat”. Such a structure emphasizes personal responsibility and accountability of individuals in the program as management is reduced to a minimal level. For example, there are two management levels between bus drivers and the transportation program manager, the supervisor of operations and the area managers. Transportation management has formally compared its organization to that of peer counties and Osceola's transportation organization does appear to be efficient. According to the transportation program manager, the district is in the process of reviewing the organization of its area managers for greater efficiency.

Exhibit 12-13 shows that Osceola's student transportation program staffing is comparable to that of its peer districts. However, information in the Florida Department of Education's *Quality Links* does not distinguish between full-time employees and part-time employees. For example, the *Quality Links* covering school year 2000-01 has a category within personnel data area of “additional fleet maintenance positions”. Some of the positions in this category in other districts may be part-time employees in the fleet maintenance area (bus drivers working in the bus shops or fueling areas between their morning and afternoon bus runs). It is also possible for a district to require bus drivers, as is the case in Osceola County, to fuel their own buses with the time to fuel the buses being charged to fleet operations (bus routes) rather than fleet maintenance. Comparisons among peer districts should recognize these differences in data collection.

Recommendations ---

- *None*

13

Food Service Operations

The Osceola County food service program is well managed, operates independently, and is financially sound. Once automated management software is fully implemented, program administrators will better be able to monitor and project program performance.

Conclusion

The food service program is meeting 9 of 17 best practices. Though accountable to the district for program performance, the program lacks formal performance and fiscal expectations and benchmarks necessary to guide and monitor program performance. The program is, however, financially viable with internal fiscal controls that ensure purchasing and inventory efficiency. District-wide menus are designed to maximize USDA commodities and meet student nutritional needs and program services are provided in a safe and clean environment.

Exhibit 13-1

The District Has Had Some Notable Accomplishments in Food Service Operations

- The Florida Department of Education presented the Osceola County Food Service Program and the assistant food service director with exemplary performance awards for the 2001 summer feeding program.
 - The district has increased meal participation rates by 162% at one high school using an innovative food court cafeteria design that focuses on serving all reimbursable meals.
-

Overview of Chapter Findings

The food service program is meeting 9 of 17 best practices. Some of the more notable met practices include; ongoing efforts to identify and correct meal participation barriers; assessment of alternative services and delivery methods; clearly defined financial controls; a perpetual inventory for all food items; menus that meet student nutritional needs; and a safe clean operating environment. Of the seven best practices not met, five are related to developing and assessing program performance and fiscal goals and objectives. The remaining two unmet best practices address the lack of a training requirement for food service employees and the lack of a long-term equipment replacement plan.

An overview of chapter findings is presented below.

Accountability Mechanisms

1. The food service program has defined operating policies and procedures and a newly developed mission statement, but does not have formal performance expectations. (Page 13-8)
2. The district regularly reviews the organizational structure and staffing levels of the food service program to enhance the efficiency of program operation. (Page 13-11)
3. The district offers food service training to all food service employees, but only requires that cafeteria managers complete a specified training curriculum. (Page 13-14)

Food Service Operations

4. The district identifies barriers to student participation in the school meals program and implements strategies to eliminate the barriers. (Page 13-16)
5. Though the food service director regularly compares program performance to other districts' performance, cost-efficiency benchmarks based on exemplary school food service programs and applicable industry standards have not been developed. (Page 13-21)
6. Without established benchmarks, the district is unable to regularly evaluate the school food service program based on benchmarks and implement improvements to increase revenue and reduce costs. (Page 13-23)
7. Though, the district regularly assesses the benefits of service and service delivery alternatives and implements changes to improve efficiency and effectiveness, documentation lacks and outsourcing has not been formally explored. (Page 13-24)

Financial Accountability and Viability

8. The program budget is based on revenues and expenditures but not on formal fiscal goals. (Page 13-27)
9. The district's financial control process includes an ongoing review of the program's financial and management practices. However, the district does not have current program cost data necessary to tie costs to performance, plan/develop the program budget, and monitor performance. (Page 13-29)
10. The district accounts for and reports meals served by category. (Page 13-32)
11. The district regularly evaluates purchasing practices to decrease costs and increase efficiency. (Page 13-33)
12. The district has developed an effective inventory control system that is appropriate to the size of the school food service program. (Page 13-34)
13. The district has a system for receiving, storing, and disposing of food, supplies, and equipment. (Page 13-34)
14. The district has a plan for the repair and replacement of equipment that includes preventive maintenance practices but does not have a long-range equipment replacement plan. (Page 13-36)

Preparation and Nutrition

15. The district provides school meals designed to meet the nutritional needs of students. (Page 13-38)
16. The district's food production and transportation system ensures the service of high quality food with minimal waste. (Page 13-39)

Safety and Sanitation

17. The district follows safety and environmental health practices and regulations but does not formally share this information with all employees. (Page 13-40)

Fiscal Impact of Recommendations ---

Three food service action plans have fiscal impacts. (See Exhibit 13-1) Action plans 13-3, page 13-15, and 13-4, page 13-16, require the development and implementation of mandatory food service employee training. Action plan 13-3 specifically requires that mandatory introductory sanitation and safety training be developed and presented to all new food service employees during the new employee orientation process. Each presentation is estimated to cost approximately \$85. If provided weekly for 10 months, the maximum number of new employee orientation presentations, the program would pay a maximum of \$4,250 over the next five years for the training. Action plan 13-4 requires the development and implementation of mandatory general safety and sanitation for all food service employees. This general

training is an expansion on the basic introductory training provided new employees under Action Plan 13-3 and is intended to ensure that all existing employees have necessary food service training beyond a simple basic introduction. This general safety and sanitation training course is expected to cost approximately \$58 per class. If conducted each month for the 10 months of annual operations with a minimum of three students per class, the maximum five-year cost is \$2,911. It should be noted that the estimated number of training course presentations has been calculated at the maximum and, in all likelihood, courses would not be needed this frequently.

Action plan 13-18, page 13-37, requires that the food service program pay for in-house district maintenance services. To date, the program has received these services without charge from the district. Based on the estimated labor and parts costs for the 2002 school year, the food service program is likely to be charged approximately \$260,000 annually. A ‘charge back’ system for completed maintenance work orders will shift the cost of services from the district’s general fund to the food service program. This shift in payment may reduce the need for maintenance funding from the district’s general fund. Furthermore, this payment system is likely to increase efficiencies within both the food service and maintenance departments; for food service staff will be encouraged to use maintenance services judiciously, and maintenance staff will be encouraged to provide fast quality service to ensure that food service administrators do not contract out maintenance services. While this additional charge will obviously decrease the program’s profit margin, net operating income for the past four years, (as shown in Exhibit 13-5, page 13-6), could easily accommodate these additional costs. Furthermore, the program’s reserve fund balance has increased each year for the past five years and ensures that any unanticipated maintenance and/or equipment repairs could be addressed.

If the district implements the recommended training programs and charges the food service program for in-house maintenance services, the program will pay approximately \$1.3 million over the next five years. It is important to note that the five-year training costs of approximately \$7,161 are generally negligible, and monies paid for internal maintenance, while an expense to the food service program, will remain within the district’s accounting funds.

Exhibit 13-2

Three Food Service Operations Action Plan Recommendations Have Fiscal Impacts

Recommendation	Five Year Fiscal Impact
<ul style="list-style-type: none"> Action Plan 13-3: Develop required basic sanitation and safety training for new employees. Maximum cost of \$850 annually; cafeteria manager to teach one hour (\$21.26) per week per month (\$21.26 x 4= \$85.04) for 10 months (\$85.04 x 10= \$850.40) 	<ul style="list-style-type: none"> Maximum cost to food services of \$4,250 over five years.
<ul style="list-style-type: none"> Action Plan 13-4: Develop required general sanitation and safety training for all food service employees. Maximum cost of \$699 annually; cafeteria manager to teach one hour (\$21.26), pay minimum of three employee attendees (\$12.32 x 3= \$36.96), per class cost (\$21.26 + \$36.96= \$58.22), class per month for 10 operational months (\$58.22 x 10= \$582.20). It should be noted that it is unlikely that year-round classes will be required/needed. 	<ul style="list-style-type: none"> Maximum cost to food services of \$2,911 over five years.

Recommendation	Five Year Fiscal Impact
<ul style="list-style-type: none">Action Plan 13-18: The food service program pay the district for in-house maintenance services. Based on projected total parts and labor costs for the 2002 school year, the program can anticipate annual maintenance costs of approximately \$260,000.	<ul style="list-style-type: none">Estimated cost to food services for in-house district maintenance services is \$1,300,000 over five years.

Background

The Osceola County School District's food service program, referred to as the 'Campus Grille', is responsible for feeding approximately 37,000 students during the 2001-02 school year. Daily, the program produces 16,000 lunches, 4,000 breakfasts, and sells the equivalent of 14,500 meals in a la carte items. In addition to providing meals at the district's 29 schools with a fully equipped kitchen, the program provides meal services for seven satellite locations. The district has a test kitchen designed for testing and evaluating new and/or existing products and collected \$48,000 in catering income in the 2000-01 school year. The program employs 295 food service staff, 9 central office staff, and 2 warehouse staff. The food service 2001-02 budget is \$11.2 million.

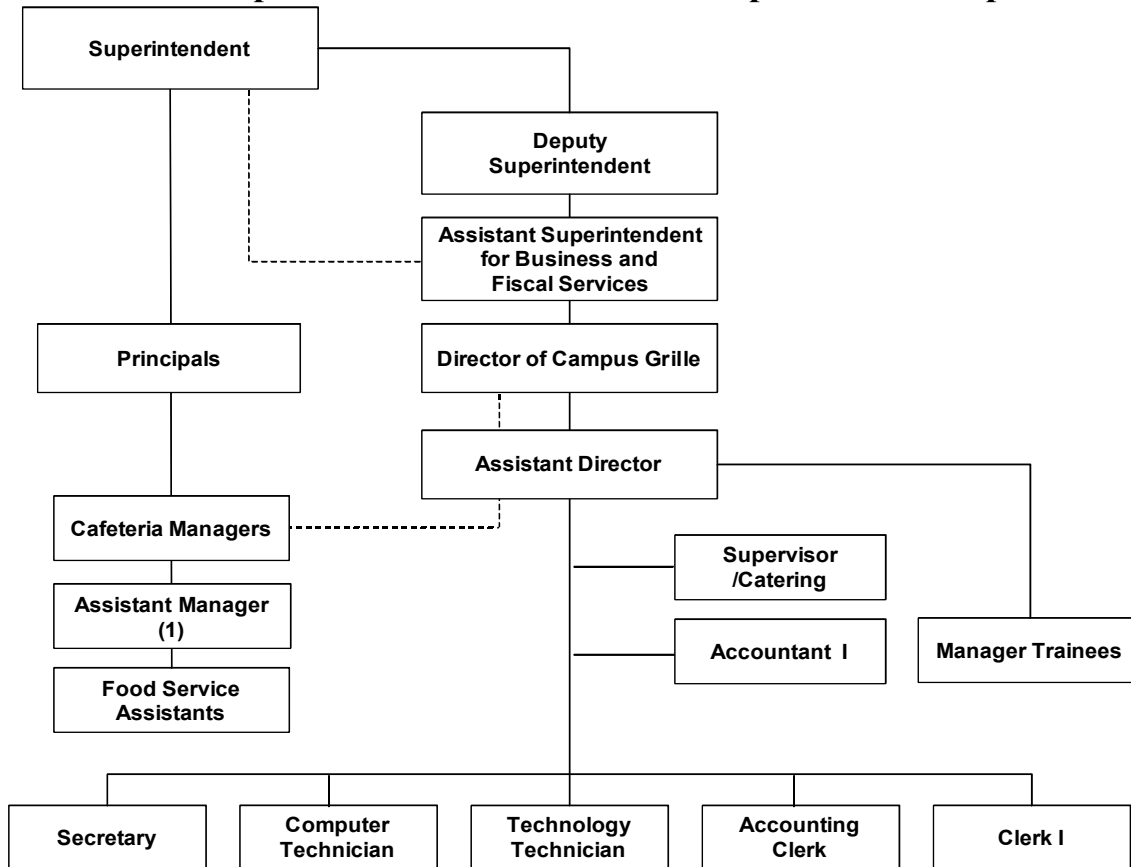
The current food service director has been with the district for 31 years and will retire at the end of the current school year. On May 28, 2002, the board approved the appointment of the former assistant food service director as the new food service director.

Organizational Structure

Under the district's site-based management model, cafeteria managers report directly to the school principal and the food service director and assistant director have limited authority over individual cafeterias and managers. As Exhibit 13-3 illustrates, the balance of authority over the food service program at the school level primarily rests outside of food service management. Principals report directly to the superintendent while the food service director reports to the assistant superintendent for Business and Fiscal Services. The assistant superintendent reports to a deputy superintendent who, in turn, reports to the superintendent.

Exhibit 13-3

Food Service Operations Are Under the Principal's Direct Supervision



Source: Osceola County School District.

Nutrition Programs

The district participates in the National School Lunch Program (NSLP) and National Breakfast Program (NBP), which are regulated by the United States Department of Agriculture (USDA). These school nutrition programs are designed to assist states through grant-in-aid and other means in establishing, maintaining, operating, and expanding non-profit school feeding programs. The NSLP and NBP aim at safeguarding the health and well-being of the nation's children and encourage the domestic consumption of nutritious agricultural commodities and other foods.

In Florida, the Department of Education, Food and Nutrition Management Section and the Department of Agriculture and Consumer Services, Bureau of Food Distribution administers the NSLP and NBP. The district renews its agreements with these state agencies each year to operate the program at the local level. The district's board, superintendent, and the Food Service Department share local responsibility for program administration.

As a participant in these programs, the district receives federal reimbursement income for free, reduced, and paid breakfast and lunch meals served. Exhibit 13-4 shows the reimbursement rates for the 2000-01 school year. While the district receives standard reimbursement of \$0.22 for each full lunch equivalent and \$0.21 for each breakfast equivalent, additional monies are received based on the number of free and reduced meals served and whether schools are designated as having a maximum severe need population (greater than 60% economically needy).

Exhibit 13-4

2001-02 USDA Meal Reimbursement Rates

Meal	Student	Reimbursement	Total
Breakfast	All	\$0.21	\$0.21
	Reduced	0.64 + 0.21	0.85
	Free	0.94 + 0.21	1.15
	Severe Need	0.94 + 0.21 + 0.22	1.37
Lunch	All	\$0.22	\$0.22
	Reduced	1.49 + 0.22	1.71
	Free	1.89 + 0.22	2.11
Afterschool Care Program	Paid	\$.05	\$.05
	Reduced	.28	.28
	Free	.57	.57

Source: DOE, Bureau of School Business Services, Food and Nutrition Management.

During the 2000-01 school year, 16,495 (46%) of the district’s 35,552 students were approved to receive free or reduced meal benefits through the NLSP and NBP. As illustrated in Exhibit 13-5 (the most recent DOE data), Osceola County is higher than the peer average for free/reduced meal eligibility; primarily due to the number of free-eligible students. Higher numbers of free/reduced eligible students emphasizes the need for a meal service system that does not overtly identify these students, so there is no social stigma attached to their economic status. The department has addressed this need by using a Point of Sale (POS) system that requires a unique identification code for each student without identifying the category (free, reduced, paid) of the purchased meal.

Exhibit 13-5

1999-00 Percentage of Students Eligible for Free and Reduced Priced Meals

District	District Membership	Eligible For Free Meals	Eligible For Reduced Meals	Total Eligible	Percentage Eligible
Alachua	28,465	11,207	2,191	13,398	47%
Collier	31,942	12,940	2,606	15,546	49%
Lee	54,906	18,740	6,036	24,776	45%
Leon	30,820	8,700	1,748	10,448	34%
Manatee	34,794	11,806	3,171	14,977	43%
Osceola	31,503	10,760	4,035	14,795	47%
Peer Average	36,185	12,679	3,150	15,829	44%

Source: Florida Department of Education Food and Nutrition Management Section.

In addition to federal meal income reimbursements, the district receives USDA food commodities. The USDA issues a dollar allocation to Florida’s Department of Agriculture and Consumer Services, which in turn allocates to the district its allocation of free surplus food items. The allocation to the districts is based on the number of meals served per year. The district then orders the desired items from the USDA catalog. In 2001-02, Osceola County received \$426,325 in USDA commodities. Commodities are packaged in commercial size packages and are grouped into two categories:

- Group A commodities—meat, fish, poultry, fruits, and vegetables and
- Group B commodities—grains, oil, shortening, cheese, and peanut products.

The food commodities are received at a USDA-approved storage facility located in Winter Haven, where they are either stored or sent out for further processing. The commodities are then delivered from the USDA-approved storage facility to the district's central warehouse.

Receipt of Goods

The district utilizes its limited warehouse space as well as direct deliveries from vendors to get both food and non-food items to each of the cafeterias. USDA commodities and some non-food items are delivered from the district's central warehouse. Purchased food and some non-food items are delivered directly from the vendor to the schools. Vendor bids call for a per item (case) price and there is no separate case delivery charge. Bulk purchases resulting from a special offer are stored and delivered from the district's central warehouse.

Financial Status

As Exhibit 13-6 illustrates, the program's fund balance has continued to grow over the past four years. National school lunch program participation accounts for the majority of revenue (48%), while food costs and salaries represent the majority of expenditures (74%). The reserve fund balance will decrease in the current school year as a result of the purchase and implementation of program management software. Nevertheless, the program will remain financially stable.

Exhibit 13-6

**Profit and Loss Statements of
Osceola County School District Food Service Program**

	Fiscal Year									
	1996-97		1997-98		1998-99		1999-00		2000-01	
	Dollars	Percentage of Revenue	Dollars	Percentage of Revenue	Dollars	Percentage of Revenue	Dollars	Percentage of Revenue	Dollars	Percentage of Revenue
Revenue										
National School Lunch	\$3,557,794	51.3%	\$3,665,235	50.0%	\$3,986,461	49.0%	\$4,169,754	47.7%	\$4,722,508	47.8%
USDA - Donated Food	271,591	3.9%	217,905	3.0%	216,021	2.7%	347,748	4.0%	406,713	4.1%
State Supplement	158,166	2.3%	169,011	2.3%	161,671	2.0%	155,544	1.8%	161,923	1.6%
Meal Sales	1,234,999	17.8%	1,320,590	18.0%	1,121,425	13.8%	1,356,096	15.5%	1,563,592	15.8%
A La Carte Sales	1,301,868	18.8%	1,789,572	24.4%	2,351,263	28.9%	2,215,071	25.3%	2,477,758	25.1%
Other Food Sales	347,611	5.0%	115,671	1.6%	173,688	2.1%	304,281	3.5%	244,479	2.5%
Other Revenue	9,490	0.1%	13,551	0.2%	0	0.0%	5,092	0.1%	16,161	0.2%
Summer Feeding	0	0%	0	0.0%	69,023	0.8%	138,469	1.6%	206,979	2.1%
Interest	37,045	1%	32,526	0.4%	49,766	0.6%	49,981	0.6%	73,906	0.7%
District Transfer	13,489	0%	0	0.0%	\$1,564	0.0%	0	0.0%	0	0.0%
Total Revenue	\$6,932,053	100.0%	\$7,324,061	100.0%	\$8,130,882	100.0%	\$8,742,036	100.0%	\$9,874,019	100.0%
Expenditures										
Food	\$2,674,137	38.7%	\$2,845,300	40.7%	\$3,250,973	41.5%	\$3,630,790	43.3%	4,026,626	42.2%
Supplies	273,602	4.0%	289,763	4.1%	288,486	3.7%	290,686	3.5%	313,029	3.3%
USDA Food Used	261,482	3.8%	196,211	2.8%	236,523	3.0%	318,876	3.8%	393,747	4.1%
Salaries	2,255,355	32.7%	2,384,066	34.1%	2,441,828	31.2%	2,706,699	32.3%	3,011,491	31.6%

Food Service Operations

	Fiscal Year									
	1996-97		1997-98		1998-99		1999-00		2000-01	
	Dollars	Percentage of Revenue	Dollars	Percentage of Revenue	Dollars	Percentage of Revenue	Dollars	Percentage of Revenue	Dollars	Percentage of Revenue
Benefits	1,045,858	15.2%	1,033,760	14.8%	1,033,999	13.2%	967,443	11.5%	1,084,683	11.4%
Purchased Services	104,126	1.5%	103,891	1.5%	172,500	2.2%	286,515	3.4%	247,359	2.6%
Energy Services	46,332	0.7%	38,730	0.6%	32,750	0.4%	43,853	0.5%	61,334	0.6%
Capital Outlay	193,852	2.8%	48,764	0.7%	300,808	3.8%	64,601	0.8%	249,176	2.6%
Other Expenses	48,046	0.7%	53,510	0.8%	71,440	0.9%	70,721	0.8%	149,898	1.6%
District Transfer	0	0.0%	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Total Expenditures	\$6,902,790	100.0%	\$6,993,995	100.0%	\$7,829,307	100.0%	\$8,380,184	100.0%	\$9,537,343	100.0%
Net Operating Income	\$29,263		\$330,066		\$301,575		\$361,852		336,676	
FUND BALANCE	\$1,323,461		\$1,653,527		\$1,955,102		\$2,316,954		\$2,653,630	

Source: Osceola County School District, February 2002.

Methodology

To develop findings regarding the Osceola County School District’s food service program, OPPAGA staff extensively reviewed program documentation, visited four cafeterias, and a satellite feeding location. Cafeteria managers were interviewed as well as a variety of central office staff, including the food service director and assistant director, the catering director, a food service accountant, the food service computer technician, the warehouse and purchasing supervisor, the director of risk management, the director of the district’s OASIS volunteer program, the maintenance supervisor, and the assistant superintendent for School Operations. Principal focus groups were held and related food service information was incorporated as appropriate.

Accountability Mechanisms

1 The food service program has defined operating policies/procedures and a newly developed mission statement but no formal performance expectations.

Food service policies and procedures are up-to-date and available to all employees

Every new employee receives the Campus Grille Personnel Handbook and it is re-issued to all employees when substantial revisions are made. The food service director and assistant director review the handbook annually for needed updates. The assistant food service director maintains a handbook update file throughout the school year for easy access to information for inclusion in the next revision. Program administrators distribute any minor policy/procedure updates to cafeteria managers at the monthly managers meeting. The personnel handbook addresses the areas below:

- Staff notices (in-service training, transfer policy, Americans with Disabilities Act, district mission statement, smoke-free workplace)
- Health requirements
- Personal cleanliness and neatness
- Sanitation
- Top tips in serving
- Payroll information
- Termination of employment
- Extended and personal leave
- Special functions
- Code of ethics
- Employee selection and employment
- Uniform guidelines
- Work habits and general conduct
- Safety
- Duty days and hours of work
- Employee benefits
- Reporting of arrests
- Retirement
- Equity and sexual harassment
- Job descriptions

The program has a newly developed mission statement

The food service program did not have a mission statement at the beginning of our review. During the course of the review, the food service director assembled a team of cafeteria managers who volunteered to develop several potential mission statements. Food service managers, food service employees, and district administrators reviewed the draft mission statements and submitted their choice(s). As a result of this process, the food service program's new mission statement is 'Enhancing Education Through Nutrition'. The new mission statement was approved by the superintendent, provided to the board as an informational item, and used in promotional materials at a recent kindergarten fair.

The program lacks goals and measurable objectives

Though the food service director identifies program goals as part of her annual performance plan, these personal goals do not suffice as comprehensive program goals and objectives. The director's immediate supervisor, the assistant superintendent for Business and Fiscal Services, approves these goals and uses them to assess the director's annual performance. While the food service director intends to improve the food service program using these annual goals, as currently identified and used, they reflect the director's performance and not the program's.

Program administrators have identified the following three long-range food service program goals with related strategies and measures.

1. Meet the nutritional needs of students by making nutritious meals available.
 - Strategy 1 – Work with other departments to provide facilities where students can receive nutritious meals.
 - measured by the presence of cafeterias in new schools
 - Strategy 2 – Nutritious items will be made available on a daily basis.
 - measured by offerings on monthly menus
2. Add programs where needed to meet the nutritional needs of students.
 - Strategy 1 – Respond to the requests of departments and community for various feeding programs.
 - measured by new and expanded program offerings available
3. Operate the department in a cost-effective manner.
 - Strategy 1 – Adopt a balanced budget each year and operate within its framework.

- measured by budget and end-of-year financial statement
- Strategy 2 – Improve the financial status of the program.
 - measured by the yearly fund balance

These goals, however, need to be better defined. As stated, they are more appropriately viewed as part of the department’s mission. Program goals should be long-term, relate to the program’s mission statement, priorities, and expectations, and clearly identify toward what end the department is working. These stated goals should be restructured to reflect actual department goals. For example, rather than broadly stating that the department will add programs where needed, a defined program goal might read, ‘add programs to the five high schools where nutritional goals are not being met no later than the beginning of the 2003-04 school year.’

Once the program goals are better defined, the related strategies can be revised to clearly identify what steps will be taken to achieve the goals. The current strategies are generally vague and not time-specific. Program strategies should be either short-term or mid-term, support the program’s goals, and stated in terms of the quality and cost of service provided.

The measures for each of the identified strategies do not provide needed information regarding program performance and quality. Measures represent what data will be collected to indicate progress toward the program goals and objectives and should show a clear relationship to intended outcomes. The measures should be used to evaluate performance and cost-efficiency and link program performance to program costs for use in the budgeting process.

Though the current food service program goals, strategies, and measures are fragmented, the program does have foundational information that should be helpful in developing program-wide performance goals and objectives.

Recommendations

- *We recommend that the district develop food service program performance expectations with related strategies and measures.*

Action Plan 13-1

Develop program goals, objectives, and measures	
Strategy	Develop food service program performance goals with clearly defined objectives/strategies and measures.
Action Needed	Step 1: The assistant superintendent for Business and Fiscal Services direct the food service director to develop program goals, objectives, and measures Step 2: The food service director, in conjunction with central office food service administrators, develops program goals, objectives, and measures patterned after and/or complimentary to the superintendent’s district-wide goals. Step 3: Solicit input from cafeteria managers on the draft program goals, objectives, and measures. Step 4: Submit the final program goals, objectives, and measures to the assistant superintendent for Business and Fiscal Services, who will submit them to the deputy superintendent, who will submit them to the superintendent, who will submit them to the board for approval.

Who Is Responsible	Assistant superintendent for Business and Fiscal Services direct the food service director to develop the goals, objectives, and measures. The food service director and/or designee develop the goals, objectives, and measures.
Time Frame	January 2003
Fiscal Impact	This can be implemented with existing resources.

2 The district regularly reviews the organizational structure and staffing levels of the food service program to enhance the efficiency of program operation.

A qualified director runs the food service program

The district has a qualified staff member responsible for the management of the school food service program. The food service director is certified by DOE in School Food Service, is a graduate of the Florida State University School of Home Economics, and has 31 years experience in school food service. The food service director, however, is retiring at the end of the current school year.

On May 28, 2002, the school board approved the appointment of the former assistant food service director to the director position. The new program director has served as the assistant food service director in Osceola County for 16 years, is a registered dietician, and chairs the district’s menu planning committee. In addition, the new director has a master’s Degree in Administration and Supervision, is DOE certified in School Food Service, and is active in The American Dietetic Association, The American School Food Service Association, and the Florida School Food Service Association.

Some board policies outlining the roles of principals and the food service director are ill-defined

Under the site-based management model, principals have direct authority over school food service operations and the food service director has only indirect authority. Board policies outlining the roles of principals and the food service director in some cases conflict and in others are simply ill-defined; resulting in the food service director not having the authority necessary to ensure that the program operates as efficiently and effectively as possible.

Exhibit 13-7 identifies several problems with the board rules outlining the roles and responsibilities related to the food service program.

Exhibit 13-7

Food Service Related Board Rules Are Ill-Defined

Board Rule	Related Issue/Conflict
Section 8.2 includes in the food service director’s duties and responsibilities: organization, promotion, program development, and personnel direction.	The food service director does not have sufficient program authority to fulfill these obligations.
Section 8.3 requires that the school principal cooperate with the food service director in ‘administering and operating an adequate School Food Service Program’.	It is unclear what is meant by an ‘adequate’ program and how this is defined and determined.
Section 8.3 states that the principal is responsible for the assessment of the school food service manager.	Since principals are typically unfamiliar with the technical aspects of food preparation and the program’s financial management, principal assessments alone may not accurately reflect actual cafeteria manager performance.

Board Rule	Related Issue/Conflict
Section 8.4 states that the food service manager is under the administrative supervision of the principal with the technical support of the food service director.	This directive conflicts with the food service director’s specified duties in Section 8.2; specifically, the director’s responsibility to organize and promote the program; food supply, preparation and service; use of plant space, facilities and equipment; and, educational opportunities. Without sufficient authority over cafeteria managers, the food service director is unable to meet these specified obligations.
Section 8.5 states that program service personnel are directly responsible to the manager.	It is not clear to whom employees would go if they had a problem with the food service manager.
Section 8.6.1 outlines the application process and appointment of food service staff. Board policy requires the food service director to present a list of qualified applicants for the principal’s consideration and the principal is required, in conjunction with the director, to submit the hiring choice to the superintendent.	According to the food service director, this required consultation does not happen in all cases and it is left to the principal’s discretion to include the director in his/her hiring decision. This situation can, and has, resulted in the hiring of under-qualified cafeteria managers.

Source: Osceola County School District.

This structure results in a longer process for the provision of food service program information to the superintendent and does not provide a mechanism for the resolution of disagreements between food service administrators and individual principals. If the district creates the position of deputy superintendent for instruction, as recommended in action plan 3-6, page 3-19, it will be the responsibility of the respective deputy superintendents to address any disputes between food service administrators and principals. The current organizational structure does not give the food service director the authority necessary to ensure that quality staff are hired and retained, that program promotional campaigns are fully implemented, and that technical and financial food service issues are appropriately evaluated and monitored.

The district should require both principals and the food service director to have input into the hiring, dismissal, and evaluation of food service managers. This required shared oversight should be reflected on the organizational chart. While board rules require that principals hire cafeteria managers in conjunction with the food service director, in practice, this does not always occur. The board rules do not require input from the food service director in the evaluation of cafeteria managers and do not address at all the dismissal of cafeteria managers. Cafeteria employees should report to the cafeteria manager and the district should make clear in policy whether the next level of authority is the principal or the food service director.

The food service director regularly reviews staffing levels and organizational structure

The district built upon the DOE staffing formula to determine the number of staff needed in each cafeteria and the food service director reviews staffing levels each year during budget preparation. The food service program has been shorthanded for several years and excess hours and/or staffing has never been an issue of concern.

Each new school year, the food service director uses enrollment and participation figures to allocate ‘allowable’ labor hours to each school. The director reports that she is intentionally conservative at the beginning of the year when establishing labor hours, as it is easier to add needed hours than to adjust to reduced hours. Cafeteria managers track their labor hours on a spreadsheet and are usually the first to recognize the need for additional hours. When the number of meals served warrants the addition of labor hours, central office administrators will approve an increase.

Food service employees can provide program feedback in several ways

Monthly managers’ meetings are the only formal food service staff meetings. However, cafeteria managers are expected to meet with line staff prior to these monthly meetings to identify issues for discussion/resolution. The food service director stated that employees may identify issues of concern at the annual in-service training and/or they directly contact either her or the assistant food service director to discuss any concerns. In addition to these meetings and open-door opportunities, all support employees can submit questions/complaints to the Support Personnel Advisory Council. This council provides a voice for all district support staff and two food service employees sit on the council.

The local Osceola County School Food Service Association provides yet another avenue for employee feedback and input about the school food service program. All employees are encouraged to join this local chapter of the Florida School Food Service Association and, though not a voting member, the food service director attempts to attend all meetings to act as an advisor and/or address any questions or concerns. As of May 2002, 259 of the district’s 295 school food service employees were members of the local school food service association.

Recommendations

- *We recommend the district review the management structure of the food service program and develop a shared system of responsibility and authority at the school level.*

Action Plan 13-2

Develop a shared food service management structure	
Strategy	Develop a shared management structure whereby school principals and the food service director each have the input and authority necessary to maximize program performance.
Action Needed	<p>Step 1: Using the information in Exhibit 13-7, evaluate board rules for possible conflicts or weaknesses in establishing shared program supervision between principals and the food service director. Clarify and re-define rules as necessary.</p> <p>Step 2: Under the shared management structure, principals and the food service director should both be required to have input into the hiring, dismissal, and evaluation of cafeteria managers.</p> <p>Step 3: Ensure that principals adhere to existing board rules requiring food service director input into the hiring of cafeteria managers.</p> <p>Step 4: Ensure that the food service director has sufficient authority over cafeteria managers to require participation in program enhancement activities, e.g., curriculum participation and program promotion.</p> <p>Step 5: Make necessary changes to the organizational chart.</p>
Who is Responsible	Superintendent to direct that the effort be completed or to head up the effort.
Time Frame	April 2003; to coincide with the next scheduled review/update of board rules
Fiscal Impact	This can be implemented with existing resources.

3 The district has a comprehensive food service training program but there are no minimum completion requirements for food service employees.

Food service training is available to all employees, but only cafeteria managers are required to complete a specified curriculum

While the district makes training available to all food service employees, the only required staff training is a one-day annual in-service training. Employees who wish to become cafeteria managers must complete a specified curriculum to be considered for a manager position. The Professional Development Department offers a variety of training for all district employees and conducts an annual survey of staff training needs. The Professional Development Department shares food service staff survey results with program administrators. While some training courses are specifically tailored to food services, many are not, and are instead aimed at general self-improvement such as alcohol and drug abuse education and advanced web page design and creation.

The district offers a voluntary comprehensive food service training program, entitled 'Foundations', specifically designed for new employees. The course addresses the topics below.

- History of school food service
- Portion control
- Proper lifting
- Meal patterns and menu planning
- Sanitation and safety
- Effective communications/listening
- Public Relations
- Budget
- Teamwork
- Weights and measures
- Bids - equipment and food
- Catering
- Children with special needs

While program administrators encourage staff to complete the 'Foundations' training, there is no requirement that they complete this comprehensive basic training. As a result, food service employees may be working without the basic training needed to ensure safe, effective, and efficient operations.

The district uses pay incentives to encourage training participation

The district has incentive plans to encourage employees to complete training. For example, employees that obtain certification from the American School Food Service Association (ASFSA) receive an additional 20 cents per hour. Currently, 88 food service employees are ASFSA certified. In addition, employees receive one point for each completed hour of training. The Professional Development Department determines which training courses qualify for point accumulation for incentive training monies. Approved courses must be job-related to qualify for training points. Once an employee accumulates 90 points, he/she receives \$125 in incentive pay for up to a maximum of 720 points and \$1,000 per year. Employee training points are accumulated/maintained over a 10-year period and are tracked by the Professional Development Department. The district pays an employee incentive monies only when they receive 90 total training points. Osceola County was the first district in the state to offer an employee training pay incentive and the program has been in operation for at least 20 years. The district paid employees \$44,250 in incentive monies in Fiscal Year 2002.

Though food service administrators encourage staff to participate in training, without a requirement for the completion of basic training, some employees may lack information necessary to perform their jobs correctly and safely. The food service director stated that new employee orientation includes basic information such as the 'right to know' about hazardous materials and conditions. However, a meeting

with the director of Risk Management revealed that new employee orientation consists of employees completing required personnel paperwork and being told of the requirement to sign-up and attend the ‘right to know’ training. The district has no formal mechanism to track whether employees actually complete the federally mandated ‘right to know’ training.

All food service employees need basic safety and sanitation training

To ensure that each food service employee receives at least a basic and minimal level of training, food service administrators should develop a basic introductory sanitation and safety presentation to be required and provided during the new employee orientation. In addition, the district should make completion of a comprehensive food service training course within three months of hire a requirement of new employees. Currently, the district’s comprehensive food service training program is the ‘Foundations’ course. This course, however, is approximately 30 hours in length. We suggest that program administrators use information from the current ‘Foundations’ course to develop preliminary training that introduces new employees to the most critical food service topics. The food service director reported that this preliminary training course could be held, at a minimum, monthly and that the course presentation could alternate between English and Spanish. This would provide new employees at least three separate opportunities to complete the required training and would offer the option of an English or Spanish presentation. The new policy should contain a provision allowing the food service director to extend the completion time requirement on a case-by-case basis to ensure that special circumstances can be addressed and that the class is provided efficiently and cost-effectively. All current employees that have not completed the comprehensive ‘Foundations’ training course should be required to, at a minimum, complete the abbreviated version. The district should encourage all employees to complete the current full ‘Foundations’ curriculum or whatever future comprehensive food service training program the district may adopt. The director believes that mandatory completion of the introductory training may translate into program savings as a result of reduced workplace accidents and absenteeism. In the past two years, food service employees missed 38 days as a result of workplace accidents and injured employees were restricted to light duty for 373 days.

Recommendations

- *We recommend that the district develop a mandatory basic introduction to sanitation and safety for presentation to new employees at their initial orientation.*
- *We recommend that the district require all food service employees to complete basic safety and sanitation training within three months of hire. All current employees that have not completed comprehensive food service training should be required to complete, at a minimum, the basic course in a timely manner.*

Action Plan 13-3

Develop required introductory training for new employees	
Strategy	Develop a basic sanitation and safety presentation for new employee orientation.
Action Needed	Step 1: Food service director and/or designee develop basic introduction course. Step 2: Coordinate the presentation with Risk Management for new employee orientation as necessary. Step 3: Coordinate the presentation with Personnel for new employee orientation as necessary. Step 4: Coordinate the presentation with Professional Development to ensure that new employee orientation attendance is recorded.

Who is Responsible	Food service director and/or designee
Time Frame	August 2003
Fiscal Impact	Maximum of \$850 annually - cafeteria manager to teach one hour (\$21.26) per week per month (\$21.26 X 4 = \$85.04) for ten operational months (\$85.04 X 10 = \$850.40).

Action Plan 13-4

Develop required general sanitation and safety training for all employees

Strategy	Develop an abbreviated version of the current comprehensive ‘Foundations’ training course and require all new employees to complete it within three months of hire. All other employees should be required to complete the abbreviated program in a timely manner as determined by the food service director.
Action Needed	<p>Step 1: Work with the Human Resources Department to determine whether position descriptions/requirements will have to be updated to reference the mandatory attendance of the introductory safety/sanitation training course within three months of hire. Update position descriptions as necessary.</p> <p>Step 2: Identify what modifications will have to be made to the current comprehensive curriculum to provide an introduction to the most critical food service areas/issues.</p> <p>Step 3: Identify and recruit cafeteria managers to teach the introductory training course. Establish a rotating list of managers to teach the course.</p> <p>Step 4: Develop a schedule of course presentation based on the district’s hiring pattern. Care should be taken to consolidate employees for presentation, e.g., require a minimum of three employees per presentation, and the food service director should retain the flexibility to manage the course schedule for maximum efficiency and minimal cost.</p> <p>Step 5: Develop a tracking system within the food service department to note completion of the introductory training course and maintain documentation of exceptions/extensions.</p>

Who is Responsible	Food service director and/or designee
Time Frame	August 2003
Fiscal Impact	Maximum of \$582 annually assuming a one-hour course provided every month to a minimum of three new employees – cafeteria manager to teach one hour (\$21.26); pay three new employees for attending (\$12.32 X 3 = \$36.96); total cost per class (\$21.26 + \$36.96 = \$58.22); cost of classes provided monthly for ten operational months (\$58.22 X 10 = \$582.20).

4 The district identifies and implements strategies to eliminate meal participation barriers.

A ‘top four’ list of meal participation barriers has been identified

Through site observations and the monitoring of meal participation rates, food service administrators identified four primary barriers to meal participation: time, space, accessibility, and acceptability.

Principals and cafeteria managers generally work together to adjust the number and length of lunch periods to ensure adequate time for students to eat. At one high school, however, the principal has designated only one lunch period to serve the entire population of approximately 2,100 students. According to the food service director, the long lines that result from so many students, discourage many from eating. OPPAGA staff observed lunch at this school and found it impossible to feed all of the students in the allotted time. Many students were in line waiting to be served when the bell rang

indicating the end of the lunch period. At several of the serving lines, students had to purchase whatever food items were left before going to their next class. Safety is another issue of concern, as the cafeteria's maximum occupancy rate is 372. While not all students are expected to participate in the school food service program, they should be given a realistic opportunity to do so. Principals should consult the food service director in the designation of lunch periods and times, and work cooperatively to see that students have a realistic opportunity to eat. Hungry students make it difficult for the district to fulfill its mission to inspire all to their highest potential.

To address space and accessibility issues, the district has added covered outdoor eating areas and increased the number of serving lines at several schools. Meal carts also are used at various locations on campuses to increase accessibility. The district had low breakfast participation at one high school and determined that many of the busses did not arrive early enough for students to walk across campus to the cafeteria. In response, the district purchased a serving cart and took the breakfast meals to the students. The school's breakfast participation increased drastically as a result.

To increase acceptability of food items and improve overall meal quality, the district raised all lunch prices at the beginning of the 2001-02 school year. Program administrators polled students at a targeted high school to identify their favorite foods and used the resulting information to improve menu planning.

The district is piloting a re-designed cafeteria, aimed at increasing meal participation

As a result of the targeted survey of high school student food preferences, the district developed a food court concept that aims at essentially eliminating the sale of a la carte items and increasing the number of reimbursable meals. The district spent \$1.3 million of Fixed Capital Outlay (FCO) monies to renovate a high school cafeteria after the district's Safety Report identified 27 safety issues and needed repairs. Deficiencies included electrical problems, water damage, and wedged-open fire doors. In addition, the facility was originally designed to accommodate less than 800 students, while the current school population is approximately 2,300. This new cafeteria design began operating in August 2001. Using students' favorite meal items, the district developed multiple serving lines, all serving reimbursable meals. Items may still be purchased as a la carte but the reimbursable meal has been priced to make the purchase of a la carte less desirable. Food service administrators eliminated all junk food a la carte items from the menu and, as exhibit 13-8 illustrates, participation rates have increased tremendously. Program administrators will monitor the pilot for the first year of operations and track participation rates and financial performance. If successful, the concept will be expanded to other secondary schools.

Exhibit 13-8

The redesigned cafeteria has dramatically increased lunch participation rates

	Lunch Participation Rates November 2000 (pre-renovation)	Lunch Participation Rates November 2001 (post-renovation)	Percentage Increase
Free	5,508	9,793	78%
Reduced	704	2,412	243%
Paid	665	6,872	933%
Adult	774	969	25%
Total	7,651	20,046	162%

Source: Osceola County School District, Campus Grille.

This marked increase in participation has increased both labor and food costs but these costs are offset by the greater number of students eating and the resulting higher income. Both the number of part-time food service employees and total labor hours has increased, but the increase in meals served supports the increase. With increased meals come increased food costs. Greater numbers of meals, coupled with a

new vendor, has resulted in some item cost increases, but again, the cost increase is offset by the greater number of students eating in the cafeteria.

While the greatest increase in participation is the number of paid lunches, free and reduced-eligible students are eating more meals as well. The food service director attributes this to the fact that these students can purchase one of their favorite meals, as identified through the district's student survey, at any of the seven serving lines without being overtly identified as free or reduced-eligible. Since all of the serving lines provide nutritionally balanced reimbursable meals, all students, regardless of their financial status, now have an equal opportunity to eat meals that appeal to them.

The district is not complying with state and federal requirements to minimize competition with reimbursable meals

Soda vending machines in secondary schools are a problem throughout the district. Federal requirements, state requirements, and school board policy restrict the sale of competitive foods before and during meal serving times. Federal and state rules require that carbonated beverages not be sold where breakfast or lunch is served or eaten; yet several schools visited by OPPAGA staff had multiple soda vending machines immediately outside the cafeteria where students are permitted to eat their breakfast and/or lunch. OPPAGA staff observed students purchasing sodas during the lunch period as well as snacks from a vending machine. At one of the observation sites, each of the vending machines had promotional stickers encouraging students to 'drink and win' items from Taco Bell. The food service director expressed particular concern regarding vending machines located at K-12 schools. In these schools, not only are teens likely to purchase and consume sodas during lunch, but younger students too are likely to gain access to these non-nutritional items. OPPAGA staff visited a K-12 school and elementary students confirmed that they could get a soda by simply visiting one of the vending machines outside the cafeteria.

The state requirement regarding competitive food items allows secondary schools to sell carbonated beverages at all times if 100% fruit juice is also sold at the same location. Again, however, carbonated beverages may not be sold where breakfast or lunch is served or eaten. At one observation site, OPPAGA staff observed one water vending machine and a fruit beverage vending machine. Neither of these machines, nor any of the soda machines, contained 100% juice beverages and all were located where students were allowed to eat breakfast and/or lunch. If, during a site inspection, DOE auditors find a school violating the competitive sales rule, all district-wide meal counts for that day are excluded from reimbursement calculations. Based on 2000-01 reimbursement figures, the district/program would lose at least \$26,000 of federal reimbursement monies per day found violating the competitive food sales requirement. In this case, the food service program is financially penalized for school-based non-compliance over which the food service director has no authority or control.

The food service program is promoted and in general works with school curriculum to encourage healthy eating

The district provides monthly menus in a variety of ways, including the food service program website, the local newspaper, and sending them to schools for distribution to students. Though food service administrators have no control over school menu distribution processes, the director reported that menus are typically posted on school bulletin boards and located in convenient pick-up locations for students. The district also prints menus in a school newsletter that is sent home to parents.

Lack of sufficient authority over cafeteria managers, limits the food service director's ability to ensure that cafeteria managers attempt to participate in the academic curriculum to encourage healthy eating. The district requires food service manager trainees, as part of their training curriculum, to design and implement one educational activity with a class of their choosing. In addition, some cafeteria managers provide materials for use in the classroom to Family and Consumer Science teachers. However, since the food service director does not have official authority over cafeteria managers, she is unable to require that managers offer materials and/or services to teachers to assist in teaching good nutrition. The director

reports that some cafeteria managers are very involved in the school curriculum while others seem uninterested and/or report that they have no time. Lack of sufficient authority over cafeteria managers also restricts the food service director’s ability to require minimal participation in program promotion campaigns. Since cafeteria managers report to the school’s principal, they may opt out of food service program promotional campaigns, statewide promotions such as Florida Citrus Week, or national campaigns such as National School Lunch Week. The current organizational structure would require the principal to direct the cafeteria manager to participate in food service program promotions. In all likelihood, without direct notification from the central food service department, principals are unaware of food service promotion campaigns. Furthermore, since principals are not responsible for, nor likely aware of, the overall financial performance of the food service program, they have little motivation to see to it that program promotions are implemented.

With the recommended changes in management structure, (See Action Plan 13-2, page 13-13) the food service director will have the authority necessary to ensure that a minimum level of curriculum participation is attempted. In addition, the director will be in a position to develop central office-driven promotional campaigns/themes to be implemented district-wide.

Recommendations

- *We recommend that the district identify schools that may be negatively affecting meal participation rates and develop methods to increase participation.*
- *We recommend that all schools be reviewed for violations of the competitive food sales requirements and brought into compliance.*
- *We recommend that program authority be shared between principals and the food service director to ensure that the director has the authority necessary to require a minimal level of participation in school academic curriculum and program promotion. (See Action Plan 13-2, page 13-13.)*

Action Plan 13-5

Identify and eliminate meal participation barriers	
Strategy	Identify schools that do not have sufficient breakfast and/or lunch periods and/or other obstacles to meal participation.
Action Needed	<p>Step 1: Food service director and/or designee review school breakfast and lunch periods compared to student populations and physical layout of eating/serving areas to identify potential problems and meal participation barriers.</p> <p>Step 2: Food service director and/or designee meet with principals at schools identified as having meal participation barriers/problems.</p> <p>Step 3: Food service director and/or designee document the outcome of the principal meeting. Documentation should specifically include changes made and intended outcome, or reason(s) why change cannot or is not made.</p> <p>Step 4: Food service director and/or designee provide principal meeting documentation/results to assistant superintendent for Business and Fiscal Services, who passes the information to the deputy superintendent, who passes the information to the superintendent.</p>

	Step 5: In the event that there is disagreement between the principal and food service administrators, the information should be reported to the deputy superintendent and the deputy superintendent for Instruction for resolution. (See Action Plan 3-6, page 3-19) If necessary, the issue can be presented to the superintendent for final resolution.
Who is Responsible	Food service director
Time Frame	February 2003 – initial school analysis complete May 2003 – principal meetings begin
Fiscal Impact	Any costs incurred to correct participation barriers will be negated as a result of increased participation/meal reimbursement.

Action Plan 13-6

Comply with competitive food sales requirements

Strategy	Identify schools that are in violation of the competitive food sales requirement and bring them into compliance.
Action Needed	<p>Step 1: The superintendent should, at the beginning of each school year, communicate to principals the district’s policy, federal requirements, and state requirements regarding the sale of competitive foods and the district’s expectations for compliance.</p> <p>Step 2: Food service central office staff, as designated by the food service director, conducts an unannounced visit/review of each school for compliance with the competitive food sales requirement. This can be done during the annual unannounced cafeteria site visit inspection/evaluation.</p> <p>Step 3: Food service staff contact the principal of schools found to be in violation of the competitive food sales requirement and, in conjunction with the principal, develop a plan to bring the school into compliance.</p> <p>Step 4: Food service staff conducts an unannounced follow-up visit to schools with a compliance plan to determine whether the problem(s) has been corrected.</p> <p>Step 5: If, after a compliance plan has been developed with input from the school’s principal and food service administrators, the school continues to violate the competitive food sale requirement, food service staff will report the continued non-compliance to the assistant superintendent for Business and Fiscal Services, who will report it to the deputy superintendent, who will report it to the superintendent for resolution.</p>
Who is Responsible	Superintendent and food service director and/or designee
Time Frame	February 2003 – initial site visits
Fiscal Impact	<p>The food service program will lose approximately \$26,000 per day in state meal reimbursement funds that the district is found violating the competitive food rule.</p> <p>Vending profits will likely be slightly reduced at individual schools complying with the competitive food sales requirement, as machines in meal serving/eating areas will have to be shut down during meal times unless they are moved to alternative locations where students don’t eat.</p>

Action Plan 13-7

Give the food service director shared authority over cafeteria managers

Strategy	Provide the food service director the authority necessary to ensure minimal participation of each cafeteria manager in the academic curriculum and program promotion.
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Action Needed	Step 1: As a result of implementing Action Plan 13-2, page 13-13, the principal and food service director will have shared program authority and the food service director will have the necessary authority to require cafeteria managers to attempt to participate in the academic curriculum and to participate in program promotions.
Who is Responsible	Superintendent
Time Frame	April 2003
Fiscal Impact	This can be done with existing resources.

5 The district has not established cost-efficiency benchmarks based on exemplary school food service programs and applicable industry standards.

The district has no food service benchmarks

Using the DOE Annual Report of Child Nutrition Programs, the food service director compares program performance to surrounding counties, counties of similar size, and districts with privatized food service operations. In addition, she uses other district surveys and trade journals to monitor program performance. Though the food service director uses these comparisons to assess program performance after the fact, the district has not developed formal goals and benchmarks to gauge program performance on a continuous basis.

The district has general guidelines for costs per meal and has built upon the DOE formula to establish meals per labor hour but has not established benchmarks for these areas nor for meal participation rates. The district established an approximate amount to be spent for various menu items for use in menu planning; \$.90 is the average for lunch food costs and \$.55 for average breakfast food costs. However, these guidelines do not serve as benchmarks as they were not developed using target data from peer districts, state averages, and department goals. The district is waiting on the implementation of management software to provide specific program performance data that will allow them to link meal costs with financial performance. Currently, each cafeteria uses point of sale software, called WinSNAP, which provides a variety of services and information such as

- printable reimbursement claims and edit checks;
- average daily participation statistics for breakfast and lunch by school;
- profit and loss reports by school;
- reconciliation of bank deposit slips with bank statements;
- the number, location, and deposit amounts of monies not yet deposited;
- tracking of special programs with full reporting (participation, reimbursement, item sales);
- reimbursement calculations;
- the ability to monitor individual cashier activity in real-time to spot or verify problems; and
- the ability to use ‘instant winners’ to encourage participation and increase revenue.

Food service is waiting on full implementation of automated management software

The district has implemented only one portion of the WinSNAP program, referred to as the ‘front of the house’ component, as it addresses only those operations that deal with the serving and calculation of meals and the financial accounting of meals served. The district is piloting the remaining component of WinSNAP, or the ‘back of the house’ management portion in two cafeterias. This component of the

software package will provide automated ordering, inventory, menu planning, and production data. Until this management software is fully implemented, the district is limited in its ability to track program costs and tie costs to production for more efficient program management.

The WinSNAP ‘back of the house’ management software pilot project has experienced some problems. For example, the system doubled orders between cafeteria sites and the central food service office, placing items in unknown inventory bins, and randomly changing units of measure, e.g., can to case. The district is working with School Link Technologies to remedy these problems and increase the number of pilot sites. Once the problems are corrected, the district plans to continue the pilot project. The original two pilot sites will test all of the management modules by the end of the current school year and an additional four pilot sites will be added at the beginning of the 2002-03 school year. As the new software is added to new sites, cafeteria managers will undergo two days of training and food service computer technicians will monitor operations for problems for two weeks following full implementation. Once the program is working properly, four new schools will receive the system every two weeks until all 31 sites are on-line (29 existing cafeteria sites and two new school sites scheduled for completion in 2002-03). The district anticipates full implementation of the ‘back of the house’ software by mid-December 2002.

Once the district implements the WinSNAP ‘back of the house’ management software in all cafeterias, program administrators will have the data necessary to tie costs to meal production. Using historical cost, production, and participation data, the district will be able to identify initial benchmarks for each of these areas. However, information necessary to determine whether the benchmarks have been achieved is dependent on full implementation of the WinSNAP management software. In general, the district is doing what it can with the limited information currently available. Nevertheless, based on the anticipated data that will be available from the WinSNAP ‘back of the house’ management software, targeted benchmarks should be developed while software implementation is occurring.

Recommendations

- *We recommend that the district develop program benchmarks, including meals per labor hour, costs per meal, and participation rates, taking into account the data that will be available following the planned full implementation of the WinSNAP management software.*

Action Plan 13-8

Develop program benchmarks and identify data collection needs	
Strategy	Outline program benchmarks and the WinSNAP ‘back of the house’ data that will be required to monitor program performance in relation to the benchmarks.
Action Needed	<p>Step 1: Identify exemplary food service programs and DOE data that will be used to develop program benchmarks.</p> <p>Step 2: Develop program benchmarks including</p> <ul style="list-style-type: none"> • meals per labor hour, • costs per meal, and • participation rates. <p>Step 3: Identify the WinSNAP ‘back of the house’ management data that will be captured and reported to monitor program performance in relation to the established benchmarks.</p> <p>Step 4: Once benchmarks are established, identify and implement a schedule of benchmark and program performance comparison.</p>

	Step 5: Document the comparison of program performance and benchmarks and provide a report to the assistant superintendent of Business and Fiscal Services.
Who is Responsible	Food service director and/or designee
Time Frame	January 2003
Fiscal Impact	Can be implemented with existing resources.

6 The district regularly evaluates the school food service program but has not established formal benchmarks to assist in this process.

The food service director regularly reviews the program but lacks formal benchmarks necessary for a comprehensive evaluation

Food service administrators review each cafeteria annually, using an annual financial report to compare revenue and costs, and compare program performance to statewide averages, other counties, and privatized districts. Without formal goals and benchmarks, however, these comparisons only reveal how the program performs in relation to other programs across the state after the fact and not how it performs in relation to district performance goals/expectations. The lack of formal benchmarks leaves program administrators and cafeteria managers unable to monitor performance throughout the year and make needed program adjustments. For example, managers cannot monitor their food and labor costs and identify whether they are within expected and acceptable ranges.

Program administrators review each of the district’s cafeterias annually using a standardized School Food Service Review Form. The form uses 16 specific criteria to assess the areas of accountability, staff, facilities, and planning and production. Managers are given a specific amount of time to correct noted deficiencies and program administrators conduct a second review to ensure the deficiencies have been corrected.

The food service director assess the program’s financial performance annually using the annual financial report to compare revenue to costs. She reports that she also compares the program’s financial performance to previous years’ performance. Again, this comparison to previous years does not tell the district if the program is performing as expected or desired but only if it is performing as well or better than previous years.

Recommendations

- We recommend that the district use formal goals, objectives, and benchmarks to monitor and evaluate program performance. (See Action Plan 13-1, page 13-10)

Action Plan 13-9

Use program goals to monitor program performance	
Strategy	Use program goals, objectives, and benchmarks to monitor and evaluate program performance.
Action Needed	Step 1: Using the program goals, objectives, and benchmarks established in Action Plan 13-1, page 13-10, identify the data that must be collected, as well as the data format, for use in program assessment.

	Step 2: Collect the identified data, analyze, summarize, and report results to the assistant superintendent for Business and Fiscal Services.
	Step 3: Identify and document any changes in data needs over time, e.g., additional data that will have to be captured for future analysis or data that was of little use in program analysis and should no longer be collected/included.
Who is Responsible	Food service director and/or designee
Time Frame	January 2003
Fiscal Impact	This can be done with existing resources.

7 Though the district regularly assesses the benefits of service and service delivery alternatives and implements changes to improve efficiency and effectiveness, documentation lacks and outsourcing has not been formally explored

Service and service delivery alternatives are assessed, but outsourcing has not been formally explored

Though the district has not done a formal RFP to compare the food service program’s service delivery to contracted services, the food service director conducts an informal comparison of the district’s performance to privatized district data statewide. Based on this informal comparison, the director reports that the Osceola County food service program is performing as well as or better than privatized food service operations across the state. The director’s informal comparison is not documented but should be, to illustrate the specific points of comparison and readily provide an overall picture of the Osceola County food service program.

When the opportunity presents itself, program administrators assess specific operations for alternative delivery options. For example, the program has contracted with a private agency for substitute employees and program administrators conducted an analysis of the costs of purchasing versus leasing vehicles for satellite site food delivery. In this case, administrators determined that it was in the best interest of the district to lease one vehicle and purchase another. This purchase/lease decision, however, was not formally documented. Program administrators should document purchase deliberations and outcomes in case questions arise or a purchasing decision must be explained/defended.

Evaluators should consider several factors when making program performance comparisons. The food service director emphasizes that bottom-line meal production costs should not be used as the only basis for program comparison and that additional factors such as salary rate, benefits, the number of free/reduced students, product quality, and geographic differences are important to consider in program performance comparisons.

The district has established several satellite locations to provide meal services to smaller programs. Program administrators review each of the cafeterias providing meals to satellite locations annually using the standardized School Food Service Review Form. Through the regular monitoring of these services, annual reviews, and input from cafeteria managers, program administrators identify areas of needed change. For example, the district will install heated serving lines during the current school year at a school with a growing population to ensure continued product quality and acceptability. In addition, the district added meal service to a private school for the first time during the 2000-01 school year. The school picks its meals up from a district cafeteria and, therefore, added very little work to the food service program.

Food services has a little known volunteer program to address labor shortages

To address a labor shortage and provide coverage for employee absences, the food service director has initiated a unique volunteer program whereby parents, students, and citizens may volunteer to work in a cafeteria and donate the earned salary to a classroom or school club. The food service director has designated this program a 'Win-Win Deal.' Volunteers must be registered as a district OASIS volunteer before participating in the program, which ensures that the proper background information has been obtained and cleared. These volunteers serve in place of regular employees on a temporary basis for both scheduled, e.g., personal leave, and unscheduled, e.g., sick leave, absences. Volunteers sign in at the cafeteria manager's office, receive work instructions for the day, and perform the related duties. Individuals earn \$7.45 per hour for the 2001-02 school year and at the end of each month the earnings are deposited into the internal account of a designated school or club. Based on an average coverage need of three hours per day for 180 school days, schools and/or clubs could earn more than \$4,000 a year. The program paid out a total of \$4,625 to three schools in 2000-01.

The food service director developed an overview of the 'Win-Win Deal' program that explains how it works, what volunteers are expected to do, and related rules and regulations. The overview includes directions on dress code and sanitation. Both OASIS volunteers and students are welcome to participate in the program. According to the food service director, the program is 'win-win' because a school and/or club receives the earnings, the substitute employee pool is increased, and the food service program does not have to pay related employment costs, i.e., FICA, retirement, etc. The only participation obstacles that will have to be addressed are knowing in advance when volunteers would be needed or having a list of on-call volunteers for quick access when an employee calls in sick, and ensuring that student volunteer availability matches cafeteria work needs.

Unfortunately, the 'Win-Win Deal' program has not been utilized as much as the director had hoped and would benefit from additional promotion. School administrators that attended one of the OPPAGA public forums reported that they were unaware of this program and were excited at the prospect of implementing it at their school. Likewise, the OASIS volunteer program coordinator was unaware of the program and it was not included in any of the district's volunteer promotional materials. Though the food service director has attempted to inform principals of the 'Win-Win Deal' program, due to competing priorities, these efforts have been limited. A concerted effort should be made to promote this volunteer option throughout the district, and the program should be included in promotional materials outlining volunteer opportunities available to students and the public alike.

The district participates in a variety of nutritional programs but lacks documentation

The district has a breakfast program at every school, participates in after school snacks, summer feeding, and test-day snack programs. The food service director reports that the program attempts to accommodate meal needs that are identified and/or requested by a variety of groups. The only requested service that the district has been unable to accommodate is providing meal services to a private school that would require meal delivery. Currently, the food service program does not have the necessary delivery equipment to meet this request. The food service director reports that, though the district cannot currently accommodate this request, the potential for providing this service will continue to be explored in the future. All school district requests for food and/or meal services have been accommodated.

While the district participates in a variety of nutrition services, it does not maintain documentation regarding the decision to pursue these programs. This information would be useful in future deliberations about whether to continue participation in particular nutrition programs and/or initiate others.

Recommendations

- While the food service director compares program performance to that of other districts; several of them privatized, we recommend that the director regularly conduct and document an assessment of services that could potentially be outsourced.
- We recommend that the district promote the 'Win-Win Deal' program throughout the district to increase volunteer participation.
- We recommend that the district maintain documentation whether to participate in nutrition programs and/or services.

Action Plan 13-10

Assess the potential for outsourcing various food service operations

Strategy	Regularly conduct and document an assessment of services that could potentially be outsourced.
Action Needed	<p>Step 1: Develop a standard methodology to be used in the assessment of outsourcing services. Elements that may be included are</p> <ul style="list-style-type: none"> • criteria used as basis for comparison, • programs/vendors used for comparison, and • rationale used to select specific comparison group(s). <p>Step 2: Using the methodology established in step 1, develop a standard assessment documentation form to allow for quick comparisons, comprehensive information, and a basis for assessment/comparison over time.</p> <p>Step 3: Establish a schedule for a review of services and the potential to outsource them. Such services may include</p> <ul style="list-style-type: none"> • warehousing, • delivery, • program management, and • equipment maintenance. <p>Step 4: Conduct assessments according to the schedule established in step 3 and report results to the assistant superintendent for Business and Fiscal Services.</p>
Who is Responsible	Food service director and/or designee
Time Frame	Plan what areas will be examined during the 2002-03 school year. Implement the first study/comparison during the 2003-04 school year.
Fiscal Impact	This can be done with existing resources.

Action Plan 13-11

Promote the volunteer food service labor program

Strategy	Promote the 'Win-Win Deal' throughout the district to increase volunteer participation and assist with the food service labor shortage.
Action Needed	<p>Step 1: Food service director and/or designee develop a promotional campaign for the 'Win-Win Deal' targeting groups such as those below.</p> <ul style="list-style-type: none"> • Principals • Students • OASIS volunteers • PTOs • Community events

	<ul style="list-style-type: none"> • School open-houses
Step 2:	Food service director and/or designee work with the OASIS volunteer program director to include the 'Win-Win Deal' in volunteer promotional materials.
Step 3:	Implement the promotional campaign.
Step 4:	Track the number of 'Win-Win Deal' volunteers following the promotional campaign to identify successful promotions.
Step 5:	Food service director and/or designee establish a schedule for follow-up on the program and related promotion on a regular basis, e.g., the beginning of each school year.
Who is Responsible	Food service director and/or designee
Time Frame	July 1, 2003
Fiscal Impact	Any printing costs for promotional materials will be negligible and paid by the food service program. Adding 'Win-Win Deal' information into the OASIS promotional materials can be done with existing resources.

Action Plan 13-12

Document program participation decisions	
Strategy	Document the district's decision whether to participate in additional nutrition programs and/or services or discontinue current participation.
Action Needed	<p>Step 1: Develop a standard documentation form for use in documenting deliberations about participating in nutrition programs and/or services and/or discontinuing participation in current programs. The form could include data such as</p> <ul style="list-style-type: none"> • program considered and/or service requested; • staff/parties involved in deliberations; • district items of consideration/deliberated for participation; • decision of participation with rationale/reasons; and • future follow-up and/or actions with dates. <p>Step 2: Annually summarize deliberations/decisions and submit to the assistant superintendent of Business and Fiscal Services, who reports the information to the deputy superintendent, who reports the information to the superintendent.</p>
Who is Responsible	Food service director and/or designee
Time Frame	Close of each school year beginning with the 2002-03 school year
Fiscal Impact	This can be done with existing resources.

Financial Accountability and Viability

8 The program budget is based on revenue and expenditure projections but not on formal fiscal goals

There are no food service fiscal goals

Though the food service director uses projected participation rates, reimbursement rates, and past meal counts as well as a la carte revenues for budget development, the budget does not reflect program goals, as program fiscal goals have not been clearly iterated. This lack of fiscal goals limits the use of the budget as a program management tool. Furthermore, there is no district-wide fiscal goal/policy for

program goals to mirror or compliment. The food service director has developed a database of financial data, dating back to 1987-88, and student participation data, dating back to 1982-83, which is used in annual budget development. Using this information, the director prioritizes spending of available monies but cannot establish program fiscal goals.

Program management software is needed for a comparison of income and expenditures

The food service director and a food service department accountant review program income and expenditures based on experience and their knowledge of where the program should be financially throughout the year. The accountant has the authority to initiate budget amendments and move monies among certain accounts as necessary. All budget amendments require the director’s signature.

Without program management software that provides monthly income and expenditure data, program administrators cannot conduct a formal comparison of these figures. The district is currently waiting on the implementation of ‘back of the house’ WinSNAP management software to provide formal program performance data. Once this software is fully operational, program administrators will have the data necessary to conduct a more precise and consistent comparison of income and expenditures. In addition to the WinSNAP management software, the district is working with a contractor to provide profit and loss information. The food service director, along with the private contractor, has developed a plan for the implementation of this new automated profit and loss program that includes a chronology of tasks, identifies responsible parties, and establishes a proposed timeline. Once fully implemented, this program will provide profit and loss data for each serving site and the program as a whole, area summary reports, and act as a revenue benchmark tool.

Recommendations

- *We recommend the district develop formal food service fiscal goals that are linked to the overall program goals/objectives.*
- *We recommend the district fully implement the ‘back of the house’ WinSNAP management software to enable the district to monitor and analyze the food service program’s fiscal performance.*

Action Plan 13-13

Develop program fiscal goals	
Strategy	Develop food service fiscal goals linked to overall program goals/objectives.
Action Needed	Step 1: Develop program fiscal goals to guide annual budget development. The fiscal goals should be incorporated into the overall program goals and objectives (See Action Plan 13-2, page 13-13).
Who is Responsible	Food service director and/or designee
Time Frame	January 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 13-14

Fully implement automated management software	
Strategy	Fully implement the WinSNAP ‘back of the house’ management software.
Action Needed	Step 1: Food service director and/or designee, in conjunction with the software vendor, implement the management software according to the current installation plan.

Who is Responsible	Food service director and/or designee
Time Frame	December 2002
Fiscal Impact	No additional fiscal impact is expected, as the software system has already been purchased.

9 The district’s financial control process includes an ongoing review of the program’s financial and management practices but lacks current fiscal data needed to tie costs to performance, plan/develop a budget, and monitor performance.

Financial controls and automated financial reporting are in place

The food service director maintains and annually updates a revenue process procedures document that includes financial controls regarding sales collection and deposits, but this document is not included in the cafeteria manager’s handbook. The district reports meal count procedures to the DOE each year when it renews its agreement for participation in the National School Lunch and Breakfast Program.

Program administrators assess financial control procedures at each cafeteria annually using the Food Service Program Review Form. The form specifically addresses cash handling and accountability procedures as well as reimbursable meal count procedures.

Cashier procedures need to be updated and will have to be revised following the full implementation of the ‘back of the house’ WinSNAP management software. There is no formal plan in place to see that this update and revision occurs.

The district uses ‘front of the house’ WinSNAP point of service and accountability software to provide an automated monthly financial report for each cafeteria. The report contains detailed information on operating revenue, participation rates, credit amounts, and prepayments, as well as totals for each of these categories. This data is combined for a monthly financial report for the entire food service program. This software package, which is fully implemented throughout the district, allows program administrators and cafeteria managers to monitor current financial performance. Implementation of the remaining component of the WinSNAP software, the ‘back of the house’ management portion, will allow program administrators to better manage the program based on expected financial performance rather than just assess current financial performance. Furthermore, the management software will provide fiscal data necessary to tie program costs to performance which, will in turn, assist in the planning/development of the program budget. Once fiscal expectations are clearly defined, the management software will provide the cost data necessary to monitor the program so any needed adjustments can be made in a timely manner.

Per meal costs are not available for use in budget preparation

The food service assistant director costs out each of the menus using average per-plate cost guidelines, \$.90 for lunch and \$.55 for breakfast for the 200-01 school year. Program administrators, however, do not use per-plate cost information in budget development, as the district is waiting on the full implementation of the ‘back of the house’ WinSNAP management software to provide meal cost information. The food service director identified the need to raise meal prices to increase product quality prior to the start of the 2001-02 school year. To ensure that the adjusted prices were comparable to other districts, the director conducted a survey and used a like comparison conducted by a food service director in another Florida school district.

Exhibit 13-9 reveals that the Osceola County school district breakfast prices are below the peer averages for all school levels. The food service director reports that the district is intentionally maintaining low

breakfast prices to encourage all students, not just those that qualify for free and reduced meals, to participate in the breakfast program. Eating breakfast ties into the program’s mission statement to enhance education through nutrition, and the district is working to increase paid breakfast participation. Furthermore, the director lacks plate/meal cost data necessary to assess the need and feasibility of increasing breakfast prices. This cost data, however, will be available by the end of the current school year, when the WinSNAP ‘back of the house’ management software is fully implemented, and will allow the director to make a more informed and comprehensive assessment of the need to increase breakfast prices. Participation rates and student population economic status data is also necessary for the district to explore the option of participating in the Provision II universal free breakfast program. We recommend that the district collect breakfast cost and participation data, following the full implementation of the WinSNAP ‘back of the house’ management software, and conduct a formal documented analysis of the feasibility of increasing meal prices. Should the analysis reveal that meal prices should be raised, program administrators should develop a plan to do so. Likewise, should the data reveal the need to pursue participation in the Provision II universal free breakfast, the district should implement the necessary steps to do so.

Exhibit 13-9

2001-02 Meal Prices

	Elementary	Middle	High	Adults
Full-Priced Breakfast				
Alachua	\$1.00	\$1.00	\$1.00	\$1.25
Collier	.75	.85	.85	1.25
Lee	.55	.60	.60	.80
Leon	.70	.75	.75	1.00
Manatee	.80	.80	.80	.85
Osceola	.60	.60	.60	1.00
Peer Average	.76	.80	.80	1.03
Reduced-Priced Breakfast				
Alachua	\$.30	\$.30	\$.30	N/A
Collier	.30	.30	.30	N/A
Lee	.30	.30	.30	N/A
Leon	.30	.30	.30	N/A
Manatee	.20	.20	.20	N/A
Osceola	.30	.30	.30	N/A
Full-Priced Lunch				
Alachua	\$1.50	\$1.65	\$1.65	\$2.00
Collier	1.50	1.75	1.75	2.50
Lee	1.60	1.85	1.85	2.35
Leon	1.25	1.35	1.35	2.00
Manatee	1.45	1.75	1.75	2.25
Osceola	1.50	1.60	1.75	2.25
Peer Average	1.46	1.67	1.67	2.22
Reduced-Priced Lunch				
Alachua	\$.40	\$.40	\$.40	N/A
Collier	.40	.40	.40	N/A
Lee	.40	.40	.40	N/A
Leon	.40	.40	.40	N/A
Manatee	.40	.40	.40	N/A
Osceola	.40	.40	.40	N/A

Recommendations

- We recommend that the district establish a formal schedule for the review of the manager’s handbook, employee handbook, and cashier procedures for needed updates/revisions.
- We recommend that the district complete implementation of the ‘back of the house’ WinSNAP management software and use resulting meal cost data in the preparation of the program’s annual budget.
- We recommend that the district use participation data and plate/meal cost data from the fully implemented WinSNAP management software to assess the need and feasibility of raising breakfast prices.

Action Plan 13-15

Schedule and implement reviews of employee handbooks and procedures	
Strategy	Develop a schedule for the review of the cafeteria manager’s handbook, employee handbook, and cashier procedures.
Action Needed	<p>Step 1: Food service director and/or designee develop a written schedule for the review of the cafeteria manager’s handbook, employee handbook, and cashier procedures, e.g., at the end of each school year.</p> <p>Step 2: The individual responsible for implementing the review of the handbooks and cashier procedures should document the review; including what changes were made or the lack of needed changes.</p> <p>Step 3: Include the revenue process procedures document in the manager’s handbook and assess the need for inclusion in the employee handbook.</p>
Who is Responsible	Food service director and/or designee
Time Frame	August 2003 in preparation for the 2003-04 school year
Fiscal Impact	This can be implemented with existing resources.

Action Plan 13-16

Fully implement automated management software	
Strategy	Fully implement the WinSNAP ‘back of the house’ management software
Action Needed	Step 1: See Action Plan 13-18, page 13-37
Who is Responsible	Food service director and/or designee
Time Frame	December 2002
Fiscal Impact	No additional fiscal impact is expected, as the software system has already been purchased.

Action Plan 13-17

Determine whether to increase breakfast prices or implement Provision II universal free breakfasts	
Strategy	Use participation and meal/plate cost data to determine whether breakfast prices should be increased and/or whether the Provision II free breakfast program should be implemented.

Action Needed	<p>Step 1: Collect breakfast participation data by school level (elementary, middle, high) and eligibility status (free, reduced, paid).</p> <p>Step 2: Identify and collect the meal/plate cost data needed from the WinSNAP ‘back of the house’ management software that will allow for an assessment of participation in the Provision II universal free breakfast program and/or increasing breakfast prices.</p> <p>Step 3: Based on participation, cost data, and student economic eligibility, identify whether the Provision II universal free breakfast should be implemented.</p> <p>Step 4: If appropriate, apply for and implement the Provision II universal free breakfast program.</p> <p>Step 5: If the district decides not to pursue the Provision II universal free breakfast program, document the reasons and conduct and document a formal assessment of the need and feasibility of increasing breakfast prices based on participation rates and meal costs.</p> <p>Step 6: Report the assessment outcome to the assistant superintendent for Business and Fiscal Services outlining a plan for increasing breakfast prices and anticipated income or the reasons for electing not to raise meal prices.</p> <p>Step 7: Should the district elect not to raise meal prices, food service administrators should outline a formal schedule for the issue to be re-examined.</p> <p>Step 8: Re-examine the issue of increasing breakfast prices based on the schedule established in Step 7. Results of each review should be formally documented and reported to the assistant superintendent for Business and Fiscal Services.</p> <p>Step 9: Establish a formal schedule for the comparison of meal prices, both breakfast and lunch, with peer districts.</p> <p>Step 10: Conduct and document peer meal price comparisons based on the schedule established in Step 9.</p>
Who is Responsible	Food service director and/or designee
Time Frame	Gather data first half of the 2002-03 school year (August – January). Complete formal analysis/report by the end of the 2002-03 school year (June).
Fiscal Impact	This can be implemented with existing resources.

10 The district accounts for and reports meals served by category.

Meal counting software is effective

The district uses the ‘front of the house’ WinSNAP point of service and accountability software to account for meals served by category, e.g., free, reduced, paid. The point-of-sale terminals at each school record meals and revenue at the time of service. Each cafeteria manager reports the information daily to the central food service office via the Internet. The software has a built-in attendance factor to ensure that the number of meals served per category (free, reduced, paid) does not exceed the number of eligible students in each category expected to attend school each day.

At the end of each month, the cafeteria manager prints out and reviews an edit check report containing enrollment data, the calculated attendance factor, number of free, reduced, and paid- eligible students, and, the number of meals claimed. From this report, the manager can quickly identify if the number of meals served per category are above or below the acceptable level. If the figures are incorrect, the manager and the food service central office computer technician work together to identify and correct the problem. In addition to this monthly on-site report production and edit check, the central office computer technician independently generates a report for each cafeteria and compares it to the report submitted by the cafeteria manager. If discrepancies are identified, food service central office staff contacts the

manager and, together, they investigate and correct the problem. The food service director reports that errors are infrequent and usually occur at the point-of-sale when mistakes occur such as double charging or incorrectly ringing up an item/amount. While managers print the monthly edit check and send it to the food service central office, they do not have to wait until the end of the month to identify whether the meal count is accurate, as they have access to daily edit checks.

11 The district regularly evaluates purchasing practices to decrease costs and increase efficiency.

Purchasing practices and bid specifications are regularly evaluated

Food service administrators evaluate purchase practices each bid cycle and every time bid items change. The Purchasing Department mails letters to all vendors to provide information about bid quality, time frames, and required documentation. In addition, vendors are surveyed for feedback about the bid process and how it might be improved. We suggest that the district modify the vendor survey instrument to improve its usefulness and add a follow-up question when vendors report that they did not bid on an item to ask why they elected not to bid. The department can use the resulting information to improve the bid solicitation process, perhaps expand the number of vendor responses, and increase competition.

Program administrators review specifications and purchase prices every time a request for bids goes out. The assistant food service director, a registered dietician, develops food item specifications and forwards them to the purchasing department for bid solicitation. The food service director, with input from cafeteria managers, prepares equipment bids, develops the specifications, and submits them to the purchasing department for packaging and release to vendors. If the USDA offers a food item as a commodity, it is accepted and not solicited in a bid. The cost of processing bulk items, such as ground beef, into a finished product is routinely compared to vendor costs for the same finished product to ensure the best purchase price.

Vendors have an equal opportunity to bid

The purchasing department executes the bid process and maintains lists of vendors. Due to increasing vendor dissatisfaction, in October 2001, the food service department opted out of the DEMANDSTAR software program, whereby vendors had to pay to obtain bid information. Since opting out of this program, the district is re-establishing its vendor list and vendors now obtain bid information directly from the district at no charge. The district's vendor list contains approximately 5,000 vendors, including those vendors that were identified by DEMANDSTAR, and continues to grow. Only a small number, approximately 6 to 10, of these 5,000 vendors provide food service items. When items are up for bid, the purchasing department sends a postcard via fax or mail to vendors asking if they are interested in submitting a bid. Those that respond affirmatively are mailed the bid package. While food service administrators do not regularly recruit vendors, if dissatisfied with a product or vendor service, they will participate in the identification of alternative vendors. Likewise, if vendors and/or suppliers approach food service administrators, they pass this information to the purchasing department for inclusion in future bid solicitation.

Once vendors submit bids, the purchasing department requires separate individuals read and record the bid and conduct an initial comparison and analysis. Following opening of the bid, it is passed to the food service director for equipment or to the food service assistant director for food items to verify prices, sizes, and specifications. The director and/or assistant director make a recommendation to the purchasing department as to which vendor should receive the bid. The school board officially awards bids that exceed \$25,000 and the purchasing department executes the bid award. Purchases over \$1,000 up to \$24,999 do not have to be board approved but require three bid quotes.

12 The district has developed an effective inventory control system that is appropriate to the size of the school food service program.

The current inventory system is effective but will improve with implementation of management software

Until the 'back of the house' WinSNAP management software is fully implemented, the district relies on a manual perpetual inventory of both food and non-food items, whereby item use is noted in an inventory log book as it occurs. Cafeteria managers conduct a physical inventory at the end of every month except December (due to it being a shortened holiday month) and record it on an Inventory End-Of-Month Physical Count form. Central office administrators compare the physical inventory and the cafeteria manager's perpetual book inventory monthly to identify any discrepancies. If discrepancies occur, program administrators, along with cafeteria managers, investigate, correct, and document any necessary adjustments. When the figures accurately balance, the cafeteria manager completes a Monthly Record of Inventories form and sends it to the food service central office for review and filing.

The food service director uses cafeteria managers to ensure that year-end inventories are accurate district-wide. At the end of each school year, the food service director assigns each cafeteria manager to complete and sign-off on another manager's physical inventory. Cafeteria managers then compare the 'guest' manager's physical count to their perpetual book ending balance. If the two figures do not match, the managers investigate, correct and document any needed adjustments. Each manager sends his/her annual inventory book to the food service central office where they are reviewed. The district is piloting the 'back of the house' WinSNAP management software that contains an automated inventory component. When this software is fully implemented, it will be much easier for cafeteria managers to conduct inventory and monitoring inventory will be much easier for program administrators.

13 The district has a system for receiving, storing, and disposing of food, supplies, and equipment.

A controlled inventory receipt and security process is in place

The cafeteria manager's manual details proper procedures for receiving, storing and disposing of food and supplies. School board rules also address the acceptable storage, use, and disposition of food and equipment. The district relied on the *Florida Recipient Agency Procedure Manual* to develop the guidelines for handling food items. While this document specifically governs the use of USDA commodities, the procedures are applicable to the handling of all food products. Currently, only managers and manager trainees routinely receive this training. Other food service employees receive this information only if they voluntarily complete the Organization and Management class. The food service director, however, reports that not all employees are involved in the receipt of food and/or equipment and that cafeteria managers are responsible for instructing staff as necessary in these areas.

Cafeteria managers must submit a warehouse order to the food service central office, where the food service director reviews and approves it and transmits it to the Purchasing/Warehouse Department. The Purchasing Department generates a requisition and warehouse staff fill the order and deliver it to the school.

Purchasing procedures require that the cafeteria manager and/or a designee receive and sign for purchased items. Managers send signed invoices to the food service central office weekly where administrators

review them for accuracy and completeness before forwarding them to Accounts Payable for payment. At delivery, the cafeteria manager or his/her designee checks the order, matches the items to the invoice, and signs and dates the invoice. Items delivered from the district's warehouse have invoices signed from the warehouse picker, the deliverer, and the cafeteria recipient. Managers note any delivery or invoice errors and forward them to the food service central office.

The district can demonstrate that unacceptable products are credited back to the program. In addition, cafeteria managers maintain a 'vendor problem log' to document problems with deliveries and/or items. The managers forward these logs to the food service central office where the assistant food service director monitors them to determine whether action needs to be taken with regard to a particular vendor and/or item.

Cafeteria storage area access is restricted. Board policy dictates that only cafeteria managers and the food service director have access to cafeteria storage rooms and walk-in refrigerator/freezers. A principal needing access to an electrical breaker box in a food storage area for safety reasons is the only exception. The security of goods within the warehouse is the responsibility of the warehouse director. The current management structure, with the principal having sole direct authority over the cafeteria manager, can make access to the cafeteria a delicate issue. Principals that want access, absent an electrical breaker box issue, must be told 'no' by subordinate cafeteria managers. The food service director has assisted managers in such situations but has no formal authority to do so. Shared program authority, as outlined in Action Plan 13-2, page 13-13, will assist in such situations.

First-in First-out (FIFO) of perishable items is practiced

Cafeteria managers maintain a perpetual inventory of items from the point of delivery and boxes are dated before they go on the shelf to ensure that FIFO is practiced. Storage space is extremely limited for both the central office warehouse and individual schools. In general, items must be used before there is space for anything else. As a result, the district has no need for automatic reorder points and has not experienced any problems with over-ordering. The district takes advantage of bulk purchases when they represent a financial 'deal' and if storage space will accommodate the purchase. The food service director reports that, though the district is limited in storage space, it has never rejected excess commodities or bulk purchases due to inadequate storage.

Though extremely limited, the district maximizes available storage

Failure to maximize storage space is not an issue as the district is extremely limited in available space. On the contrary, the food service department must rely on warehouse staff to inform them of available space for ordering purposes. When space becomes available, warehouse staff informs food service administrators how many pallets of commodities can be delivered. Food service staff then contact the USDA-contracted warehouse to arrange commodity delivery. The food service director reports that the addition of much needed freezer space is being planned for three schools. The bid for these additions, however, has not yet gone out.

The district attempts to maximize the two-month free storage provision of the USDA-approved commodity warehouse, Phoenix. The USDA notifies the food service office of commodity deliveries and central office staff notes the arrival date of the item as well as the 60-day free storage expiration date. Central office food service staff use this information to track the commodities and move them out of the Phoenix warehouse before a storage charge is incurred. Because of extremely limited warehouse space, the movement of commodity items from Phoenix to the district's warehouse requires continual communication and cooperation between food services and the district warehouse. The district's storage limitations also result in some items remaining at the Phoenix storage facility after the 60-day free storage period has elapsed. The district does, however, manage the available storage space to minimize the storage costs.

The preservation and rotation of cafeteria storeroom items is not a problem since cafeterias, like the district warehouse, are extremely limited in available space. All dry storage areas are air-conditioned to ensure that items are maintained at proper temperatures and have adequate wire shelving to hold items and allow for proper ventilation. Weekly ordering allows managers to maximize their space and quickly turnover stock.

14 The district has a plan for the repair of equipment that includes preventive maintenance practices but does not have a long-range replacement plan.

Procedures are in place to address immediate equipment and/or facility repair needs

Two positions in the maintenance department are specifically designated to handle food service equipment and facility needs. If equipment breaks down, the cafeteria manager completes and submits a work order to the food service central office via fax or mail. Repairs fall into one of three categories: emergency, urgent, or routine. The maintenance director and food service director together developed a list of what is considered an emergency need/repair. When an emergency breakdown occurs, the cafeteria manager can call the maintenance department directly and complete the required paperwork later. The food service central office receives work orders for urgent and routine repairs, the food service director reviews the work order, and it is input directly into the maintenance database for the work to be completed.

The food service program does not pay for district maintenance services

Though the Maintenance Department has two positions dedicated to food service work, the food service department does not pay for these services. Rather than have the food service department pay for the two maintenance positions, we recommend that the department be charged an hourly rate for each completed work order. This 'charge back' system will ensure that the department pays only for services received and not for positions that may be called upon to perform duties outside of food services. This will encourage both food service staff and the maintenance department to operate efficiently. Food service staff will be encouraged to use maintenance repair staff judiciously and the maintenance department will be encouraged to provide fast quality service to ensure that the food service department does not outsource maintenance services. Furthermore, using this 'charge back' system will bring the food service program in-line with other district departments/programs that pay for in-house maintenance services.

A long-range equipment preventive maintenance plan is in place, but there is no replacement plan

The maintenance department oversees all equipment and facility maintenance and has an automated preventive maintenance system. Upon arrival, maintenance staff place new equipment on a preventive maintenance schedule. The department's automated work order tracking system, TERMS, includes data such as parts, costs, status of item, and who worked on the item. This data is available per item and/or per school.

While maintenance staff service equipment using scheduled preventive maintenance, there is no long-range equipment replacement plan. The lack of a replacement plan hampers the food service director's ability to budget for equipment needs and prioritize overall spending. We recommend that the district develop an equipment lifespan report to assist the food service director in budget development and planning. Since this information is not available for existing equipment, it is anticipated that it will take several years to address equipment replacement needs and for the lifespan equipment report to be

available in ‘real time’. Nevertheless, equipment lifespan information is critical for food service administrators to be able to anticipate and plan for large equipment purchases.

Recommendations

- *We recommend that the food service program pay for in-house facility and equipment maintenance services based on completed work orders.*
- *We recommend that the food service department work with the maintenance department to develop and maintain data on the expected life of equipment and project equipment replacement needs for the next five years.*

Action Plan 13-18

Pay for in-house maintenance services	
Strategy	The food service program pay for in-house maintenance services based on completed work orders.
Action Needed	<p>Step 1: The maintenance director will develop a cost per hour for maintenance work that will be provided the food service director and finance and accounting. This cost data, along with replacement part(s) costs, will be used to bill the food service department for completed work orders.</p> <p>Step 2: At the end of each month the maintenance department will submit the number of completed work orders and related work hours and part(s) costs to the finance and accounting department to be charged back to the food service department. Copies of bills submitted to Finance and Accounting should be provided to the food service department for verification.</p> <p>Step 3: The food service department will pay the district monthly for in-house maintenance services.</p> <p>Step 4: The maintenance department should be prepared to provide a work order/job cost estimate, if asked, to allow the food service department to compare repair costs with private maintenance providers.</p>
Who is Responsible	The maintenance director and finance and accounting
Time Frame	July 2003
Fiscal Impact	Based on the estimated maintenance labor and parts costs through the end of the 2002 school year, the food service program can expect to pay approximately \$260,000 annually for in-house maintenance services.

Action Plan 13-19

Develop a long-range equipment replacement plan	
Strategy	Develop a long-range equipment replacement plan.

Action Needed	<p>Step 1: Examine the current maintenance automation system, TERMS, to determine whether additional programming will be necessary to capture equipment purchase date.</p> <p>Step 2: Make any needed TERMS system programming changes.</p> <p>Step 3: The food service director and maintenance director together develop a list of ‘major equipment’ that will be tracked for long-term replacement.</p> <p>Step 4: Once ‘major equipment’ is identified, the food service director shall provide this list to the purchasing department.</p> <p>Step 5: Based on the list of ‘major food service equipment’, the purchasing department will provide a copy of purchase orders for items on the list to the maintenance department.</p> <p>Step 6: Using the property tags on existing equipment and TERMS inventory data, the maintenance director develop a life-span report of existing equipment and provide it to the food service director.</p> <p>Step 7: As new ‘major equipment’ is purchased, the maintenance director will project the lifespan and add the information to an annual equipment lifespan report.</p> <p>Step 8: The maintenance director will provide the food service director with an equipment lifespan report for use in budget development each year.</p> <p>Step 9: Based on the lifespan equipment report, the food service director and maintenance director together will identify priority equipment replacement needs each year.</p>
Who is Responsible	Food service director and the maintenance director
Time Frame	January 2003
Fiscal Impact	No fiscal impact is anticipated. District staff will handle any TERMS programming needs.

Preparation and Nutrition

15 **The district provides school meals designed to meet the nutritional needs of students.**

Menus are planned to meet student nutritional needs

A food service menu committee, chaired by the assistant food service director, a registered dietician, prepares menus according to the National School Lunch Program guidelines and the dietary guidelines. Variety, seasonal availability, and student preference are all considered during the menu planning process.

The ‘back-of-the-house’ WinSNAP management software contains a menu-planning module that will provide a nutritive analysis of all items used in the menus. Once implemented district-wide, the software will assist in menu development and ensure that student nutritional needs are met if any last minute menu changes must be made.

The assistant food service director handles menus for special needs students on a case-by-case basis. National School Lunch Program guidelines require a medical request for such meals and the assistant food service director, a registered dietician, assists cafeteria managers to ensure that medical directions are understood and correctly implemented. The district has not had any instance of a special menu request that it was unable to accommodate.

All menu items, including prepackaged, are evaluated prior to menu inclusion

Food service administrators evaluate all food items prior to menu placement. This evaluation includes a review of the nutritive value, cost, ease of preparation, and student acceptance. Students are selected from various grades and schools to test each food item being considered for menu placement. In addition, manager trainees must, as part of their training, complete a cost comparison between a convenience/pre-packaged product and the same product made from scratch. The trainee must list all nutritive values and conduct a student evaluation of both the pre-packaged and made from scratch products.

16 The district's food production and transportation system ensures the service of high quality food with minimal waste.

USDA commodities are maximized and concise meal production instructions are in place

The district's menu committee plans menus to maximize the use of USDA commodities and daily cafeteria production reports note the type and amount of commodities used per meal. Food service administrators compare the cost of processing USDA items to the purchase price of finished items. In this way, the district can determine whether it is more cost-effective to use the USDA allocation to buy bulk entrée products, like chicken and beef, or to purchase finished, heat and serve products, like chicken and beef patties. If the USDA provides a non-bulk food item, the district uses that item and does not include it in a bid package. While the district regularly compares the cost of USDA bulk items and processing with vendor finished product costs, it does not maintain documentation of this process or the outcome. This information will be helpful should questions about commodity purchases and/or vendor purchases arise.

The district's menu committee uses standardized recipes to develop district-wide menus and cafeteria managers document menu production. The district relies on the USDA Quantity Recipes for School Food Service for meal production. Each recipe includes a list of ingredients, preparation steps, portion control measures, nutrient contents, yield, and suggested marketing tips. Cafeteria managers complete a daily menu production worksheet that includes information on serving size and over- and under-production. Program administrators scan these reports weekly and individual cafeteria reports are reviewed in detail prior to the annual evaluation and in situations where a cafeteria has repeatedly run out of food items.

Cafeteria managers and food service staff observe food waste in each cafeteria but it is not formally noted. The daily production sheet does not require that waste observation be noted. The food service director reports that cafeteria managers observe plate waste by circulating among students while they eat and monitoring returned trays. The food service employee in the dishroom also provides the manager feedback about what children are throwing away. The menu planning committee routinely discusses food waste and addresses it with menu revisions. At each monthly cafeteria manager's meeting food waste is also discussed. When the WinSNAP 'back of the house' management software is fully implemented, waste information will automatically be captured.

Satellite serving sites receive quality food

The district provides meals to seven satellite sites using three food service purchased trucks and two vans. Each morning staff at the satellite school takes a meal count and report it to the serving cafeteria to ensure that there is no over-production of food. Cafeteria staff place the food in insulated units specifically made for transporting food, deliver it to the satellite location, and unload it immediately upon arrival. Staff move the food from the insulated units to electrically heated units if a hot item and to the refrigerator if a cold item. One satellite site does not receive meal delivery, as they are located directly next to the serving cafeteria and pick-up the meals. The district determined that it was in their best financial interest to purchase the delivery vehicles rather than lease. However, the charter schools that receive meal service

pay a vehicle-leasing fee to the district, as if they were leasing the vehicles, to cover the cost of the deliveries. Cafeterias serving satellite schools undergo the same annual evaluation as all other cafeterias and are inspected by the Osceola County Health Department three times per year.

Safety and Sanitation

17 The district follows safety and environmental health practices and regulations.

Though in compliance with safety and health regulations, these regulations as well as emergency procedures are not communicated to all employees

The comprehensive 'Foundations' training course includes sanitation and safety training, however, this course is not required of all food service employees. The food service assistant director developed a sanitation and safety home study course but, again, employees are not required to complete this course.

The manager's manual, located in the manager's office at each school, contains a copy of state food hygiene regulations. Central office food service staff checks the manager's manual during the annual site evaluation to ensure that the hygiene regulations are present.

The Risk Management Department handles emergency procedures and accident forms are kept at the main office at each school. Cafeteria managers are instructed in accident form completion and accident prevention is routinely discussed at the monthly manager meetings. Food service staff, however, does not routinely receive training in emergency procedures.

The district's cafeterias generally comply with local health regulations and all cafeterias are inspected by the Osceola County Health Department three times during the school year. Cafeteria managers post a copy of the results at each site, as required by law, and the health department mails a copy to the food service central office.

Recommendations

- *We recommend that the district include emergency procedures in the new employee orientation presentation.*

Action Plan 13-20

Inform new employees of emergency procedures	
Strategy	Include emergency procedures in the new employee orientation presentation.
Action Needed	Step 1: Include emergency procedures in the food service new employee orientation presentation. (See Action Plan 13-6, page 13-20)
Who is Responsible	Food service director and/or designee
Time Frame	August 2003
Fiscal Impact	Included in costs in Action Plan 13-6, page 13-20.

14

Cost Control Systems

The district's cost control systems include internal auditing, financial auditing, asset management, inventory management, risk management, financial management, purchasing, and payment processing. Overall, the district has established effective cost control systems in these areas. However, certain enhancements could be made in the areas of internal auditing, financial auditing, inventory management, risk management, financial management, and purchasing.

Conclusion

The Osceola County School District (district) generally has established effective cost control systems. The district uses all of the best practices for asset management and payment processing and most of the best practices related to internal auditing, financial auditing, inventory management, risk management, financial management, and purchasing.

Overview of Chapter Findings

The Auditor General reviewed the district's cost control systems using the Best Financial Management Practices adopted by the Commissioner of Education and associated indicators. We employed several methodologies to develop chapter conclusions and action plans. For instance, we conducted on-site interviews with district level managers and gathered information on the cost control systems activities, such as reviewing policies and procedures, analyzing financial data, including general ledger reports, budget reports, reports made to the district, and audited financial reports.

An overview of chapter findings is presented below.

Internal Auditing

1. The district does not have an internal audit function. The district should provide for annual risk assessments to ensure that all risks are identified and addressed by management. The risks identified from these assessments and the resultant cost savings and avoidances generated from addressing these risks may justify the cost associated with performing this function. (Page 14-6)

Financial Auditing

2. The district obtains an external audit in accordance with government auditing standards. (Page 14-8)
3. The district provides for timely follow-up of findings identified in the external audit. (Page 14-8)
4. The district obtains and reviews required financial information relating to school internal accounts, direct service organizations (DSOs), and charter schools. However, audits of the school internal accounts areas have not been completed on a timely basis. (Page 14-8)

Asset Management

5. Segregation of Duties: The district segregates responsibilities for custody of assets from record keeping responsibilities for those assets. (Page 14-12)
6. Authorization Controls: The district has established controls that provide for proper authorization of asset acquisitions and disposals. (Page 14-13)
7. Project Accounting: The district has established records that accumulate project costs and other relevant data to facilitate reporting construction and maintenance activities to the district, public, and grantors. (Page 14-13)
8. Asset Accountability: The district provides recorded accountability for capitalized assets. (Page 14-13)
9. Asset Safeguards: Assets are safeguarded from unauthorized use, theft, and physical damage. (Page 14-14)

Inventory Management

10. Segregation of Duties over Inventory: The district segregates responsibilities for custody of inventories from record keeping responsibilities for those assets. (Page 14-15)
11. Inventory Requisitioning Controls: The district has established and implemented controls that provide for proper inventory requisitioning. (Page 14-15)
12. Inventory Accountability and Custody: The district has established controls that provide for inventory accountability and appropriate safeguards exist for inventory custody. (Page 14-16)
13. Inventory Management: The district has performed an evaluation of the school and office supplies inventory function to determine its cost-effectiveness. However, the district should analyze the costs and benefits of other alternatives for the maintenance supplies inventory function. For all inventories, the district should compare inventory levels with other school districts. (Page 14-16)

Risk Management

14. General: Although the district has a process to set objectives for risk management activities, identify and evaluate risks, and design a comprehensive program to protect itself at a reasonable cost, this process could be enhanced by formalizing its disaster recovery procedures to ensure that all staff are aware of their responsibilities when a disaster, such as a hurricane, occurs. (Page 14-19)
15. Providing for Coverage Against Risk Exposure: The district has comprehensive policies and procedures relating to acquiring and reviewing coverage for risks of loss. (Page 14-21)

Financial Management

16. Management Control Methods: District management communicates its commitment and support of strong internal controls. (Page 14-25)
17. Financial Accounting System: The district records and reports financial transactions in accordance with prescribed standards. (Page 14-26)
18. Financial Reporting Procedures: The district prepares and distributes its financial reports timely. (Page 14-26)
19. Budget Practices: The district has a financial plan serving as an estimate of and control over operations and expenditures. (Page 14-27)
20. Cash Management: The district has effective controls to provide recorded accountability for cash resources. (Page 14-27)

21. Investment Practices: The district has an investment plan that includes investment objectives and performance criteria designed to maximize return consistent with the risks associated with each investment, and specifies the types of financial products approved for investment. (Page 14-28)
22. Receivables: The district has established effective controls for recording, collecting, adjusting, and reporting receivables. (Page 14-29)
23. Salary and Benefits Costs: The district has effective controls that provide accountability for the payment of salaries and benefits; however, a direct deposit initiative would enhance controls and payment processes. (Page 14-29)
24. Debt Financing: The district analyzes, evaluates, monitors, and reports debt-financing alternatives. (Page 14-31)
25. Grant and Entitlement Monitoring: The district effectively monitors and reports grant activities. (Page 14-32)

Purchasing

26. Segregation of Duties: The district segregates purchasing responsibilities from the requisitioning, authorizing, and receiving functions. (Page 14-34)
27. Requisitioning: The district has established controls for authorizing purchase requisitions. However, the district should promote greater use of its purchasing card program. (Page 14-34)
28. Purchasing: The district has established authorization controls over purchasing. (Page 14-35)
29. Receiving: The district has established controls to ensure that goods are received and meet quality standards. (Page 14-36)

Payment Processing

30. Disbursements: The district has established controls to ensure that disbursements are properly authorized, documented, and recorded. (Page 14-37)
31. Invoice Processing: The district has established controls for processing invoices to ensure that quantities, prices, and terms coincide with purchase orders and receiving reports. (Page 14-37)

Fiscal Impact of Recommendations

One of this chapter’s recommendations has a direct fiscal impact—the recommendation to establish a formal risk assessment process. Exhibit 14-1 shows this recommendation.

Exhibit 14-1

One Cost Control Systems Action Plan Recommendation Has Fiscal Impact

Recommendation	Five Year Fiscal Impact
<ul style="list-style-type: none"> • Implement a risk assessment process to enhance identification of high-risk activities and prioritizing of these activities in order of highest risk for purposes of resolving or reducing risk exposure. 	<ul style="list-style-type: none"> • Five-year cost of \$75,000

Source: Auditor General.

Background

The district, as provided in s. 230.03(2), *Florida Statutes*, is required to operate, control, and supervise all free public schools in the district. Law, rules, regulations, and grantor restrictions applicable to the district's activities define, among other matters, the purposes for which resources may be used and the manner in which authorized uses shall be accomplished and documented. Section 230.03(3), *Florida Statutes*, provides that the responsibility for the administration of the district is vested with the superintendent as the secretary and executive officer of the district. To assure the efficient and effective operation of the district in accordance with good business practices and with applicable legal and contractual requirements, effective cost control systems must be established and maintained.

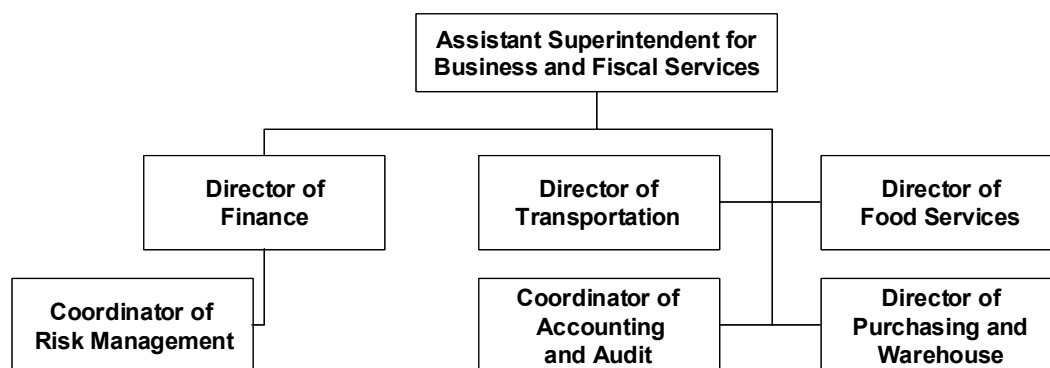
The superintendent is responsible for establishing and maintaining effective cost control systems. The objectives of efficient and effective cost control systems are to

- provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition;
- ensure that transactions are executed in accordance with the district's authorization;
- ensure that transactions are recorded properly to promote reliable financial data;
- ensure that restricted assets are managed in compliance with applicable law, regulations, and contracts; and
- within the constraints established by applicable laws and regulations, ensure that operating policies and procedures promote cost-effective and efficient methods of operation.

Exhibit 14-2 presents the organizational structure of the finance function at Osceola County School District.

Exhibit 14-2

The Assistant Superintendent for Business and Fiscal Services Manages Accounting and Finance Functions



Source: Osceola County School District.

The district's finance function is similar to finance departments in other similarly sized school districts in the state. At the Osceola County School District, a significant amount of the responsibilities for ensuring efficient and effective cost control systems rests with the finance function, which is headed up by the Assistant Superintendent for Business and Fiscal Services.

To develop a better understanding of the financial operating processes, we evaluated the district's efforts to meet best financial management practices in the following eight cost control systems areas:

- internal auditing;
- financial auditing;
- asset management;
- risk management;
- inventory management;
- financial management;
- purchasing, and
- payment processing.

Internal Auditing

An Established Internal Audit Function Can Add Value to District Operations

The Institute of Internal Auditors defines internal auditing as “an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.” An established internal audit function's responsibilities (scope) can include:

- verifying the reliability and integrity of information;
- determining compliance with laws, regulations, policies, procedures, and contracts;
- ensuring the safeguarding of assets;
- appraising the economical and efficient use of resources; and
- determining and/or measuring whether established objectives and goals for operations or programs have been accomplished.

The scope of many internal audit functions may not include all of the above responsibilities. Management decisions, the scope of entity operations, and the regulatory environment that the entity exists in can impact the degree of responsibility given an internal audit function. Section 230.23(10)(l), *Florida Statutes* (2001), provides that school districts may employ an internal auditor to perform ongoing financial verification of the financial records of the school district. This law also provides that the internal auditor shall report directly to the district or its designee.

In addition to resources received at the district level, the individual schools also receive moneys for club and class activities. These moneys are deposited in each school's internal accounts, which are commonly referred to as school internal funds. Rule 6A-1.087, *Florida Administrative Code*, requires school districts to provide for annual audits of the school internal funds. As a practicality, internal auditors employed pursuant to s. 230.23(10)(l), *Florida Statutes* (2001), may also be assigned the responsibility for auditing the school internal funds.

Osceola County School District employs an internal accounts auditor to perform annual audits of the school internal accounts. This employee does not have other responsibilities typically assigned to a true internal audit function.

1 The district does not have an internal audit function.

Osceola County School District's decision to not have an internal audit function is consistent with its peer districts. A review of the internal audit function in peer school districts shows that most of them do not have an in-house internal audit function.

The District Should Conduct a Risk Assessment of Its Activities and Operations

Given current economic conditions, it may not be financially feasible to establish an internal audit function. Regardless of whether or not the district has an internal audit function, a risk assessment of the district's operations and activities should be conducted to determine if there exist potential risks that can adversely affect the district. Risk assessments are typically conducted in all large organizations as a means to protect against unnecessary risks and to identify means to improve the efficiency and effectiveness of operations. Without a properly conducted risk assessment, the district cannot determine if potential risks exist which should be addressed.

Typically, internal audit functions are used to perform risk assessments so that identified risks can be prioritized and addressed. Risks addressed by the internal audit functions, depending on their nature, can be eliminated or minimized through the recommendation of enhanced control processes or other practices that reduce exposure to risk. These benefits can possibly offset the costs of an internal audit function.

For a risk assessment to be effective, it should include input from many stakeholders. This would include the superintendent, board members, and financial and operational management, including school principals. Using many stakeholders helps in identifying the level of concern for specific high-risk activities and is useful in assigning priority.

A risk assessment performed on an annual basis will require additional resources. Because work requirements for existing finance staff does not provide sufficient time to perform the risk assessment, the district should consider the use of a certified public accounting firm to perform the risk assessments. Until such time as the district can use existing staff or a newly established internal audit function to perform the annual risk assessment, the district should use the certified public accounting firm to perform the assessments annually. Because initial start-up costs of performing an assessment can be recouped in subsequent assessments, the average cost of regularly scheduled annual risk assessments can be minimized. The district can use the experiences of other school districts that have out-sourced the risk assessment process to better prepare for its own risk assessment.

Recommendation

- *We recommend that the district implement a risk assessment process that will enhance the identification of high-risk operations and activities and will assist in prioritizing these risks for purposes of resolving them.*

Action Plan 14-1 provides the steps needed to implement this recommendation.

Action Plan 14-1

Implement Risk Assessment Process	
Strategy	Implement a risk assessment process to enhance identification of high-risk activities which will result in prioritizing these activities in order of highest risk for purposes of resolving them.
Action Needed	Step 1: Develop and distribute request for proposal for risk assessment. Step 2: Select firm that will perform risk assessment for the district. Step 3: Review results of risk assessment and prioritize high-risk activities. Step 4: Assign responsibility for addressing and resolving prioritized risks.
Who Is Responsible	Chief Financial Officer in lieu of Internal Auditor
Time Frame	December 31, 2002
Fiscal Impact	The average annual cost is estimated to be approximately \$15,000. This amount is based on an estimate of 175 hours at an average rate of \$85 per hour (\$14,875 rounded up to \$15,000). Although first year costs may be higher, efficiencies gained during the first year should result in lower costs in subsequent years. Using the average of \$15,000 for each year will result in a cost of \$75,000 over five years. It is likely that the addressing of risks identified in the risk assessments will result in cost savings and avoidances that will offset the cost of the risk assessments. However, the cost impact of these potential savings and avoidances cannot be determined at this time.

Source: Auditor General.

Financial Auditing

State law governs the district’s responsibility to obtain annual financial audits. Section 11.45(2)(i), *Florida Statutes*, provides that the Auditor General will conduct financial audits of the accounts and records of all school districts in counties with populations under 150,000 and conduct financial audits of school districts with populations of 150,000 or more once every three years. Section 218.39(1), *Florida Statutes* provides that during the other two years, those school districts with populations of 150,000 or more shall have annual financial audits conducted of their accounts and records by certified public accountants. Certified public accountants performing such audits shall be retained by each school district and paid from its public funds, and each audit shall be completed within 12 months after the end of the fiscal year. Section 11.45(c), *Florida Statutes*, defines a financial audit as an examination of financial statements in order to express an opinion on the fairness with which they are presented in conformity with generally accepted accounting principles and an examination to determine whether operations are properly conducted in accordance with legal and regulatory requirements. Financial audits must be conducted in accordance with generally accepted auditing standards and government auditing standards as adopted by the Board of Accountancy.

In addition to requirements for annual audits of the district’s records, certain components of the district have other provisions for audit. These include the district’s school internal accounts, foundations, and charter schools. Audit requirements for these activities are discussed below.

The individual schools also receive moneys for club and class activities. These moneys are deposited in each school’s internal accounts, which are commonly referred to as school internal funds. Rule 6A-1.087, *Florida Administrative Code*, requires school districts to provide for annual audits of the school internal funds. Most school districts, including Osceola County School District, employ internal accounts

auditors to perform the audits of the internal funds. Others contract with certified public accountants to perform the audits.

For financial reporting purposes, school districts are primary governments and may include one or more component units within their financial statements. Component units can either be “blended” into the financial transactions of a particular fund, or they may be “discretely presented” in separate column(s) in the financial statements. Accounting standards provide specific criteria that are used to identify component units and to determine whether they should be blended or discretely presented. At June 2001, Osceola County School District had one foundation (direct-support organization) and three charter schools that are considered discretely presented component units.

2 The district obtains an external audit in accordance with government auditing standards.

Annual Financial Audits are Performed in Accordance With Government Auditing Standards

The last census determined that the population of Osceola County currently exceeds 150,000. As such, Osceola County School District will need to pay for annual audits performed by certified public accountants for two of every three years. The audit for the third year will be conducted by the Auditor General. Our review of annual financial audits for each of the last three years showed that the audits were performed in accordance with generally accepted auditing standards and government auditing standards.

3 The district provides for timely follow-up of findings identified in the external audit.

The District Makes Reasonable Efforts to Resolve Findings Noted in Annual Audits

State law requires, as applicable, the Auditor General or the certified public accountant to provide the district with a list of findings that may be included in the audit report. Although the law provides for different methods of response depending on who is performing the audit, the district is required to provide a written statement of explanation concerning all of the findings, including corrective actions to be taken to prevent a recurrence of the findings. Our review of past reports shows that the district makes reasonable efforts to resolve findings noted in annual audits.

4 The district obtains and reviews required financial information relating to school internal accounts, direct-support organizations (DSOs), and charter schools.

Although not significant when compared to overall district financial operations, a substantial amount of money flows through the district’s school internal funds. Exhibit 14-3 provides a district-wide summary of school internal fund financial activity over the last three years.

Exhibit 14-3

Three-Year Financial Summary of School Internal Funds

Internal Fund Activity	1998-99	1999-00	2000-01
Assets (Cash and Investments), July 1	\$1,672,915.00	\$1,539,173.00	\$1,699,935.00
Internal Funds Receipts (Includes Transfers-In)	6,019,980.00	6,508,337.00	6,376,937.00
Internal Funds Disbursements (Includes Transfers-Out)	(6,153,722.00)	(6,347,575.00)	(6,409,914.00)
Assets (Cash and Investments), June 30	\$1,539,173.00	\$1,699,935.00	\$1,666,958.00

Source: Osceola County School District – Superintendent’s Annual Financial Reports.

Although Audits are Conducted of School Internal Accounts, the Audits are not Completed Annually

Since these funds are controlled primarily at the school level, it is important that the district periodically monitor this activity to ensure that the funds are being used as directed in the district’s School Internal Funds Manual. Rule 6A-1.087, *Florida Administrative Code*, requires that the district provide for an annual audit of these funds. As stated above, Osceola County School District employs an internal accounts auditor to perform the audits of the internal funds. The auditor also reviews the monthly financial information received from each school and acts as a liaison for the school’s internal accounts bookkeepers, answering questions and providing training as needed. Our review showed that the required audits for the 1998-99 fiscal year were not finished until January 2001 and were presented to the board for approval on February 20, 2001. Exhibit 14-4 shows the timeframe in which the audits were completed.

Exhibit 14-4

Audits of School Internal Funds for Fiscal Year 1998-99

Time Period for Completion of School Internal Accounts Audits		
Months After Fiscal		
Completed By	Year End	Number of Schools
December 1999	6 Months	0
June 2000	12 Months	16
December 2000	18 Months	11
February 2001	20 Months	5

Source: Osceola County School District Report on Internal Accounts audits.

It is important that the district receive timely audits of the school internal accounts. These audits assist district management and the board in monitoring the financial activities of each school's internal accounts. Also, significant internal control and compliance issues can be identified and addressed more promptly with timely audits. Finally, if approached appropriately, the audits can be used as an evaluative tool to measure school performance.

The district has experienced significant growth in recent years. When originally established, the district's one internal accounts auditor was responsible for auditing far fewer schools than the district currently has. This increase in the number of schools (and related number of school internal accounts) is a significant reason why the audits of the internal accounts have become less timely. We reviewed other districts with a comparative number of schools as Osceola County School District (32 schools) and noted that many outsource all or a portion of the internal accounts audit function.

The district has decided to outsource the audits of the school internal accounts. On May 7, 2002, the board approved a contract to provide for the audits of these accounts for the 2000-01 and 2001-02 fiscal years. The cost to the district is approximately \$35,000 per year.

Annual Audits are Conducted of the District’s Direct-Support Organization

The district has one direct-support organization (DSO), the Foundation for Osceola Education, Inc. The foundation is incorporated under the laws of Florida as a separate not-for-profit corporation operated as a DSO pursuant to s. 237.40, *Florida Statutes*. This law also requires that each DSO provide for an annual financial audit of its accounts and records to be conducted by a certified public accountant in accordance with rules adopted by the Auditor General and the Commissioner of Education. The district has received the required annual audit of the DSO. The most recent audit, for fiscal year 2000-01, was presented to the district on October 16, 2001.

Exhibit 14-5 provides a district-wide summary of DSO financial activity over the last three years.

Exhibit 14-5

Three-Year Financial Summary of DSO Activities

	1998-99	1999-00	2000-01
Assets	\$ 111,494	\$ 142,641	\$ 701,421
Liabilities	1,737	8,784	217,499
Fund Equity / Net Assets	109,757	133,857	483,922
Total Liabilities & Fund Equity / Net Assets	\$ 111,494	\$ 142,641	\$ 701,421
Revenues	\$ 265,396	\$ 367,589	\$ 821,799
Expenses / Expenditures	255,701	343,489	471,734
Net Increase (Decrease)	9,695	24,100	350,065
Beginning Fund Equity / Net Assets	100,062	109,757	133,857
Ending Fund Equity / Net Assets	\$ 109,757	\$ 133,857	\$ 483,922

Source: Osceola County School District – Audited Financial Statements.

Annual Audits are Conducted of Charter Schools

Section 228.056, *Florida Statutes*, permits a school district to sponsor a charter school in the county over which the district has jurisdiction. The school district has six charter schools. The New Dimensions High School opened with the 1998-99 school year and provides educational services for grades 9 through 12. The Four Corners Charter Elementary School, the City of Kissimmee Charter Elementary School, and the P.M. Wells Charter School all serve grades kindergarten through 5, and opened for the 2000-01 school year, except for P.M. Wells Charter School which opened in 2001-02. Four Corners Middle School opened in the 2001-02 fiscal year, and serves grades 6 through 8. The UCP (United Cerebral Palsy) Charter School opened for the 2001-02 school year and serves children with learning and/or physical disabilities, from birth to five years of age.

Pursuant to the charter school law, students enrolled in a charter school, regardless of the sponsorship, shall be funded by the school district as if they are in a basic program or a special program, the same as students enrolled in other public schools in the school district. Also, charter schools whose students or programs meet the eligibility criteria in law shall be entitled to their proportionate share of categorical program funds distributed to the school district by the Legislature, including transportation.

Since public moneys are used to finance charter school operations, the charter school law requires that school districts monitor the charter schools in a variety of areas, including finance. Law provisions include a requirement for an annual report that includes financial information and an annual audit by a certified public accountant. The contracts for the three charter schools that have been in operation for at least one year, New Dimensions High School, Four Corners Charter Elementary School, and City of Kissimmee Charter Elementary School, require the annual report to be provided to the school board no later than August 20th of each year, and audited financial statements no later than September 20th. Our review showed that although the district did not receive the charter school audit reports for the 2000-01

fiscal year by the due dates, they were received shortly thereafter. Exhibit 14-6 shows summary financial information for the district’s charter schools that have been in operation in prior fiscal years. The reports were presented to the board at the February 5 and February 26, 2002, board meetings

Exhibit 14-6

Three-Year Financial Summary of Charter School Activities

Charter School Activity	New Dimensions High School			Four Corners Charter School		
	1998-99	1999-00	2000-01	1998-99	1999-00	2000-01
Assets	\$1,359,200	\$1,739,513	\$2,078,019	\$ -	\$ 2,879	\$1,684,135
Liabilities	\$ 28,020	\$ 47,209	\$ 45,564	\$ -	\$ 3,000	\$1,521,719
Investment in General Fixed Assets	70,812	1,219,770	1,368,475	-	-	278,007
Fund Equity	1,260,368	472,534	663,980	-	(121)	(115,591)
Total Liabilities & Fund Equity	\$1,359,200	\$1,739,513	\$2,078,019	\$ -	\$ 2,879	\$1,684,135
<i>Revenues</i>	\$1,910,025	\$1,176,807	\$1,268,329	\$ -	\$ 170,000	\$3,344,730
Expenditures	649,657	1,964,641	1,076,883	-	170,121	3,460,200
Net Increase (Decrease)	\$1,260,368	\$ (787,834)	\$ 191,446	\$ -	\$ (121)	\$ (115,470)
Beginning Fund Equity		1,260,368	472,534	-	-	(121)
Ending Fund Equity	\$1,260,368	\$ 472,534	\$ 663,980	\$ -	\$ (121)	\$ (115,591)

Source: Osceola County School District – Audited Financial Statements.

Asset Management

The district has a fiduciary responsibility to protect publicly financed fixed assets and tangible personal property acquired to educate students. To carry out this fiduciary responsibility, the district must develop effective accounting and tracking processes that will ensure that these assets are properly accounted for, reported, and safeguarded.

Accounting for fixed assets involves tracking and reconciling additions and deletions to property and performing physical verifications of the existence of the property. The most important purposes for keeping and maintaining accurate accounting records of fixed assets are:

- Properly kept property records furnish taxpayers with information about the investment of tax dollars in the district;
- Adequate property records provide the basis for insurance coverage;
- Reliable information about currently owned fixed assets and tangible personal property can provide material assistance in determining future requirements (replacement, etc.); and
- Periodic physical inventories identify lost or stolen items so that insurance claims can be filed, additional controls instituted, and accounting records adjusted to reflect the losses.

The district records expenditures for the acquisition or construction of fixed assets in the governmental fund type or expendable trust fund that paid for the acquisition or construction. The fixed assets so acquired are recorded at cost in the general fixed assets account group on the financial statements. Effective with the 2001-02 fiscal year, accounting practices relating to the reporting of fixed assets, including depreciation on these assets, will change as the district implements Governmental Accounting Standards Board Statement 34. However, for the purposes of this report, information is presented using current accounting standards.

Cost Control Systems

The district's Finance Department is responsible for accounting for tangible personal property. The Purchasing and Warehousing Services Department is responsible for assignment of property record numbers and issuance of property tags for all items of property requiring accountability. School principals and department managers have custodial responsibilities for property charged to and under their area of responsibility.

State law and *Rules of the Auditor General* govern school district responsibilities relative to fixed assets. State law defines property as fixtures and other tangible personal property of a nonconsumable nature, the value of which is \$750 or more and the normal expected life of which is one year or more. School districts are permitted to use lower capitalization thresholds if they choose. Osceola County School District uses a capitalization threshold of \$750.

Information related to general fixed asset balances over the most recent three fiscal years is shown in Exhibit 14-7.

Exhibit 14-7

Three Year Financial Summary of General Fixed Assets

General Fixed Assets	1998-99	1999-00	2000-01
Land	\$ 14,308,960	\$ 15,078,041	\$ 16,775,501
Improvements Other than Buildings	9,266,785	9,401,890	10,672,418
Buildings and Fixed Equipment	208,625,327	208,723,515	246,579,638
Furniture, Fixtures, and Equipment	24,638,525	28,818,085	30,911,988
Motor Vehicles	9,785,612	12,181,572	12,218,398
Construction in Progress	15,274,397	81,106,727	73,908,805
Property Under Capital Lease	1,774,115	1,737,978	907,598
Audio Visual Materials & Computer Software	752,279	1,338,944	2,089,714
Total General Fixed Assets	\$ 284,425,999	\$ 358,386,754	\$ 394,064,060

Source: Audited Financial Statements.

The Furniture, Fixtures, and Equipment; Buildings and Fixed Equipment; and the Construction in Progress categories are the most active and are the accounts for which effective cost controls are most needed.

5 Segregation of Duties: The district segregates responsibilities for custody of assets from record keeping responsibilities for those assets.

School principals, or their designees, and department heads initiate capital expenditures. The Finance Department maintains the record keeping for capital expenditures. School principals, or their designees, and department heads have custodial responsibilities for the assets and property control. The Purchasing and Warehousing Services Department conducts an annual physical inventory of all tangible personal property. The district level property accountant reconciles the results of the physical inventory with the property records at the school and department level.

6 Authorization Controls: The district has established controls that provide for proper authorization of asset acquisitions and disposals.

Appropriate Policies And Procedures Govern The Acquisition And Disposal Of Assets

All asset acquisitions, which are initiated by cost center heads, are controlled by the Purchasing and Warehousing Services Department, and follow controls established for requisitioning, authorizing, and receiving. Decisions regarding financing alternatives and the use of appropriate accounting procedures are made using guidance provided by the Assistant Superintendent for Business and Fiscal Services and the Associate Superintendent for Maintenance and Facilities. Separate capital project budgets and accounts are maintained, and the district approves all material capital asset projects or acquisitions. District policy and the property control manual ensure that all property dispositions are made in accordance with legal requirements.

7 Project Accounting: The district has established records that accumulate project costs and other relevant data to facilitate reporting construction and maintenance activities to the district, public, and grantors.

The District's Accounting System Accommodates Accounting for the Cost of Construction Projects

The district has implemented procedures and maintains records to ensure that costs are properly accounted for and documented.

To ensure proper accounting of construction project costs, information involving a variety of cost factors should be maintained. Large construction projects typically have an architect and a general contractor, and often will include engineers and various other sub-contractors. Depending on the scope and funding of the project, initial equipment purchases may also be a part of the project costs.

When construction projects are initiated, the district assigns project numbers to each contracted capital outlay and maintenance project. Also the district assigns project numbers to all material in-house capital outlay and maintenance projects. The district's accounting system is designed to generate reports on a project basis. This feature allows the district to identify costs on a project basis. The district charges costs within a project to various object codes to separately identify the various costs of the project. This practice provides a means for the district to separately keep track of payments to the various vendors on a project.

8 Asset Accountability: The district provides recorded accountability for capitalized assets.

The district has established procedures that ensure that capital expenditures are identified and properly recorded in the appropriate asset subsidiary records. The district's Purchasing and Warehousing

Department performs the annual physical inventory of tangible personal property. Upon completion, the counts are then reconciled to the property records by the Finance Department.

9 Asset Safeguards: Assets are safeguarded from unauthorized use, theft, and physical damage.

The District's Tangible Personal Property Is Adequately Safeguarded

Capital property is safeguarded and controlled pursuant to policies adopted by the district. These assets are acquired in accordance with established procedures and their ownership is documented in the property records. Each item of tangible personal property is assigned to a custodian (principal or department manager) who is responsible for safeguarding the property. The custodian is held accountable through an annual physical inventory, whereby all items are either located or identified as missing. Reports of missing property are prepared and custodians are required to make every effort to locate each item. The property custodian must give a satisfactory explanation for property items that cannot be located. Reports detailing missing property items, as well as surplus or obsolete items, are prepared and presented to the district on at least an annual basis.

The district has established accountability for each asset by using a pre-numbered, bar-coded sticker. A capitalization threshold of \$750 has been established and approved by the school district. The property clerk maintains detailed property records for all assets in the district which includes indicating the cost center and department that the asset was assigned to, as well as the fixed asset number and the purchase order that authorized its acquisition.

Tangible personal property is tagged when purchased, thereby facilitating the periodic inventories and assisting in searches for missing items. Detailed property records are maintained and are periodically reconciled to the general ledger control accounts.

Property dispositions are made in accordance with law and procedures in the district's Property Accounting Manual, and accounting records are properly adjusted when dispositions occur.

Inventory Management

Inventories consist of expendable supplies held for consumption in the course of district operations. The maintenance, warehouse, transportation, and fuel supplies are recorded in the General Fund; purchased food, commodities, and related non-food items are reported in the Special Revenue Fund. Inventories are stated at cost valued on a weighted-average basis except that United States Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the district's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than purchased. The inventory amounts shown in Exhibit 14-8 are similar, or somewhat less than the amounts reported for the district's peers (Alachua, Collier, Leon, Manatee, and Lee districts).

Exhibit 14-8

Three-Year Summary of Inventories

Inventories	1998-99	1999-00	2000-01
General Fund	\$ 835,689	\$ 871,426	\$ 946,959
Special Revenue Fund	250,678	300,847	313,724
Total	\$ 1,086,367	\$ 1,172,273	\$ 1,260,683

Source: Osceola County School District – Superintendent’s Annual Financial Reports.

10 Segregation of Duties over Inventory: The district segregates responsibilities for custody of inventories from record keeping responsibilities for those assets.

Responsibilities for Inventory Custody and Accounting for Inventory Transactions have been Adequately Segregated

To the extent practical with available staff, district staff assigned inventory record keeping responsibilities do not also have responsibility for custody of the inventories. The Finance Department maintains general ledger control accounts. These accounts are periodically reconciled with the perpetual inventory records. Inventory write-downs are initiated only after the physical inventory and the reconciliation process has determined that such a procedure is needed.

11 Inventory Requisitioning Controls: The district has established and implemented controls that provide for proper inventory requisitioning.

The District Has Established Effective Inventory Requisitioning Controls

Inventory transactions are initiated by purchase orders that are subject to the Purchasing Department’s approval. Once the goods are received, a receiving report is issued and inventory stock records are updated. The Finance Department receives the purchase order, receiving report, and invoice to prepare vouchers for payment for inventory purchases. The requisitions are prepared on-line by the principals or department heads and are used to issue items to various schools or departments. Amounts reported as inventory in the district’s Annual Financial Report are based on the year-end physical inventory counts. Differences found during the counting process are investigated by warehouse managers/custodians.

Additionally, the district maintains general ledger control accounts for all inventories. The general ledger control accounts are reconciled to the perpetual records on a periodic basis. This control also ensures that inventory requisitions are timely recorded.

12 Inventory Accountability and Custody: The district has established controls that provide for inventory accountability and appropriate safeguards exist for inventory custody.

Inventories are Effectively Accounted For and Safeguarded

The district accounts for its inventories on a perpetual basis. To effectively account for inventories on a perpetual basis, an effective system of documentation must be developed to support transactions recorded in the perpetual accounting system. The district has developed inventory requisitioning and approving procedures that effectively support entries made to the perpetual inventory accounting subsystem. Periodically, the district conducts physical counts of inventory stocks to verify back to the perpetual inventory records. Variations between counts and records are investigated and resolved before any adjustments are made to the accounting system. All inventories are maintained in locked warehouses.

13 Inventory Management: The district has performed an evaluation of the School and Office Supplies inventory function to determine its cost-effectiveness. However, the district should analyze the costs and benefits of other alternatives for the Maintenance Supplies inventory function. For all inventories, the district should compare inventory levels with other school districts.

The District has been Reevaluating Inventory Practices

Traditionally, many school districts have used centralized warehouses to store consumable items that are used regularly in school district operations. In earlier years, purchases of such items in bulk generally resulted in significant savings that offset the overhead cost of warehousing operations. Efficient warehouse operations ensured that all purchases and deliveries to schools and departments were complete and timely and that inventory levels were sufficient to meet requests for supplies from individual schools and departments.

In recent years, competitive market conditions and service-driven marketing by inventory suppliers have caused many organizations to reevaluate the need to have warehousing operations. In many instances, organizations have found that inventory suppliers can provide services nearly equivalent to in-house warehouse operations at lower overall costs. In these instances, many organizations have phased out in-house warehouse inventory operations in favor of inventory vendors providing next-day or similar delivery of consumable supply items.

The district maintains a central warehouse for school, office, janitorial, and food related supplies. Warehouses are also used for maintenance and transportation supplies. Several years ago, the district considered privatization of the maintenance inventory function. The district decided to keep the warehousing function, although management of the facility was contracted out for about a year.

The District's Warehousing Evaluation Process Should be Improved

The Purchasing and Warehousing Services Department conducted an analysis of the inventory function for school, office, and janitorial supplies in October 2001. This inventory, which is reported in the

General Fund, was valued at approximately \$255,000 at June 30, 2001. The current pricing has been compared to that offered by private companies for the majority of the supply items stored in the purchasing warehouse. At the time of this analysis, the district had found that it was able to obtain better prices by purchasing in bulk. However, this analysis must be performed periodically to determine whether the market conditions have changed. The district's bulk price should be compared to the best price that can be obtained by a direct delivery vendor, one who would deliver directly to the school or work site.

This analysis should also be performed for the maintenance inventory, which was reported at approximately \$570,000 in the General Fund at June 30, 2001.

An analysis of alternatives for the inventory function would include an assessment of the costs and benefits of the various options for purchasing and delivering supplies. These options include purchasing such items through the use of a purchasing card and online or phone ordering with next-day delivery directly to the school or department. An assessment of the costs of the inventory function would include the following factors:

- **Purchase costs:** The acquisition costs of supply items purchased in bulk should be compared to the prices that could be obtained by negotiating a contract with a vendor to “drop ship” items directly to the schools or departments. In comparing prices, the district also needs to consider additional costs associated with maintaining the warehousing function such as salaries and related benefits, equipment, overhead, facilities, and delivery, as described below.
- **Storage and Delivery Charges:** The cost to the district for storing and delivering items to schools and other work locations should be compared to the cost of having items delivered directly to the work location by the vendor.
- **Missed Opportunity Costs:** The district needs to consider the cost of having financial resources tied up in inventory. Interest lost on the cost of purchasing and storing inventory and/or interest paid because financial resources are not available for other uses.
- **Level of service:** The level of service provided by private delivery companies who deliver items to work locations may be different than the level of service provided by district delivery staff. Delivery companies may drop items off at the main office, rather than at specific locations within the school or work area, which may require district personnel to move the items to the desired location. If items are especially large or heavy, this could present a problem for the receiving personnel at the school or work site.

Recommendations

- *We recommend that the district research alternative inventory services for maintenance supply items and continue to periodically analyze its other inventories for cost efficiency.*
- *We recommend that the district compare inventory levels with other school districts in order to ensure that excessive inventory levels are not maintained.*

Action Plan 14-2 provides the steps needed to implement these recommendations.

Action Plan 14-2

Alternative Inventory Services	
Strategy	Analyze the costs and benefits of contracting the storage and distribution of inventory supplies to private companies.

Cost Control Systems

Action Needed	<p>Step 1: Determine the costs (staffing, equipment, facilities, overhead, other) associated with maintaining inventories by review and analysis of activity cost reports.</p> <p>Step 2: Ascertain the types of inventory-related services available in the industry and the costs associated with the services.</p> <p>Step 3: Determine the costs and benefits associated with utilizing alternative inventory management resources.</p> <p>Step 4: Document the result of the study and present the analysis and recommendations to the superintendent.</p> <p>Step 5: If more beneficial, the Associate Superintendent for Maintenance and Facilities should pursue contracting the storage and distribution of supplies to private companies.</p>
Who is Responsible	Associate Superintendent for Maintenance and Facilities
Time Frame	December 31, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Comparison of Inventory Levels with Other School Districts

Strategy	Establish procedures for the comparison of district inventory levels with other school districts to ensure that excessive inventory levels are not maintained.
Action Needed	<p>Step 1: Establish procedures to compare the district's inventory level with other school districts.</p> <p>Step 2: Assign responsibility for monitoring the analysis and review of the inventory levels of the other school districts.</p> <p>Step 3: Determine whether the district's inventory levels are proper in comparison to similar school districts.</p>
Who is Responsible	The Director of Purchasing and Warehousing Services (school supplies) and the Associate Superintendent for Maintenance and Facilities
Time Frame	December 31, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Source: Auditor General.

Risk Management

The district is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Florida law requires school districts to provide effective protection against these risks. Section 230.23(9)(d), *Florida Statutes*, requires a school district to carry insurance on school property, including contents, boilers, and machinery. Section 230.23(10)(h), *Florida Statutes*, requires that school districts carry insurance (bonds) on all employees who are responsible for school funds. Section 230.23(10)(k), *Florida Statutes*, requires school districts to provide adequate protection against any loss or damage to school property or loss resulting from any liability for which the district or its officers, agents, or employees may be responsible for under law. This section also provides that a school district is authorized to purchase insurance, to be self-insured, to enter into risk management programs, or to have any combination of the above in any area to the extent the district is either authorized or required by law to contract for insurance.

The Osceola County School District has established a policy for risk management. The district's Risk Management Department is charged with the responsibility of implementing the district's risk

management policy and ensuring that the district has acquired all insurance coverage required by law. The district is a member of the Florida School Boards Insurance Trust (Trust) which was established by the Florida School Boards Association, Inc., to provide a combined self-insurance program and risk management services to participating members. The Trust is a public entity risk pool and provides a combined self-insurance program for property protection, general liability, automobile liability, workers' compensation, money and securities, employee fidelity and faithful performance, boiler and machinery, errors and omissions, and other coverage deemed necessary by members of the Trust. The Trust is self-sustaining through member assessments (premiums) and purchases coverage through commercial companies for claims in excess of specified amounts. Exhibit 14-2 shows that the Assistant Superintendent of Business and Fiscal Services, has administrative responsibility for risk management.

The district has established the Osceola County School Board Group Health and Life Insurance Trust to provide for a health, hospitalization, and life insurance program. The program is on a self-insured basis up to specified limits. The plan has an aggregate stop-loss limit of \$14,381,472 and a specific stop-loss for any one claim of \$150,000, with any expense above the stop-loss limits paid in full by excess stop-loss reinsurance purchased under an excess risk insurance agreement. The district has elected to report the plan in the Internal Service Fund. District and employee contributions are reported as revenue while claim payments, as well as other costs associated with the program, are reported as expenses. The district has contracted with a professional administrator to administer the self-insurance program, including the processing, investigating, and payment of claims. A liability in the amount of \$2,188,700 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2001.

14 General: Although the district has a process to set objectives for risk management activities, identify and evaluate risks, and design a comprehensive program to protect itself at a reasonable cost, this process could be enhanced by formalizing its disaster recovery procedures to ensure that all staff are aware of their responsibilities when a disaster, such as a hurricane, occurs.

The District has Identified Risks and Effectively Manages Them

The district is self-insured for workers' compensation, automobile liability, and property insurance up to certain specified limits. The district has entered into agreements with insurance companies to provide specific excess coverage for individual claims exceeding stated amounts for workers' compensation and automotive liability coverage. For property insurance coverage, the district has obtained specific excess coverage through the Florida School Boards Insurance Trust, a self-insurance fund for Florida school districts.

Health and life insurance coverage for district employees is being provided through the Osceola County School Board Group Health and Life Insurance Trust – see background information.

The district's procedures for the monitoring of its third-party administrator need to be strengthened

The district contracts with a third-party administrator to process claim payments for the district's employee group health self-insurance plan. The third-party administrator processes claims and maintains claim documentation. At the time of our review, the district had not performed, or contracted for, a review of claims documentation since the 1998-99 fiscal year. Such monitoring of the third-party administrator is necessary to ensure that claim payments are in accordance with contract stipulations and

that claimants are employees or eligible dependents. In February 2002, the district contracted for the review of the district's employee group health self-insurance claim payments. The contract provides for the review of claims paid between October 1, 2000, and December 31, 2001.

The District Should Enhance its Written Disaster Recovery Plan

The district has a five-year reciprocal Disaster Recovery Plan (Plan) with the Brevard District School Board, effective through May 11, 2003. This agreement is not in sufficient detail to facilitate a smooth recovery in the event of an actual emergency. Key personnel and their assigned responsibilities have not been outlined within the Plan, and provisions have not been made to routinely readdress current information systems configuration necessary for testing. A disaster recovery plan should identify the critical applications, provide for backup of critical data sets, and provide a step-by-step plan for recovery. The plan should include a written agreement for an alternative processing facility that can be utilized for continuity of operations, including the specific responsibilities of both parties relative to availability of and the use of the facility. In addition, plan elements should be tested periodically to disclose any areas not addressed and to facilitate proper conduct in an actual emergency. The district has been gathering information for use in preparing a comprehensive written disaster recovery plan.

Recommendation

- *We recommend that the district enhance the written disaster recovery plan to provide for and ensure continued district operations.*

Action Plan 14-3 provides the steps needed to implement this recommendation.

Action Plan 14-3

Enhance Comprehensive Disaster Recovery Plan	
Strategy	To enhance the written disaster recovery plan to provide for and ensure continued district operations subsequent to a disaster or emergency situation.
Action Needed	<p>Step 1: Establish a task force for the purpose of implementing this recommendation.</p> <p>Step 2: Develop enhancements to the disaster recovery plan that describe procedures to follow for the purpose of ensuring continued district operations. Enhancements should take into account key personnel and assigned responsibilities and provisions to routinely readdress current information systems configuration necessary for testing. The draft should also incorporate other ideas and information gathered from various sources such as county emergency management departments.</p> <p>Step 3: Present draft to the board for review and input.</p> <p>Step 4: Revise draft based on board review and input and re-submit to the board for final approval and adoption.</p> <p>Step 5: Distribute copies of approved comprehensive disaster recovery plan to all appropriate personnel and provide training as necessary.</p>
Who is Responsible	Superintendent and the Director of Information and Technology Services
Time Frame	December 31, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Source: Auditor General.

15 Providing for Coverage Against Risk Exposure: The district has comprehensive policies and procedures relating to acquiring and reviewing coverage for risks of loss.

The District's Procedures Generally Ensure that Coverages Are Obtained At Reasonable Prices

The risk management function has established processes to determine current valuations of district assets to ensure that insurance policies cover recent changes in assets. Annually, with the assistance provided by Florida School Boards Insurance Trust, the insurance lines are reviewed to determine adequacy of services provided relative to the cost of the insurance.

Financial Management

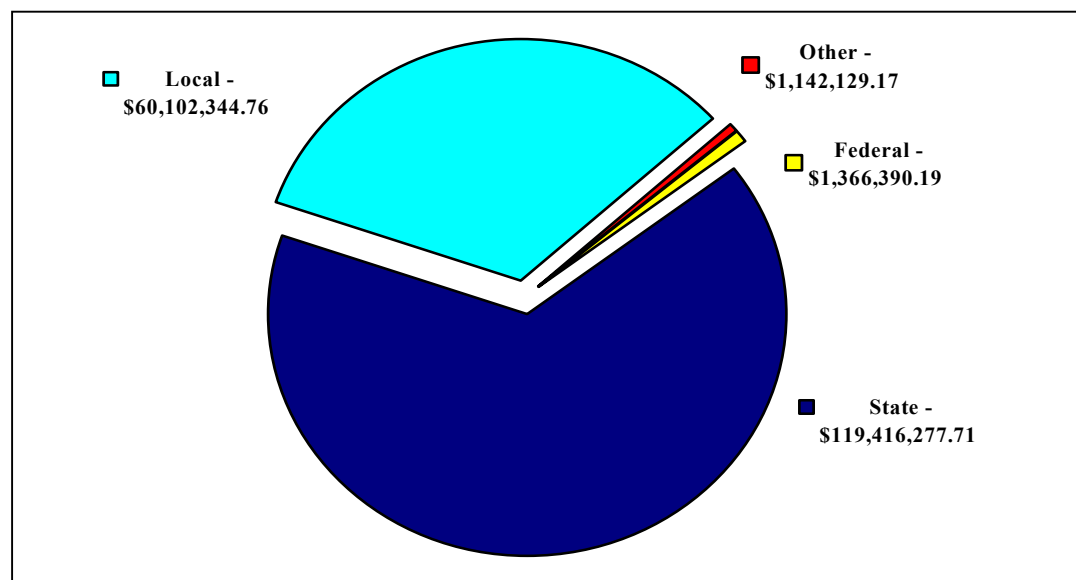
A financial management section has been established within the district organization, which the Assistant Superintendent for Finance and Business Services oversees. The functional areas that make up the financial management section are the Finance Department and the Accounting and Auditing Department (see organizational chart exhibit 14-2). The Finance Department is further split into the functional areas of risk and benefit management, budget, payroll, and accounts payable to assist with segregation of duties issues. The financial management section is responsible for or assists with all accounting issues, financial reporting, budgeting, cash management, investment practices, debt financing, receipts and disbursements.

During the 2000-01 fiscal year, the most recent complete fiscal year for which data is available, Osceola County School District's revenues from all governmental funds were approximately \$302,654,000 and expenditures were approximately \$283,557,000. These amounts include both restricted and unrestricted sources and uses of resources. The district's General Fund is used to account for most of the general operating activities of the district. During the 2000-01 fiscal year, the district reported General Fund revenues and other sources of funds of approximately \$182,027,000 and General Fund expenditures and other uses of approximately \$179,166,000.

Revenues were generated from federal, state, and local sources. Exhibit 14-9 provides information related to the district's General Fund revenues and other sources.

Exhibit 14-9

The State Provided Most of the District's 2000-01 Fiscal Year General Fund Resources



Source: Audited Financial Statements – Osceola County School District.

Four state revenue sources, administered by the Florida Department of Education, comprise essentially all state revenue accounted for in the district's General Fund. First is the Florida Education Finance Program (FEFP) funding which is used for current operations. Second is categorical education programs funding which is earmarked for certain programs such as instructional materials and transportation. Third is workforce development funds used for adult and other vocational educational services. Fourth is lottery funds earmarked for educational enhancement and school advisory council activities.

Local revenues are primarily generated from ad valorem (property) taxes. Exhibit 14-10 shows the taxes levied for education for the 2000-01 fiscal year.

Exhibit 14-10

Ad Valorem (Property) Taxes Levied for District Purposes

Type	Millage	Taxes Levied
General Fund:		
Required Local Effort	6.000	\$ 50,529,198
Basic Discretionary Local Effort	0.510	4,294,982
Supplemental Discretionary Local Effort	0.207	1,743,257
Debt Service Funds:		
<i>General Obligation School Bonds</i>	0.514	4,328,668
Capital Project Funds:		
Local Capital Improvements	2.000	16,843,066
Total	9.231	\$ 77,739,171

Source: Osceola County School District 2000-01 audited financial statements.

The General Fund and Capital Project Funds levies are non-voted levies provided by law and appropriations act provisions. The required local effort is tied to state FEFP funding and represents the amount school districts must levy in order to receive FEFP funding. Also, school districts are authorized

by law to levy up to 2 mills for local capital improvements. The Debt Service Funds levy represents a levy approved by the voters in Osceola County to finance a general obligation bond issue.

Total General Fund revenues have increased 21.21% over the past three years. Exhibit 14-11 shows the changes by source during this period.

Exhibit 14-11

The District’s General Fund Revenues and Other Sources Increased by 21.21% over the Past Three Years

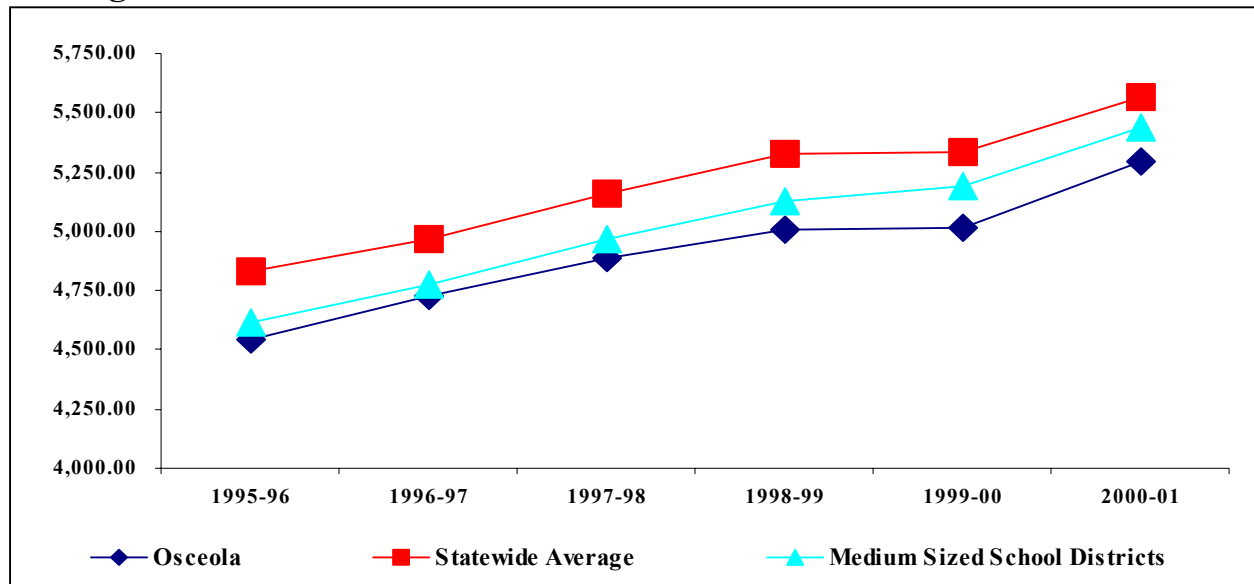
Revenues	1998-99	2000-01	Change	
			Dollars	Percentage
Federal	\$ 410,777.14	\$ 1,366,390.19	\$ 955,613.05	232.64%
State	95,790,099.45	119,416,277.71	23,626,178.26	24.66%
Local	53,114,993.53	60,102,344.76	6,987,351.23	13.16%
Other Sources	864,284.55	1,142,129.17	277,844.62	32.15%
Total	\$ 150,180,154.67	\$ 182,027,141.83	\$ 31,846,987.16	21.21%

Source: Audited Financial Statements – Osceola County School District 1998-99 and 2000-01 fiscal years.

The increase in revenue does not provide any indication of whether per-student funding increased, so we also analyzed the impact of the revenue change on a per-student basis. This analysis compared total actual general fund revenues (but not other sources) received, and divided them by the unweighted full-time-equivalent (UFTE) student membership. Due to changes in reporting UFTE student membership over these years, UFTE membership was modified to make it comparable from year to year. This revenue per UFTE student membership was also compared to the average of the district’s peers. Exhibit 14-12 shows revenues per student for the district and the average of its peers for the six-year period ending with the 2000-01 fiscal year.

Exhibit 14-12

The District’s General Fund Revenues per UFTE Student is Lower than the Averages Statewide and for Other Medium Sized Districts



Source: Audited Financial Statements – Osceola County School District and FDOE UFTE data

Cost Control Systems

Exhibit 14-12 shows that, although revenues increased over the last six years, total revenues per student were less than the averages for other medium sized districts and the statewide average. District personnel believe that the district's rapid growth over this time is the primary reason for the lower per-student funding levels.

During the most recent complete three-year period, the district's general fund spending increased by 18.33%, which is consistent with the increase in revenue. Exhibit 14-13 summarizes the change over the three-year period.

Exhibit 14-13

The District's General Fund Expenditures and Other Uses Increased by 18.33% over the Past Three Years

Expenditures	1998-99	2000-01	Change	
			Dollars	Percentage
Current:				
Instruction	\$ 86,139,567	\$ 100,292,835	\$ 14,153,268	16.43%
Pupil Instructional Services	9,680,411	11,445,471	1,765,060	18.23%
Instructional Media Services	3,253,090	3,214,998	(38,092)	-1.17%
Instruction and Curriculum				
Development Services	6,807,003	9,420,421	2,613,418	38.39%
Instructional Staff Training Services	1,069,404	1,503,407	434,003	40.58%
Board	960,129	1,344,231	384,101	40.01%
General Administration	2,593,431	2,998,441	405,010	15.62%
School Administration	9,261,983	10,567,903	1,305,920	14.10%
Facilities Acquisition and Construction	1,691,033	1,753,652	62,618	3.70%
Fiscal Services	887,052	1,126,374	239,321	26.98%
Central Services	5,087,784	6,060,430	972,646	19.12%
Pupil Transportation Services	5,858,228	7,939,093	2,080,865	35.52%
Operation of Plant	10,873,452	13,316,239	2,442,787	22.47%
Maintenance of Plant	3,589,561	4,040,005	450,444	12.55%
Community Services	655	1,116,300	1,115,645	170304.09%
Capital Outlay:				
Facilities Acquisition and Construction	18,653	136,768	118,115	633.22%
Other Capital Outlay	2,793,287	2,220,779	(572,508)	-20.50%
Debt Service:				
Principal	508,991	550,862	41,871	8.23%
Interest and Fees	174,202	113,885	(60,317)	-34.62%
Other Uses	168,731	3,817	(164,914)	-97.74%
	\$ 151,416,648	\$ 179,165,911	\$ 27,749,263	18.33%

Source: Audited Financial Statements – Osceola County School District 1998-99 and 2000-01 fiscal years.

Nearly all of the increases relate to salary and benefit costs increases. The significant increase in Community Services relates to administrative organizational changes.

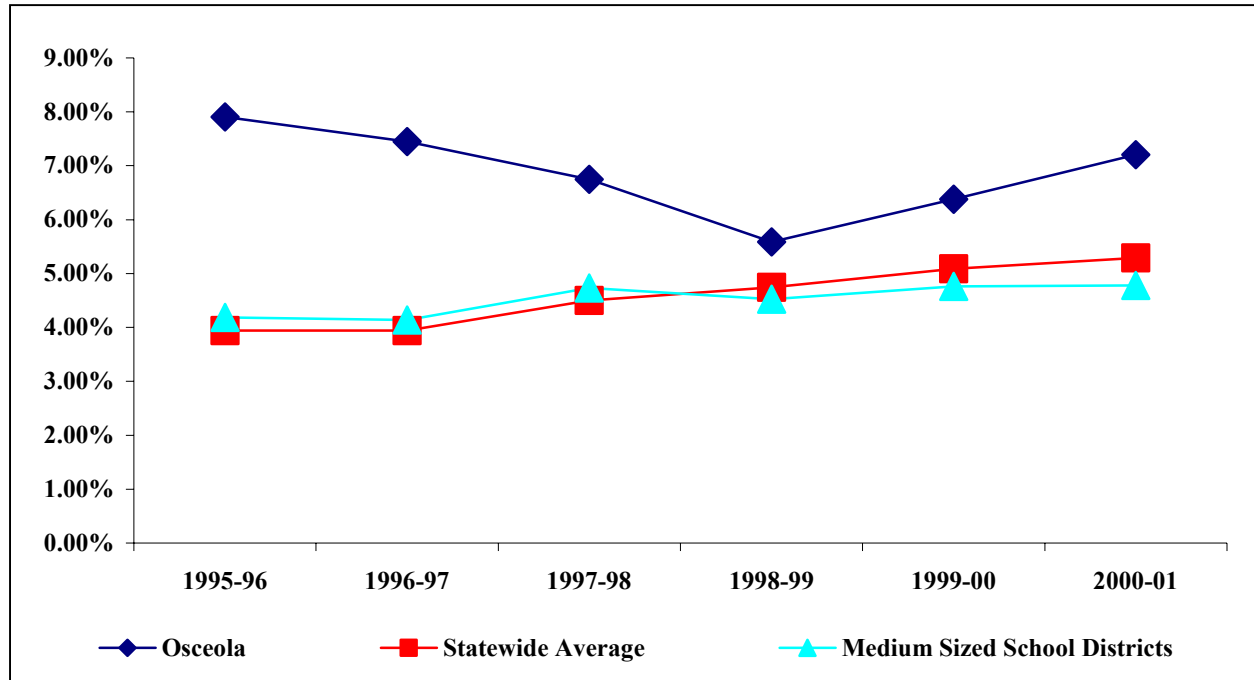
We analyzed the fund balance in the General Fund to determine if the district's efforts to control costs have had a beneficial impact on its financial position. The most common measure of financial position is the ratio of fund balance to operating activity. The fund balance of most school districts includes reserved and unreserved portions. Fund balances are often reserved for legal and other commitments of the entity. Common examples of reserves in Florida school districts include amounts reserved for outstanding purchase orders and contracts (encumbrances) and amounts reserved for restricted purposes (categorical programs). As a result, only the unreserved portion of the fund balance is actually available to offset

unexpected needs and this portion is often referred to as the “rainy day” fund. For the purposes of our analysis, we compared the district’s ratio of general fund unreserved fund balance with expenditures to its peer districts and with the statewide average.

Exhibit 14-14 compares the district’s financial position with its peers and statewide averages for the six-year period ending June 30, 2001.

Exhibit 14-14

The District’s General Fund Financial Position is Higher than the Statewide Average and the Average of Its Peers



Source: Auditor General.

Over this period, the district has kept its expenditure growth at a level consistent with its revenue growth. As can be seen in Exhibit 14- 14, this stewardship has had a beneficial impact on the district’s financial position. The district’s ratio of unreserved fund balance to revenues is consistently better than the statewide average and the average of its peers.

16 Management Control Methods: District management communicates its commitment and support of strong internal controls.

District Management Communicates Commitment and Support of Strong Internal Controls

The district established a business and fiscal services function that, as indicated by its organizational structure, provides for effective separation of various business activities to promote an adequate system of internal controls. As shown in Exhibit 14-2, functional responsibilities within the business and fiscal services function are further segregated into accounting and audit, finance, and purchasing and

warehouse. Finance is further segregated into risk and benefit management, budgeting, payroll, and accounts payable. Responsibilities assigned to various staff members within these functional responsibilities are such that a comprehensive system of internal controls has been established.

Additionally, the district developed a policy for the reporting of suspected improprieties. This policy demonstrates the district's encouragement of timely feedback of information from employees, particularly information relating to suspected improprieties. Through such a process, an organization becomes aware of internal control weaknesses that may otherwise be overlooked. This policy is beneficial to the organization because it provides a process that both the employee and the organization should follow, which will help protect the interests of the employee as well as reduce the organization's liability exposure.

17 Financial Accounting System: The district records and reports financial transactions in accordance with prescribed standards.

The district records and reports financial transactions in accordance with prescribed standards.

The district's accounting system was designed to include a chart of accounts consistent with the requirements of FDOE's manual Financial and Program Cost Accounting and Reporting for Florida Schools (known as the Red Book 2001), which is required under s. 237.01, *Florida Statutes*, and Rule 6A-1.0001, *Florida Administrative Code*. The features of this system include account-coding information (fund, cost center, project, function, object, and program) to accumulate costs in accordance with prescribed standards.

18 Financial Reporting Procedures: The district prepares and distributes its financial reports timely.

The district established processes to ensure that required financial reports are submitted timely and within reporting deadlines.

The district is governed by various laws, rules, and contract provisions relative to the required submission dates for various financial reports. For example, Rule 6A-1.0071, *Florida Administrative Code*, requires the district to have its annual financial report prepared and submitted to the Florida Commissioner of Education no later than September 11th of each year. Rule 6A-1.008, *Florida Administrative Code*, requires the superintendent to submit monthly financial statements to the board in the form prescribed by the board. Additionally, various federal grants and contracts provide for monthly statements of financial activity relating to the grants and generally provide for required submission dates.

The district established procedures to ensure compliance with these requirements. For example, district staff prepares and submits monthly financial reports to the board. These reports include a trial balance, revenue budget analysis, and expenditure budget analysis. The monthly budget analysis compares the revised budgeted amounts to the actual year-to-date amounts. This report also includes information on amounts that have already been encumbered and the percentage of the budget (including encumbrances) that has already been expended. Information is presented monthly to the board in summary format,

making it practical for decision making, and includes the required information of grants and programs funded from restricted sources.

Our review indicated that the district's processes were effective to ensure that the required financial reports were timely submitted.

19 Budget Practices: The district has a financial plan serving as an estimate of and control over operations and expenditures.

The district has a financial plan serving as an estimate of and control over operations and expenditures

The district's financial plan serving as an estimate of and control over operations and expenditures is contained in its budget. There are several state laws and administrative rules affecting the district relative to budgeting. For example, s. 230.23(10)(g), *Florida Statutes*, requires a school district to implement a system of accounting and budgetary control to ensure that payments do not exceed amounts budgeted. Section 237.031, *Florida Statutes*, requires a school district to establish a budget system. Section 237.041, *Florida Statutes*, requires the board to adopt an annual budget and submit the adopted budget to the Florida Department of Education. Rule 6A-1.006, *Florida Administrative Code*, provides guidelines for amending the budget and Rule 6A-1.007, *Florida Administrative Code*, requires the superintendent to ensure that obligations and expenditures are kept within budgeted income.

Budgets are formulated and adopted in accordance with the applicable state laws and rules. A budget calendar is prepared and used for the orderly submission of the budget. Advertisements, including the required notification to the public concerning millage rates and notification of budget hearings, are placed in commonly available local newspapers. Budgets are prepared in sufficient detail to provide effective monitoring of restricted funds. Actual and budgetary amounts are compared on a monthly basis, and the budget is sent to the board for approval if revisions are necessary. Additionally, the district has implemented an encumbrance accounting system to provide a means of comparing budgeted amounts to actual and planned expenditures.

The district has established effective procedures to ensure that state requirements for budget preparation and subsequent amendments thereto are timely completed.

20 Cash Management: The district has effective controls to provide recorded accountability for cash resources.

The district's accounting procedures manual includes detailed procedures for cash collection and cash disbursement activities. The district receives the majority of its cash in the form of wire transfers from the state or the local tax collector, which is sent directly to the district's local bank account.

The district has effective controls to provide recorded accountability for cash resources.

Sufficient personnel are employed in the Accounting and Finance Departments to provide adequate segregation of duties for the cash receipts and disbursement functions. Additionally, the recording of cash receipts is functionally separate from the responsibility to make general ledger entries and to reconcile the bank accounts.

The Accounting Department performs all cash receipts functions, except for the school internal account funds. Procedures are in place to physically safeguard cash and collections on hand until deposit. Payroll and Accounts Payable Departments, within the finance function, perform all cash disbursement functions, except for the school internal account disbursements. An accountant within the Accounting Department, with no cash handling responsibilities, performs the reconciliation process for the district's bank accounts.

The district uses a pooled bank account for most transactions, while maintaining general ledger records to identify existing cash balances by fund. The district's master bank account feeds the two zero-balance bank accounts, payroll and accounts payable. The district also has bank accounts for specialized projects; including health and life insurance, debt service '72 issue, food service, and PELL federal funds.

District accounting staff prepares a daily cash flow analysis. Based on this analysis, excess funds are typically sent to the State Board of Administration (SBA) for investment, while remaining funds are swept into an overnight money market fund to maximize earnings.

21 Investment Practices: The district has an investment plan that includes investment objectives and performance criteria designed to maximize return consistent with the risks associated with each investment, and specifies the types of financial products approved for investment.

District Policy 2.2.3, updated November 2000, provides guidance on investing of excess funds. Investment objectives include (1) safety of principal, (2) maintenance of liquidity, and (3) return on investment. Performance benchmarks for short-term and long-term portfolios are also specified in the Policy. Authorized investments are those through the SBA's Florida Local Government Surplus Funds Trust (SBA), United States Government Securities, United States Government Agencies, Federal Instrumentalities, interest bearing time deposits or saving accounts, repurchase agreements, commercial paper, bankers' acceptances, and registered investment companies (money market funds). Derivatives and reverse repurchase agreements are specifically prohibited.

The district has procedures in place to ensure that investments made are consistent with the district's investment policy and to determine the performance of investments made.

District accounting staff prepares a daily cash flow analysis to determine the amount of excess funds available for investment. The district invests the majority of its available funds with the State Board of Administration's Local Government Surplus Funds Trust Fund investment pool created by s. 218.405, *Florida Statutes*. This investment pool operates under the investment guidelines established in s. 215.47, *Florida Statutes*. This fund offers highly liquid investments with competitive rates. The district also invests a small portion of its available funds in United States Government Agency Securities, which is an authorized investment pursuant to s. 236.24(2), *Florida Statutes*.

The district's investments in the Local Government Surplus Funds Trust Fund, a Securities and Exchange Commission Rule 2a7-like external investment pool, are reported at amortized cost. This fund offers highly liquid investments with competitive rates and provides a simplistic conservative investment approach by allowing investments to remain with the fund and withdrawals to be requested based on periodic cash needs with no type of withdrawal penalties.

The district's investment processes include the use of an outside consultant for comparisons of other investment opportunities to compensate for the recent reductions in interest rates paid by the State Board of Administration's Local Government Surplus Funds.

22 **Receivables: The district has established effective controls for recording, collecting, adjusting, and reporting receivables.**

The District has Effective Processes for Recording, Collecting, Adjusting, and Reporting Receivables

As a service provider of free public education to children, the district generally does not have activities requiring it to bill for and attempt collection from others. Other than its risk management activities, essentially all of the district’s receivables relate to accounting entries to account for amounts due from other state and local governments. These amounts due from other governments are considered to be fully collectable.

Based on the limited volume and nature of receivables that the district has, its procedures are generally effective to provide for the proper reporting of receivables.

23 **Salary and Benefits Costs: The district has effective controls that provide accountability for the payment of salaries and benefits; however, a direct deposit initiative would enhance controls and payment processes.**

Section 236.02(4), *Florida Statutes*, and State Board of Education Rule 6A-1.052, *Florida Administrative Code*, require school districts to annually adopt salary schedules for employees that shall be the sole instrument used in determining employee compensation. The district annually adopts and includes in the board minutes the approved salary schedules for school personnel. Additionally, district procedures ensure that amounts paid to employees are consistent with amounts provided in the salary schedules. The payroll accounting program provides for the calculation of retirement plan contributions and district procedures ensure that those contributions are timely remitted.

As with most school districts, employee salary and benefits costs represent a significant portion of the expenditures of the district. Exhibit 14-15 presents salary and benefit costs for the fiscal year ended June 30, 2001.

Exhibit 14-15

Employee Salary and Benefit Costs for the 2000-01 Fiscal Year

Account	Amount
Salaries	\$ 116,057,737
Employee Benefits	34,386,539
Total	\$ 150,444,276

Source: District general ledger.

Controls Provide Accountability for the Payment of Salaries and Benefits

Access to the district’s master payroll file is limited to employees authorized to make changes. The Personnel and Payroll Departments can both access employee payroll records, but update capability is segregated based on function. The Payroll Department can access the system to record changes to the

payroll records of an existing employee, while access to input and/or record changes to new employee screens is restricted to the Personnel Department.

The district tracks the leave and vacation hours available for each employee, while reporting current leave and vacation balances to employees on each pay stub. The district sends the annual W-2 reports to the employees in a timely manner, and all returned W-2 forms are retained for the required period of time. Approximately 63% of the district's employees are on direct deposit for payroll.

A Direct Deposit Initiative Would Enhance Controls and Payment Processes

The district could enhance accountability and the efficiency and effectiveness of the payroll payment process by paying all employees by direct deposit. Although each new employee of the district is afforded the opportunity to sign up for the direct deposit method of payroll, the district does not currently have a mandatory direct deposit requirement for new employees. The district has taken a proactive approach to encouraging current district employees to participate in the direct deposit program.

The district currently makes payroll payment distributions twice per month. We selected the January 18, 2002, payroll as a sample month to determine the number of employees receiving payroll checks and those on direct deposit. The December payroll included a total of 4,311 employees. Those employees were paid for January 18, 2002, as shown in Exhibit 14-16.

Exhibit 14-16

Approximately 63% of the District's Employees are on Direct Deposit

Type	Amount	Percentage
Received Payroll Checks	1,606	37.25%
Used Direct Deposit	2,705	62.75%
Total	4,311	100.00%

Source: District general ledger.

Based on the January 2002 payroll, about 37% of the current employees still receive a traditional manual paycheck. While outstanding paychecks do allow the district to earn interest on the "float" until presented for payment, outstanding paychecks also require tracking and follow-up until they clear the district's bank account as part of the subsequent reconciliation process by district personnel. This time consuming process can be eliminated or greatly reduced with the direct deposit payroll method. Also, processes can be developed that would provide for the electronic distribution of "pay stub" information to district employees, thereby eliminating the need for mailing or delivering the information by manual means.

Although there may not be significant cost savings, the numerous control benefits associated with the direct deposit method of payroll processing would add greater efficiencies to the overall payroll transaction process. The efficiencies gained will allow the district to reallocate resources to other district priorities.

Recommendation

- *We recommend that the district implement a policy to encourage all new employees to sign up for the direct deposit payroll method. In addition, the district should continue to proactively encourage current employees receiving payroll checks to convert to the direct deposit payroll method.*

Action Plan 14-4 provides the steps needed to implement this recommendation.

Action Plan 14-4

Direct Deposit Initiative	
Strategy	Encourage payroll direct deposit for all new employees and proactively encourage current employees to convert to the direct deposit payroll method.
Action Needed	<p>Step 1: Confer with district employees and their related bargaining unions regarding the district's direct deposit program.</p> <p>Step 2: Obtain board approval for encouraging direct deposit.</p> <p>Step 3: Develop strategies for encouraging new and current employees to convert to direct deposit.</p> <p>Step 4: Begin campaign to encourage direct deposit for new employees and those employees currently receiving paychecks. Information can be included in pay check materials, in employee newsletters, etc.</p> <p>Step 5: Periodically report to the board the progress towards achieving 100% direct deposit.</p>
Who is Responsible	Director of Finance & Human Resource Program Director
Time Frame	June 30, 2004
Fiscal Impact	This recommendation can be implemented with existing resources. Although cost savings are likely to be insignificant, implementing this recommendation will bring about increased efficiencies and strengthen control in the payroll process.

24 Debt Financing: The district analyzes, evaluates, monitors, and reports debt-financing alternatives.

District Processes Ensure that Various Debt Financing Alternatives are Evaluated, Monitored, and Analyzed

The district does not frequently enter into long-term financing arrangements. As needed, the district uses its retained financial advisor, who is experienced in the issuance and sale of debt instruments, to assist in determining the best financing alternatives given the district's specific needs. Based on the advice of the financial advisor, the board is presented with the best financing alternative given the district's specific needs for approval. During the 2000-01 fiscal year, the district issued new debt in the form of State School Bonds Series 2001-A and Sales Tax Revenue Series 2001 bond totaling \$44,100,000.

The district's June 30, 2001, outstanding debt-financing and interest rates are summarized in Exhibit 14-17.

Exhibit 14-17

The District Had \$173,868,725 in Borrowed Debt at June 30, 2001

Debt Instrument	Principal Balance		Interest Rates	
	June 30, 2001	Date of Maturity	Low	High
Capital Leases	\$ 1,630,896	2008	1.23%	8.53%
Installment-Purchases Payable	25,060	2003	6.82%	6.82%
Certificates of Participation	87,970,000	2024	3.25%	6.25%
Notes Payable	9,547,769	2005	4.62%	7.41%
Bonds Payable	74,695,000	2025	4.00%	6.13%
Total	\$ 173,868,725			

Source: District general ledger.

Total future interest to be paid on the above debt to maturity at June 30, 2001, was approximately \$101,394,200. While an initiative to reduce part of the outstanding debt could save the district interest costs over the next several fiscal years; consideration must be given to the planned expansion of district facilities to meet the needs of the increasing population growth in Osceola County. Currently, the district is planning to issue approximately \$60 million in certificates of participation and obtain an additional \$38 million from the use of Classrooms First proceeds to be borrowed from two other school districts. Should the growth rate in Osceola County level off in future years, the possibility of retiring debt early to reduce interest payments should be considered at that time.

25 Grant and Entitlement Monitoring: The district effectively monitors and reports grant activities.

Grant Monitoring and Reporting

The district receives significant resources from federal grantors. During the 2000-01 fiscal year resources from federal grantors totaled approximately \$17,910,000. These grants provide resources for a variety of district programs. For example, during the 2000-01 fiscal year:

- The Child Nutrition Cluster (National School Lunch Program, School Breakfast Program, and Summer Food Service Program) provided \$4,924,762 to supplement the district’s food service program and to provide free and reduced-price meals to eligible children.
- The Title I – Grants to Local Education Agencies Program provided \$3,050,206 to enhance delivery of educational services to elementary schools located in economically disadvantaged areas.
- The Special Education – Grants to States Program provided \$4,139,283 to help provide the special education and related services needed to make a free appropriate public education available to all children with disabilities.

Most of these resources are derived from recurring grants that have been received by the district for many years. Accordingly, procedures to ensure compliance with these grants are well established. District personnel monitor changes in these grant requirements and, as appropriate, procedural changes are made to meet changing grant requirements.

The district has established practices to ensure monitoring of grant activities in accordance with grantor requirements. Reporting requirements for grants are determined and procedures are established to ensure that grantor-required reports are submitted within established deadlines. The district effectively monitors and reports grant activity and obtains the following information for each grant that the district receives:

- Identification of the agency received from;
- Grant name;
- Project code assignment;
- Granting agency project number;
- Granting agency contact person;
- Information about contract/grant terms and conditions;
- The last date for incurring expenditures and issuing purchase orders;
- The date that all obligations are to be liquidated;
- The date that final disbursement reports need to be submitted.

The district uses a unique number (project number) to identify each grant received. All expenditures on the grant will be coded to that project number. The district reviews the terms of the grant before any expenditure is made using related grant funds. The district monitors federal grant cash requirements on a monthly basis by tracking individual project expenditure needs.

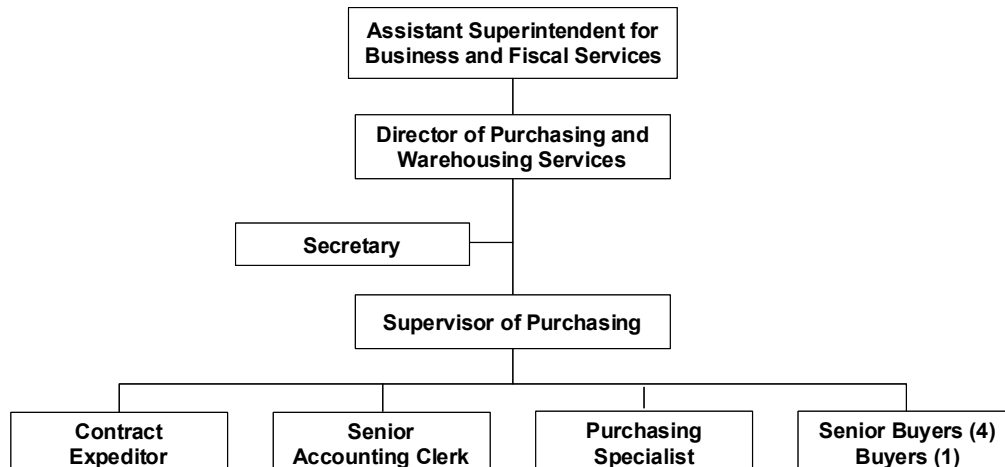
If the terms of the grant extend over more than one fiscal year, district personnel will review and verify all amounts not yet expended, encumbered, or committed. The unencumbered and uncommitted remaining grant balance is rolled forward as the beginning grant budget for the next fiscal year.

Purchasing

The district developed a purchasing function, which reports administratively to the Assistant Superintendent of Finance and Business Services. The Purchasing Department is staffed as noted in Exhibit 14-18 below.

Exhibit 14-18

Organizational Chart of Purchasing Process:



Source: District general ledger.

Expenditures are subject to the district's various purchasing control processes. Total General Fund expenditures for the fiscal year ended June 30, 2001, excluding salaries and employee benefits,

capitalized purchases, and debt service payments totaled approximately \$36,551,567, of which approximately \$263,772 were purchased through the district's purchasing card program.

26 Segregation of Duties: The district segregates purchasing responsibilities from the requisitioning, authorizing, and receiving functions.

The District Effectively Segregates Purchasing Responsibilities

Section 237.02(1)(a), *Florida Statutes*, provides that each school district shall develop and adopt policies establishing the plan to be followed in making purchases as may be prescribed by the State Board of Education. State Board of Education Rule 6A-1.012, *Florida Administrative Code*, prescribes purchasing requirements for school districts. Generally, school districts must establish purchasing policies and procedures that, at a minimum, meet these requirements. Through their developed policies and procedures, school districts may establish more comprehensive purchasing requirements.

The district has established a Purchasing and Warehousing Services function that consists of separate departments for purchasing, warehousing, and property records. The purpose of the Purchasing Department is to ensure that board-adopted purchasing policies and procedures have been followed. District procedures provide for the decentralized requisitioning and receiving of goods and services and the Purchasing Department is physically and functionally separate from these activities.

27 Requisitioning: The district has established controls for authorizing purchase requisitions. However, the district should promote greater use of its purchasing card program.

The District's Purchase Requisition Controls are Effective

The district established a comprehensive budgeting process that allocates budget to departmental, cost center (including school), and project levels. Department heads and principals in charge of activities at these levels are responsible for ensuring that required expenditures are kept within available budget. Consequently, authorization to request the expenditure of budgeted funds is also vested in these employees. As the need arises, the department head or principal submits on-line requisitions for the purchase of goods and services. Depending on the type and amount of the requisition, the standard approval levels are at the cost center, project, accounts payable, and buyer levels. The accounting system utilized by the district allows requisitions to be posted to the accounting system only if funds are available.

The District Has Implemented a Purchasing Card Program

In August 1998, the district contracted with a local bank for a purchasing card program for use by district employees to make small purchases without going through the process of generating a purchase order. This program allows district staff to more efficiently obtain low cost items such as materials and supplies for immediate use. The district developed the purchasing card pilot program for limited users, which initially required manual input of each transaction. By January 2001, programming developed to allow for the download of transactions into the system electronically greatly increased input efficiency. With

this more efficient process, the district has begun to open the purchasing card program to more users. The cards have single transaction, daily, and monthly purchase limits of varying amounts based on user responsibility levels.

The district has established effective controls for monitoring the use of the cards. Card features include identification of the employee name and department the cards were issued to so that purchases made on the cards will be charged to the specific department or school location that was issued the cards. Users must obtain receipts or bills for purchases made with the purchase card. The Director of Purchasing reviews and approves the documentation and support for all purchases made with the cards before the district pays charge card balances.

28 Purchasing: The district has established authorization controls over purchasing.

The District has Effective Controls for Authorizing Purchases

In addition to state law and rules governing purchasing requirements, the district’s policies and procedures establish additional purchasing authorizing requirements and processes. For example, verbal and/or written quotations are required for purchases that exceed specified amounts enumerated within the district’s policies and procedures. School Board Policy 2.2.2(F)(1)(b) allows for the district’s bid threshold to match that specified in the state law, currently at \$25,000.

Additionally, district procedures allow for consolidation of recurring purchases for bid, when feasible. Purchasing Department staff determines feasibility through periodic reviews of like item purchases which could be put out for public quote or bid. Detailed specifications are submitted to vendors for all goods and services and district personnel monitor the quality of items purchased and vendor performance on contracts. Examples of recent district bids for consolidated purchases are noted in Exhibit 14-19 below.

Exhibit 14-19

Example of Bid Requests

Bid No.	Purchase Types
02-01	Lawn Care Service
02-03	Inspection & Repair of Microscopes & Balances
02-10	Air Conditioning for Buses
02-15	Student Planners
02-23	Food Products and Supplies
02-31	Catalog Bid for Health Supplies & Equipment
02-33	Telephone Systems for Future Schools
02-35	Instructional Media Center Paper & Supplies

Source: District Purchasing Department.

When practical, the district also uses various state purchasing contracts, piggy-backs on the bids of other school districts, and conducts searches of various web-sites.

29 Receiving: The district has established controls to ensure that goods are received and meet quality standards.

District Established Controls are Effective to Ensure that Goods are Received and Meet Quality Standards

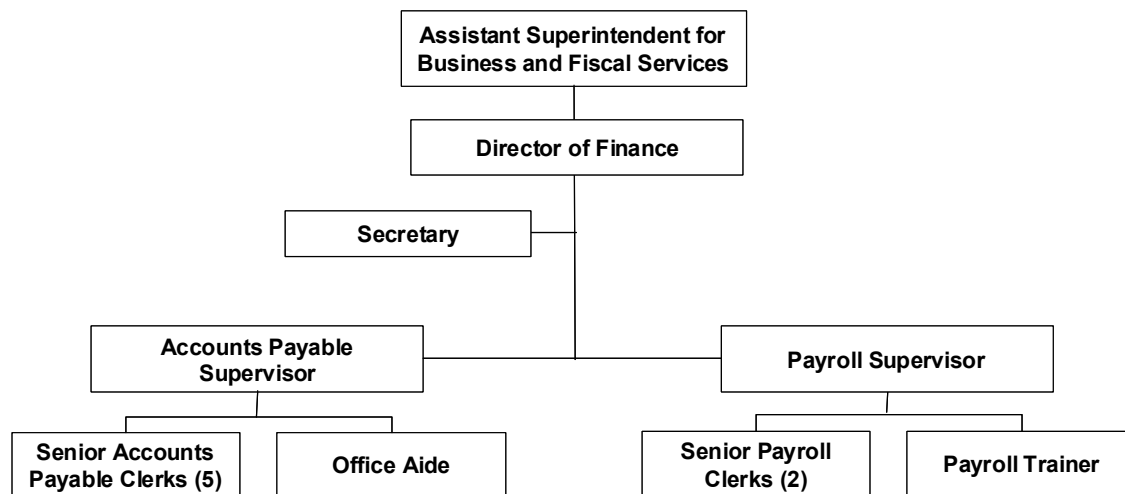
The district has established controls ensuring that goods received meet its quality standards. The individual school/department that ordered the item bears the ultimate responsibility for verification that the items ordered meet quality standards. When an item is received, authorized personnel at the school/department check to verify that the item meets quality standards, then record receipt of the items on-line. If any problems are noted with the received items, the receiver notifies the Purchasing Department for follow-up.

Payment Processing

The district's established controls for payment processing are vested with the Accounts Payable and Payroll Departments. The Accounts Payable Department, within the finance function, is responsible for the processing and reconciliation of bills and invoices presented for payment, along with follow-up on discrepancies, partial receipts, and returns. The Payroll Department is responsible for the processing and reconciliation of time and leave records provided to support salary payments. These departments are staffed as noted in Exhibit 14-20 below.

Exhibit 14-20

Organizational Chart of Payment Process



Source: District Organizational Chart.

30 Disbursements: The district has established controls to ensure that disbursements are properly authorized, documented, and recorded.

The district effectively monitors and controls cash disbursements through various control processes. Most vendor (and payroll) checks are computer generated, computer printed, and all checks require two facsimile signatures prior to issuance. Implicit in the control procedures are reconciliation processes that ensure that checks processed by the accounting system agree with control data, both in amount and in the number of checks.

During the requisition process, purchases are coded to ensure that sufficient budget exists for the payment. During the process of approving requisitions for payment, the coding information is verified and corrected if necessary. District purchasing staff search for unusual account coding and re-verify as necessary when processing approved requisitions. Disbursements are made only for those goods/services documented on-line as received.

31 Invoice Processing: The district has established controls for processing invoices to ensure that quantities, prices, and terms coincide with purchase orders and receiving reports.

Established procedures provide for invoices to be reviewed, verified, and approved for completeness of supporting documents and require clerical checking by accounts payable employees prior to disbursement. This procedure involves comparing the invoice for payment to the original purchase order/requisition and the on-line receiving report. Accounts payable personnel verify the items submitted for payment on the invoice are those contained on the original purchase requisitions and that all items listed on the invoice have been received. If discrepancies exist between the invoices received and the supporting documentation maintained by the district, procedures are in place to ensure timely resolution of these discrepancies. In addition, procedures are in place to ensure accurate account distribution of all entries resulting from invoice processing.

15

Community Involvement

The Osceola County School District is actively involved with the larger community. The district's community relations activities meet all 11 of the best financial management practices for this area.

Conclusion

The Osceola County School District (the district) is actively engaged with the larger community. The district meets all 11 of the best financial management practices for community involvement. The district's community relation goals and objectives are coordinated with those of the overall district. The district also has strong accountability built into these activities and evaluates its programs to ensure performance, efficiency, and effectiveness. The district is successful in soliciting and incorporating parent and community involvement and support for schools in the county. The district has several mechanisms in place for communicating with parents and the general public, most of whom are school-based. The district has a positive relationship with the business community, an active volunteer program complete with adequate background checks, and procedures in place to solicit parental input. The district's community involvement provides active and effective support to its schools. Volunteers and business partners are the foundation of this effort.

During the course of this review, OPPAGA identified a number of district accomplishments in the community involvement, some of which are included in Exhibit 15-1 below.

Exhibit 15-1

The District Has Had a Number of Notable Accomplishments in Community Involvement in the Last Three Years

- The district has established strong accountability systems for their community involvement activities.
 - The district has created strong business partnerships.
 - The district foundation has provided tens of thousands of dollars in scholarships.
-

Source: Osceola County School District.

Overview of Chapter Findings

OPPAGA reviewed the district's community involvement using the Best Financial Management Practices and associated indicators, the former of which were adopted by the Commissioner of Education. The OPPAGA team employed several methodologies to develop chapter conclusions and action plans. For instance, OPPAGA conducted on-site interviews with district level administrators and gathered information on the community involvement activities. To receive additional input, OPPAGA obtained documentation of methods used to conduct evaluations and reviewed website information. Information has been reviewed and validated, then incorporated into this chapter where applicable. An overview of chapter findings is presented below.

Effective Communication

1. The district has developed a community involvement mission statement and has detailed activities in a strategic plan directed toward performing that mission. (Page 15-3)
2. The district has established and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of its community involvement offices. (Page 15-4)
3. The district solicits and incorporates parent and community involvement and support. (Page 15-5)
4. The district uses a variety of methods of communicating with parents. (Page 15-6)
5. The district periodically reviews the organizational structure and staffing levels of the community relations section to minimize administrative layers and processes. (Page 15-7)

Parents and Decisions

6. The district has active parent teacher associations /parent faculty organizations (PTA/PFO) and other effective methods to involve and encourage parent leadership and participation. (Page 15-7)
7. The district provides activities that encourage families to be involved in the schools. (Page 15-7)

Community Involvement

8. The district uses community resources to strengthen schools, families, and student learning and consistently offers school resources to strengthen communities. (Page 15-8)
9. The district has developed school-business partnerships. (Page 15-9)
10. District schools maintain active and effective programs to involve volunteers in the education process. (Page 15-9)
11. District schools solicit economic support through school foundations. (Page 15-10)

Fiscal Impact of Recommendations ---

None of this chapter's recommendations have a direct fiscal impact.

Background ---

Typically, a school district's community involvement function includes communicating with and engaging different segments of the community, including parents, local businesses, and other local groups. The notion of "community involvement" in a public school district includes activities to provide supplemental resources to the schools, get students involved with the community, and enhance parental involvement in student and school activities. In the Osceola County School District, the Community Relations Department, the Osceola Adults Serving and Inspiring Students (OASIS) department, certain district staff, and individual schools share responsibility for these activities.

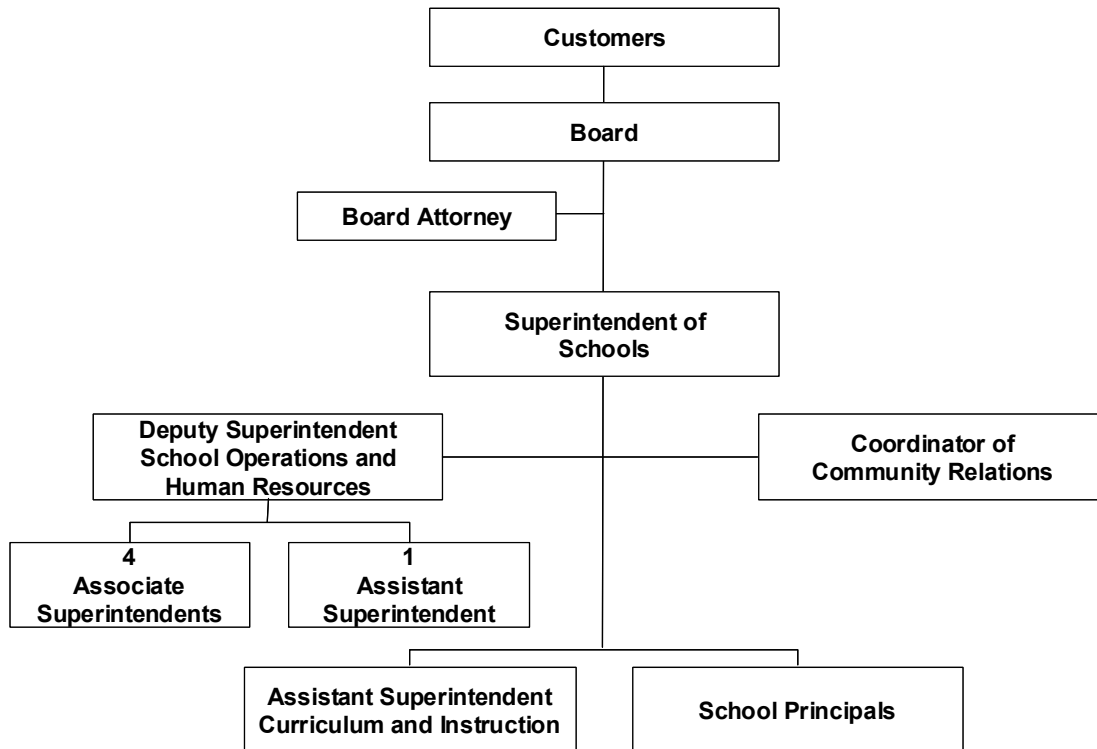
The Community Relations Department has primary responsibility for community involvement activities in the Osceola County School District. The office is staffed with a coordinator of Community Relations who reports directly to the superintendent (refer to Exhibit 15-2). The department is also staffed with a secretary-Internal Communications and a Community Relations specialist-External Communications.

The Osceola Adults Serving and Inspiring Students (OASIS) is a separate department that coordinates volunteers and business partners for the district. An OASIS specialist is responsible for this department, although the position ultimately reports to the coordinator of Community Relations.

Finally, other district staff provides support to these departments as needed. For example, the director of Accountability and Strategic Planning also serves as the liaison to the local chamber of commerce, attends the foundation’s board meetings and is extensively involved with the district’s school advisory councils (SACs).

Exhibit 15-2

The Coordinator of Community Relations Reports Directly to the Superintendent



Source: Osceola County School District.

Effective Communication

1 The district has developed community involvement mission statements and maintains ongoing community involvement activities in strategic plans directed toward performing that mission.

Community involvement departments have mission statements and strategic plans consistent with the district’s overall strategic plan.

It is important for the community involvement departments to have formal mission statements because it allows stakeholders to immediately understand the purpose of their activities. The mission statements, in turn, should be consistent with the goals and objectives of the district wide strategic plan so that funding and community participation generated by the departments’ activities are not misdirected.

Community Involvement

The Osceola County School District has established written mission statements for both the Community Relations and OASIS departments. The Community Relations Department has the following mission statement:

“To creatively promote the School District and to inform others through effective communication.”

The OASIS department has the following mission statement:

“To provide the opportunity for parents, businesses and the community to enrich the education of all Osceola students through school volunteerism, mentoring, and business and community partnerships.”

These mission statements help the public clearly understand the activities of these departments. A parent or business partner should be able to articulate each department’s primary function and understand to which entity they should request information about specific community involvement activities. These are indicators of well-developed mission statements.

More importantly, community involvement activities are coordinated with an overall strategic plan for the district. The departments’ goals and objectives were developed in conjunction with the district’s efforts to create its 1998-2002 Strategic Plan. Community involvement personnel and 20 key community stakeholders met as a workgroup and provided substantial input into this plan, including identifying 16 target markets for the district. After the district’s strategic plan was approved, the Community Relations and OASIS departments’ staff met independently and developed strategic plans for their programs. This resulted in the *2001-2002 Osceola School District Communications Plan* and the *2001-2002 Osceola School District OASIS Program Plan*. Each plan contains detailed action plans for each program including timeframes, staff responsible, target audience, budget impacts, and desired results (outcomes).

2 The district has developed and implemented accountability mechanisms to ensure the performance, efficiency, and effectiveness of the community involvement departments.

The district has adopted performance and cost-efficiency measures to assess community involvement activities.

Efficient and effective community involvement activities can provide a school district many benefits, not the least of which are increased resources for programs and projects. Community involvement activities also allow parents, business partners, and others to have ownership in the performance of the school district. The community involvement departments serve as the face of the school district to the larger community. Because of the role community involvement serves in the district’s management structures, it is important that there is appropriate accountability of the departments to ensure responsible ethical and fiscal behavior, efficient and effective operations, and performance that helps the district meet its overall goals and objectives.

The community involvement departments have measurable goals and objectives established to assess performance for individual programs. Exhibit 15-3 provides a few examples of how these accountability systems are applied to specific programs.¹

¹ There were over 40 programs identified for assessment by the district. The programs identified in the table or meant as examples only.

Exhibit 15-3

**Community Involvement Activities
Are Regularly Assessed For Efficiency and Effectiveness**

Project	Summary	Goal	Evaluation	Results
No Doubt, Watch Out	Awareness campaign to promote bike and pedestrian safety	To educate parents and students on traffic awareness and improved safety skills	Collect accident/incident data; compare incident statistics; measure media feedback	No students were injured during the campaign. Received a \$15,000 grant from Allstate; received considerable media attention.
VIP Mailouts	Mailouts of newsletters and other informational material.	To better inform elected officials and local business leaders in the community.	Survey sent with last mail out of the year.	85% of VIPs fell better informed about the Osceola school district.
Chat 'N Chews	Ongoing in-service for district employees	To have 25 employees at each meeting	Employee logsheets; Professional Development Survey	An average of 30 employees per meeting; Survey results indicated high marks on the program (4's and 5's)

Source: Osceola School District.

The community involvement departments review these outcomes on an annual basis during a special retreat for that purpose. Based on the evaluations, staff decides whether to continue, modify, or eliminate each program. This information is then taken back to the district administration and the board so that amendments to the budget can be developed based on staff recommendations.

3 The district solicits and incorporates parent and community involvement and support.

The district receives input from parents and the larger community through involvement procedures detailed by the district and annual surveys.

The Osceola County School District provides a number of opportunities for parental and community involvement in the district's activities. These opportunities are detailed in the district's Parent Involvement Procedure (primarily directed at parents in Title I-designated schools). Other methods for parental and community input include a climate annual survey and participation on individual SACs.

The Parent Involvement Procedure outlines parental involvement expectations and other activities in which parents can participate in order to assist their children improve academic achievement. The procedure was developed with stakeholder input including district staff, teachers, administrators, and parents. The procedure provides suggestions for parental involvement in three general areas.

- 1. Suggestions for participating in educational decisions relating to the child** (i.e., become familiar with school goals, attend SAC meetings, visit the school and district's parent resource centers, etc.)
- 2. Suggestions for monitoring student progress** (i.e., monitor child's progress through teacher correspondence/conferences, volunteer in child's class, etc.)
- 3. Suggestions for helping the child improve** (i.e., emphasize the value of learning, be a good role model, build positive self-esteem, etc.)

Community Involvement

The Parent Involvement Procedure also lists the National Education Goals and has a description of the Sunshine State Standards. Parents who receive the procedure are asked for feedback. The document is provided in both English and Spanish.

The district also surveys all parents on an annual basis. The school climate surveys were developed with input from the Superintendent and the District SAC Cadre and are distributed through individual schools. The individual SACs and the district's director of Accountability and Strategic Planning review survey results to determine if there are any special areas of concern or areas of outstanding recognition.

Each school recruits and supports an independent SAC. SAC members are recruited through the use of marquee announcements, newsletters, personal contacts and phone messages. The district currently has over 900 SAC members serving 34 schools.

4 The district uses a variety of methods of communicating with parents.

Individual schools and the district share responsibility for communicating with parents.

The Osceola County School District utilizes many techniques for communicating with parents and guardians. Individual schools are primarily responsible for communicating with parents, although the district is also active in disseminating information through various mechanisms.

Individual schools use a variety of techniques to communicate with parents. Each school has a website with a high level of quality information provided on each site including the school's mission statement, staff listing, events, and other information. Schools also use newsletters, pamphlets, and flyers that are sent home with students in an effort to make parents and guardians aware of policies and school activities. Most schools host open houses and encourage parent/teacher conferences for individual students. Parents and guardians are provided conference times before and after regular school hours to facilitate these meetings. One elementary school scheduled evening hours during the first nine weeks of classes this year to afford parents the maximum number of opportunities to schedule parent/teacher conferences. Schools also use telephone contacts with parents on some occasions.

At the district level, the administration communicates with parents through newsletters, its official website, phone hotlines, and an annual report. The district distributes its newsletter, *Window on the Classroom*, five times during the school year. The newsletter describes district policies, highlights special events, and details resources for parents and students. The district's website (<http://www.osceola.k12.fl.us>) includes sections on the administration and school board, certain district policies, parent and teacher resources, and links to other educational websites. The district also uses several different phone hotlines for purposes ranging from general questions, to reporting violence, to voicing a complaint about district policy. Finally, the district creates and distributes an annual report to the taxpayers and parents of Osceola County summarizing student performance, special programs, elements of the strategic plan, and budgetary information.

5 The district periodically reviews the organizational structure and staffing levels of the community involvement program to minimize administrative layers and processes.

The community involvement departments assess their staffing during the budget preparation cycle each year.

The Osceola County School District reviews the Community Involvement departments staffing levels on an annual basis as part of the budget process. The departments hold planning sessions to assess staffing needs and the superintendent's leadership team recommends any changes in their report to the board. These departments currently have a small number of staff who report that they feel the lines of authority and spans of control are appropriate to address the needs of individual schools and the district as a whole.

Parents and Decisions

6 The district has active parent teacher associations /parent faculty organizations (PTA/PFO) and other effective methods to involve and encourage parent leadership and participation.

The district's schools have active parent/teacher/student organizations.

Most of the district's schools have parent/teacher/student organizations (PTSOs) that meet on a regular basis. These organizations are separate from the school advisory councils (SACs), although there is usually some overlap in membership. Schools provide information to parents concerning meeting times and locations for these organizations through newsletters, the Internet, school marquees, and community service announcements through local media outlets. Elementary schools are most likely to have a PTSO, while middle and high schools tend to have booster clubs to generate support for specific activities.

7 The district provides activities that encourage families to be involved in the schools.

The district provides opportunities for families to participate in school board meetings, school activities and on school advisory councils.

There are many opportunities for families to be involved in Osceola County school activities. Individuals in the community are provided opportunities to speak on board policies during meetings and parents are important participants in the schools and on each school's school advisory council (SAC).

Parents and other interested persons are provided opportunities to speak on any issue discussed during board meetings. Time is allocated on every school board agenda for "Open for Public Comment." Requests to speak on an issue are submitted in writing before each board meeting and submitted to the chair for consideration. School board meetings are held twice a month in locations reasonably accessible to the community and agendas are posted on the main webpage for easy access.

Community Involvement

Parents and guardians are encouraged to participate in specific schools activities. The main focus of the OASIS Department is to encourage parental participation, volunteerism, and business cooperation with the district and individual schools. Parents are made aware of school functions through newsletters, flyers and websites and asked to volunteer or participate. Parents can participate as reading buddies, classroom assistants, front office volunteers, field trip chaperones and in other capacities.

Another opportunity for parents to participate in school activities is through the school advisory councils (SACs). Each school has an active SAC comprised of parents, faculty and community leaders. Staff reports that parents play an active role in SAC decisions and were key in the development of the schools' improvement plans. District staff reports that each SAC member is provided substantial training after joining a SAC, including budgeting and finance training. Research indicates that this is a critical factor in ensuring an effective SAC process.

Finally, the OASIS Department maintains a Speakers Bureau that is comprised of parents and community leaders who volunteer to share their talent, hobby, knowledge or skill with students in the district. Schools can coordinate a speaker through the OASIS Department.

Community Involvement

8

The district uses community resources to strengthen schools, families, and student learning and consistently offers school resources to strengthen communities.

Schools invite community resources into their facilities to provided services for students and families, but also offer their facilities for use by the community.

District and community resources are exchanged on a regular basis according to district administrators. Schools provide information to parents and students about community activities, offer facilities for community organizations and coordinate volunteers in the schools and with business partners. In fact, in one edition of the district's newsletter provided for our review, information about community activities and resources constituted the majority of that particular issue.

Many elementary schools provide information fairs that invite community resources to display their information in booths in an "open house" format. This is coupled with regular workshops in district schools sponsored by community agencies (i.e., the Beta Center, the local health department) on topics such as building self-esteem, positive parenting, and other issues.

Schools also try to give back to the local community. The OASIS department coordinates a district wide service organization called Young Volunteers in Action. The service organization is composed of high school students who join together on a specific community improvement project once a month. During the summer, many of these students participate in the district's Summer Volunteer Initiative. This program also includes middle school students in community service projects over the summer break. Some of the projects included in these programs include helping at the Holocaust Center in Maitland, holding a carwash fundraiser for Habitat for Humanity, and helping a local food bank sort and box donations for distribution in the county. Schools also provide tutoring services in the low-income areas of the county.

This interchange of resources betters both the school district and the larger community. The schools and students benefit by gaining diverse educational opportunities, while the community benefits by helping students become productive members of society.

9 The district has developed school-business partnerships.

The district has developed school-business partnerships to provide mentoring, resources, and other educational and employment opportunities.

The Osceola County School district is actively engaged with the local business community. The district hosts regular meetings, breakfasts, and retreats with local businesses to provide information about the district and its programs. Business partners, in turn, help acquire additional resources for students and schools and participate in and facilitate mentoring programs in the district.

Business partners assist schools and students obtain additional resources. The district created the “Partners in Education” program to facilitate this activity. The program invites local businesses and service organizations to become directly involved in the district’s activities. The district currently has over 200 businesses participating in the program. Each business partner signs a contract with the district that specifies what each party (the business and the district) will contribute in the relationship. For example, a local sports team agreed to increase awareness of its fundraiser activities for the district, while the district agreed to expand the team’s reading promotion program in a number of schools. Business partners also make direct contributions of cash or supplies. In a two-month period of time reviewed by our team, the district reported over \$15,000 in these types of donations. On some occasions, the district has received substantial cash awards from local businesses and organizations. For example, the Osceola County Homebuilders Association donated over \$85,000 after the association built and sold the “Education House,” which was primarily built with donated labor and materials.

The district has active mentoring programs directed at low-income schools and students “at high risk.” The main mentoring program is the Governor’s Mentoring Initiative that seeks to recruit over 200,000 Floridians to become mentors in Florida’s schools. This initiative partners with many other mentoring programs to support this goal. The district currently has 226 mentors serving 98 students. Other mentoring programs include the Osceola Foundation’s Take Stock in Children Campaign that combines mentoring with the Florida Pre-paid College Program. Students selected for the scholarship are assigned a mentor who helps the student keep focused on academic achievement or face losing the scholarship. The Foundation also awards scholarships for middle school students.

10 District schools maintain active and effective programs to involve volunteers in the education process.

The district has a strong volunteer program that has received state recognition.

Interviews with district staff and documentation found that volunteers are a critical part of the district’s resources. Staff reports that all schools have heavy volunteer participation and many schools have received the state’s “Golden School” awards for the level of volunteerism.

The state has recognized the active volunteerism in the district with its Golden School Awards. These awards recognize schools that meet criteria below.

- A minimum of 80% of the school’s staff participated in training related to school volunteerism.

Community Involvement

- A school volunteer coordinator is designated for recruitment, placement, training, and supervision.
- The total number of hours in volunteer service hours equals twice the number of students enrolled in the school.

Twenty-two of the district's schools received this award in 2000-01, some for many years in a row. This represented an increase of four schools from the previous year. In addition, 10 schools received the Silver School Award.

11 District schools solicit economic support through school foundations.

The district has a foundation whose main goal is providing scholarships for students.

The district's primary development program is The Foundation for Osceola Education, Inc. The foundation is a not-for-profit partnership between families, schools, and business. The foundation funds student scholarships, mini-grants to teachers whose innovative ideas support their individual school's improvement plan (Grants for Great Ideas), and staff scholarships that allow teachers and support staff to further their training.

On average, the foundation awards over 120 college/vocational scholarships a year that go to high school graduates, as well as Take Stock In Children scholarships for middle school students. In addition to the scholarships, the foundation awards over \$20,000 a year in mini-grants to teachers who help their school with its improvement plan. Finally, it awards staff scholarships annually for continuing education.

Over the last seven years (1994-95 through 2000-01), the foundation has awarded 850 \$1,000 scholarships to high school graduates, \$1.5 million in endowments to Valencia Community College, over \$100,000 in "Grants for Great Ideas," \$49,000 in staff development scholarships and over 90 "Project Star" scholarships to sixth graders for community college.



Action Plans

Management Structures

Action Plan 3-4

Create a districtwide procedures manual

Strategy	A districtwide procedures manual and a process to update it is needed to ensure all staff are following the same procedures for activities that apply to all district programs.
Action Needed	<p>Step 1: Develop a districtwide procedures manual and an annual review process.</p> <p>Step 2: Identify and review any procedures that are in the school board rules and remove these from school board rules and put them in the procedures manual. The school board rules will contain a policy that provides the justification for the procedure.</p> <p>Step 3: Review program procedure manuals for any procedures that have districtwide application and place these in the manual.</p> <p>Step 4: Analyze this set of procedures and determine what other districtwide procedures are needed.</p> <p>Step 5: Finalize the districtwide procedures manual and present it to the superintendent for review and comment.</p> <p>Step 6: The superintendent adopts the districtwide procedures manual.</p> <p>Step 7: Use the same successful process used to annually review and update the district's policies for reviewing and updating the procedures manual.</p>
Who Is Responsible	Superintendent
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Action Plan 3-5

Provide legal services in the most economical way possible

Strategy	Issue a Request for Proposal for legal services and implement the less costly option of continued contracting for legal services or in-house legal staff.
Action Needed	<p>Step 1: Form a committee to develop RFP criteria and specification and contact other districts to determine what their specifications have been for similar services.</p> <p>Step 2: Write the RFP.</p> <p>Step 3: Develop a mailing list of potential bidders and advertise in newspapers.</p> <p>Step 4: Mail the RFP.</p> <p>Step 5: Hold a pre-bid meeting to answer bidder questions.</p> <p>Step 6: Receive bid proposals.</p>

	Step 7: Review the proposals and rank them to develop a short list.
	Step 8: The top candidates on the short list will be invited to an interview.
	Step 9: Interview top candidates.
	Step 10: Evaluate the proposals in conjunction with estimated costs of in-house legal staff.
	Step 11: Present these findings to the board along with a recommendation of the preferred bid.
	Step 12: The board should review the recommendations and implement the most economical alternative that will provide the same or better level of legal service.
Who Is Responsible	Superintendent and the board
Time Frame	July 1, 2003
Fiscal Impact	This recommendation can be completed with existing resources. The district should continue to contract for legal services with selected attorneys if the proposals are for less than \$405,000. If not the district should develop an in-house legal function. This would result in a savings of \$1,626,000 over five years.

Action Plan 3-10

Project enrollment more accurately	
Strategy	To project enrollment more accurately so that the district will receive the state funds it is entitled to and can better budget its resources, a better local corrective methodology should be developed.
Action Needed	<p>Step 1: The district’s enrollment projection specialist should analyze and identify the deficiencies with the current methodology and computer models causing the enrollment projection inaccuracies.</p> <p>Step 2: The district specialist should meet or contact the appropriate Department of Education staff to discuss ways to correct these methodology deficiencies. The district should consider the use of alternative Department of Education computer models that account for the exceptional growth being experienced in the district.</p> <p>Step 3: If the district is unable to devise a methodology capable of correcting the identified problems, the district specialist should consult demographic experts in other state agencies, state university systems, or private consultants to determine if they can provide a methodology capable of correcting the identified problems.</p> <p>Step 4: The district specialist should report their findings to the superintendent and the board.</p>
Who Is Responsible	The district’s enrollment projection specialist
Time Frame	July 1, 2003
Fiscal Impact	If a private consultant has to be hired to develop the local corrective methodology it is estimated the one-time cost could be \$7,500.

Action Plan 3-11

Link budgets to the strategic plan	
Strategy	In order to identify the amount of funds directed towards achieving the district’s strategic plan goals and objectives, the district’s and individual school budgets must be linked to the goals and objectives.

Action Needed	<p>Step 1: The district's budget officer should work with program managers and principals to develop a method for linking district and individual school budgets to strategic plan objectives.</p> <p>Step 2: The district's budget officer should research the methods used by other districts or governments that have been more successful in linking their strategic plan to their budget, as well as review literature pertaining to this process.</p> <p>Step 3: The budget officer should consider how performance and budgetary information is to be presented to the board to keep the board better informed as to how much money the district spends to achieve specific strategic plan objectives.</p> <p>Step 4: The budget officer should design a method or process for district programs and schools to use to link their budgets to the strategic plan.</p> <p>Step 5: The budget officer should test a prototype method on a sample of district programs and schools to determine its feasibility.</p> <p>Step 6: The budget officer should develop a report of findings and present the report to the superintendent along with a recommendation for the process to use.</p> <p>Step 7: The superintendent should review these findings, approve recommendations, and present the findings to the board.</p> <p>Step 8: The board should review the findings, make changes as necessary, and adopt the accepted process to be used by all district programs and schools.</p> <p>Step 9: The district should train all applicable staff on how to use this new budget process.</p>
Who Is Responsible	Superintendent and the financial program director
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Performance Accountability Systems

Action Plan 4-1

Develop measurable objectives

Strategy	In order to measure progress toward achieving the district's and each major program's goal and objectives, all objectives must be measurable. The objectives should be outcome-oriented objectives that reflect the expected outcomes of the program, major aspects of the program's purpose, and expenditures.
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Appendix A

Action Needed	<p>Step 1: Develop goal and measurable outcome oriented objectives for the district and each major program. The directors of the affected programs should be consulted in the creation of the program goal and objectives.</p> <p>Step 2: Review literature on developing measurable objectives. Program objectives should at a minimum include the following criteria:</p> <ul style="list-style-type: none"> • address major aspects of the program’s purpose and expenditures; • be specific; • be easily understood; • be challenging but achievable; • be measurable and quantifiable; • identify data needed to assess whether progress toward an objective is being made; and • indicate the performance outcome (result) of improvement target desired. For academic programs, objectives should be stated in terms of student outcomes (that is, the effect the program will have on participating students if the program is successful). For operational programs, objectives should be stated in terms of the quality and cost of service provided. <p>Step 3: The district will have to develop strategies and action plans for accomplishing each objective. The strategies and, at a minimum, the action plans must identify staff responsible for their implementation and time frames for their completion. The appropriate staff person may be the program director.</p> <p>Step 4: Develop measures by which the district will be able to assess whether it has reached its goal and objectives.</p> <p>Step 5: Present the district and program strategic plan to the superintendent and the board.</p> <p>Step 6: The board and the superintendent should review the plans, make changes they deem necessary and the board should adopt the plans.</p> <p>Step 7: Publish and disseminate, using the appropriate format, the results to district and program staff and the public.</p>
Who Is Responsible	Superintendent and the director for strategic planning
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Action Plan 4-2

Define outcomes for each major program and subsequent linked input, output, and outcome measures	
Strategy	In order to determine how budget decisions will affect program outcomes, the district should define the outcomes of each major program and identify data to measure the outcomes. The outcome measures should then be linked to the appropriate input and output measures.

Action Needed	<p>Step 1: The district should define the expected outcomes for each major program after consulting with program administrators.</p> <p>Step 2: Develop an appropriate outcome measure (a data source to measure the outcome).</p> <p>Step 3: Define the outputs (activities) that affect that outcome and the appropriate output measure.</p> <p>Step 4: Define the inputs (resources) that affect that output and the appropriate input measure.</p> <p>Step 5: Submit finding to the superintendent for approval.</p> <p>Step 6: Train program directors on the use of linked input, output, and outcome measures to develop their budgets and evaluate program performance.</p> <p>Step 7: Train school principals how to use linked input, output, and outcome measures to develop their budgets, school improvement plans, and evaluate program performance.</p>
Who is Responsible	Superintendent and program administrators
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Action Plan 4-3

Adopt benchmarks for each major program

Strategy	In order to determine how the district is performing compared to it peers or accepted industry standards, benchmarks for each program should de developed.
Action Needed	<p>Step 1: The district should define the expected benchmarks for each major program consulting with program administrators.</p> <p>Step 2: Establish benchmarks for each major program based on comparisons to peer districts, accepted industry standards, or the program’s historical trends when no other benchmark information is available.</p> <p>Step 3: Submit the finding to the superintendent for approval.</p> <p>Step 4: Collect benchmarks in a single document and make them available to district staff and the public.</p>
Who is Responsible	Superintendent and program administrators
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Action Plan 4-4

Provide key assessments to the board

Strategy	Adequately assess operational programs and develop a process to provide school board members key assessment information.
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Appendix A

Action Needed	<p>Step 1: Based on goals, objectives, performance and cost-efficiency measures and benchmarks developed in Action Plans 4-1, 4-2, and 4-3, assess operational program performance. Report applicable information to the public.</p> <p>Step 2: The district should develop criteria for what constitutes ‘key assessment information’.</p> <p>Step 3: Determine who is responsible for bring this information to the attention of top-level district administrators and the board.</p> <p>Step 4: Develop a process for how this information is to be provided to top-level district administrators and the board. For board members placing this information in their board meeting background materials packets may be sufficient. District staff will have to decide if the information is important enough to be placed on the board meeting agenda.</p> <p>Step 5: The task force present findings to the superintendent for his approval.</p> <p>Step 6: Instruct district staff how to use the approved process.</p>
Who is Responsible	Superintendent
Time Frame	July 1, 2004
Fiscal Impact	This recommendation can be completed with existing resources.

Action Plan 4-5

Criteria for when to do a formal evaluation

Strategy	To ensure the public that the district is operating at peak efficiency and performance levels, the district should develop criteria for determining when a formal evaluation of a district program should be conducted and use this criteria to set priorities for program evaluation.
Action Needed	<p>Step 1: Develop criteria for determining when formal program evaluations should be conducted.</p> <p>Step 2: Develop criteria to determine when evaluations should be done by Assessment and Evaluation program staff and when they should be done by staff of the evaluated program. The independence of the evaluation staff is critical to ensure the findings of the evaluation are not constrained by program administrators. To achieve this, when evaluations are conducted by program staff, they should not be supervised by program administrators. This could be done by having staff from the Assessment and Evaluation Program supervise the evaluation.</p> <p>Step 3: Assess the resources required to perform needed evaluations (both by program staff and by Assessment and Evaluation Program staff).</p> <p>Step 4: Assess the resources required to conduct follow-up evaluations to determine whether evaluation findings have been used to improve performance.</p> <p>Step 5: Use these criteria to develop a schedule for completing evaluations of major programs.</p> <p>Step 6: Submit report findings to the superintendent.</p> <p>Step 7: The superintendent should adjust priorities to reflect the resources available to perform evaluations.</p> <p>Step 8: Use the resulting schedule to perform evaluations.</p>
Who is Responsible	Superintendent and the director of the Assessment and Evaluation program
Time Frame	July 1, 2004
Fiscal Impact	No immediate impact.

Educational Service Delivery

Action Plan 5-1

We recommend that the district further strengthen the evaluation and accountability component of school-based management

Strategy	The district should further strengthen the evaluation and accountability component of the school-based management. In addition to the review of FCAT results of each school year, the district should establish a mechanism to continually evaluate schools to determine whether progress is being made towards the accomplishment of the goals, especially student achievement goals.
Action Needed	<p>Step 1: In addition to the review of results of each school year, the district should establish a mechanism to continually evaluate schools to determine whether progress is being made towards the accomplishment of the goals, especially student achievement goals.</p> <p>Step 2: If the school is not making adequate progress then district staff must intervene by developing an Academic Improvement Plan for the school. The plan must use data as a basis for any interventions.</p> <p>Step 3: The school's Academic Improvement Plan will be implemented with assistance from the district staff.</p> <p>Step 4: Each school year the plan and the results will be evaluated to determine if interventions will be needed for the following school year.</p>
Who is Responsible	Assistant superintendent of Curriculum and Instruction, Curriculum and Instruction Staff, Planning and Evaluation Staff and school based staff.
Time Frame	To begin the 2002-03 school year based on 2002 student test scores.
Fiscal Impact	None

Action Plan 5-2

The district should implement an automated web application that will enable teachers to get real-time FCAT data

Strategy	The IT Services Department director should create a task force to develop a plan for implementing a web application that will enable teachers and administrators to get real-time FCAT data.
Action Needed	<p>Step 1: The task force should work with the Florida Department of Education to develop a plan to provide FCAT data to teachers on-site.</p> <p>Step 2: Propose the plan to the board for funding.</p> <p>Step 3: Develop and test the application.</p> <p>Step 4: Pilot the application to several schools.</p> <p>Step 5: Review the pilot projects and make any necessary adjustments.</p> <p>Step 6: Implement the application district-wide.</p> <p>Step 7: Evaluate the implementation of the application.</p>
Who is Responsible	Information and Technology Services Director
Time Frame	End of school year 2002-03
Fiscal Impact	Expenditure: \$6,390

Action Plan 5-7

The District Should Increase Efforts to Recruit More Diverse School Advisory Council Members

Strategy	The district should develop a recruitment plan to attract diverse members for school advisory councils including business and community as well as minority membership.
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Appendix A

Action Needed	<p>Step 1: The district community relations department should work with the Planning and Improvement Department and schools to develop a strategy to recruit SAC members.</p> <p>Step 2: The strategy should be developed and implemented by the beginning of the school year.</p> <p>Step 3: The recruitment strategy should be evaluated on a semester basis to determine effectiveness.</p>
Who is Responsible	The Community Relations Department, Strategic Planning and Accountability Department and school based staff
Time Frame	End of school year 2002-03
Fiscal Impact	None.

Action Plan 5-8

The District Should Provide Training to SAC Members With the Purpose Of Producing More Adequate and Meaningful School Improvement Plans

Strategy	The Strategic Planning and Accountability Department should provide targeted training to each School Advisory Council on an ongoing basis.
Action Needed	<p>Step 1: The district should develop a training schedule for each school advisory council to receive general and school specific training.</p> <p>Step 2: The training should be in a large group of all SACs but MUST also include training at each individual school to cover individual school issues and specific SAC issues within the school year.</p> <p>Step 3: The training should include a roster and evaluation forms and the district should evaluate the training for effectiveness and usefulness and make changes to future training session based on the results of the evaluations.</p> <p>Step 4: The training should include but not be limited to SAC role and responsibility, using data in SIPs, sunshine law, the SAC/School Improvement law, and Robert’s Rules of Order and school board policy.</p>
Who is Responsible	District Strategic Planning and Accountability Department
Time Frame	End of school year 2002-03
Fiscal Impact	None.

Action Plan 5-9

We recommend the district further strengthen the evaluation and accountability component of the School Improvement Plans

Strategy	The district should further strengthen the evaluation and accountability component of the School Improvement Plans. In addition to the review of results of each school year, the district should establish a mechanism to continually evaluate SIPs to determine whether progress is being made towards the accomplishment of the goals.
Action Needed	<p>Step 1: The district should establish a mechanism to continually evaluate SIPs to determine whether progress is being made towards the accomplishment of the goals. This mechanism could be as simple as creating a database to track SIP goal attainment for each school.</p> <p>Step 2: The district should also establish a mechanism to verify that the SIP goals were based on school-based data (i.e., the DART Model) and that the goals and strategies match the school’s needs.</p> <p>Step 3: If a school’s SIP is found to be lacking these elements, then the district staff should intervene and assist the school in preparing a plan that is useful and targets the school’s needs.</p>
Who is Responsible	Director of Strategic Planning and Accountability, Planning and Evaluation Department, Assistant Superintendent of Curriculum and Instruction Services.
Time Frame	End of school year 2002-03
Fiscal Impact	None.

Action Plan 5-11**The district should develop a new strategic plan that emphasizes student academic achievement**

Strategy	The district should develop a new strategic plan that emphasizes academic achievement. The goals of this new plan must be measurable, the strategies based on data analysis, and the plan must include an evaluation component for each program.
Action Needed	<p>Step 1: With the school board and key district staff a strategic planning committee should be formed and charged with the task of developing a strategic plan. The committee MUST include staff from the Planning and Evaluation department to assure decisions are based on data.</p> <p>Step 2: The plan should be adopted by the school board and shared with all staff members and the community as a whole.</p> <p>Step 3: All staff members should receive training and constant reminders on the elements of the strategic plan with emphases on student achievement as the purpose of the district school system. This will help promote an atmosphere of making teaching and learning the priority of the district.</p>
Who is Responsible	All district staff
Time Frame	End of school year 2002-03
Fiscal Impact	None.

Action Plan 5-12**The district Should Combine the Accountability and Strategic Planning Department with the Planning and Evaluation Department to Form an Accountability, Planning and Evaluation Department**

Strategy	The district should combine the Accountability and Strategic Planning Department with the Planning and Evaluation Department to form the Accountability, Planning, and Evaluation Department. This new department would be made up of staff from both departments and two new staff members who will facilitate evaluation activities. The focus of this department is to integrate the use of data in to all levels of decision making including in the development of school improvement plans; assist curriculum staff in identifying problem areas within schools and developing individual action plans as part of a system of continual school improvement; evaluate major programs (ESE, ESOL, Vocational Education) and smaller programs at individual schools.
Action Needed	<p>Step 1: Before combining the two departments, assess the skill sets of the current employees of each department to determine current strengths and weaknesses.</p> <p>Step 2: When the current director of Accountability and Strategic Planning retires, his salary will become available to fund two new evaluation positions.</p> <p>Step 3: To round out the department, hire two new staff members who have the skill sets the current staff members do not.</p> <p>Step 4: Conduct a training/information session with the rest of the staff (district and school based) to inform them of the new department and the changed focus of the department.</p> <p>Step 5: Send flyers and conduct trainings for School Advisory Council Members so they too are aware of the change.</p> <p>Step 6: Charge the new department with developing an evaluation plan and a school improvement plan for the district.</p> <p>Step 7: Train school based staff in evaluative techniques and set program evaluation expectations.</p>
Who is Responsible	Superintendent and board to make change and hire new staff; accountability, planning and evaluation staff to implement change.
Time Frame	End of school year 2002-03
Fiscal Impact	None. Use the retired director's salary to implement this action plan.

Administrative and Instructional Technology

Action Plan 6-1

Expected outcomes should be identified for each stated objective in the technology plan and measurements should be established to determine to what extent the objective is met	
Strategy	The district should develop a method for defining measurable outcomes for each objective contained in the technology plan.
Action Needed	<p>Step 1: Assign the Technology Plan Revision Committee to review objectives and establish measurements for determining how well objectives are being met.</p> <p>Step 2: The committee should define the desired outcome(s) for each objective listed in the technology plan.</p> <p>Step 3: Identify the appropriate measurement(s) and develop a process for compiling the data to evaluate.</p> <p>Step 4: Apply the measurements to evaluate how well the objective is met.</p> <p>Step 5: Report to the stakeholders and make recommendations to revise the plan to include the established measures in the format of the plan.</p>
Who is Responsible	Deputy superintendent of School Operations
Time Frame	July 1, 2003
Fiscal Impact	This can be accomplished with existing resources.

Action Plan 6-2

Develop a systematic approach for evaluating school technology plans to ensure the objectives are being met and that district standardization policies are being adhered to	
Strategy	The district should create a task force to define the criteria for evaluating the effectiveness of principals in meeting objectives and adhering to district standardization.
Action Needed	<p>Step 1: Create a task force to define the evaluation criteria and process.</p> <p>Step 2: The task force review past school technology plans to get a sense of what percentage of planned objectives are being met and how closely school technology objectives are aligned with district goals.</p> <p>Step 3: The task force should develop guidelines to identify a reasonable standard by which school technology plans should be evaluated.</p> <p>Step 4: Develop a proposal to recommend that the evaluation criteria be incorporated into the current principal evaluations to provide incentive for plans to be monitored regularly.</p> <p>Step 5: The District Technology Committee should review and refine the recommendations and then take the necessary steps to incorporate it as Board Policy.</p>
Who is Responsible	Deputy superintendent of School Operations
Time Frame	July 1, 2003
Fiscal Impact	Cost savings of standardization: \$302,000 over five years (see Exhibit 6-15 Technician Labor Hours Savings)

Action Plan 6-3**Develop and implement a strategy for evaluating software with respect to district performance expectations and then allocate limited resources to supporting only those packages that best meet performance goals**

Strategy	The Media and Instructional Technology director and the Department of Planning and Evaluation should work together to develop a strategy for evaluating software with respect to district performance expectations and then resources should be allocated to supporting those packages that best meet performance expectations.
Action Needed	Step 1: Create a special task force to study the issue. Step 2: Assign the responsibility of making a recommendation to the task force. Step 3: Present the recommendation to the District Technology Committee Step 4: The District Technology Committee should review and refine the recommendation and then take the necessary steps to incorporate it as board policy.
Who is Responsible	Media and Instructional Technology director and coordinator of Planning and Evaluation
Time Frame	July 1, 2003
Fiscal Impact	Cost savings: 5% reduction in annual cost \$34,000 annually times five years = \$170,000 over five years

Action Plan 6-4**Develop and implement a strategy to track the utilization of technology inventories so that underutilized equipment and software can be removed from the inventory, thereby reducing costs and freeing up facility space**

Strategy	The district should develop a task force to develop a strategy to track the utilization of technology inventories so that underutilized equipment and software can be removed from the inventory, thereby reducing costs and freeing up facility space.
Action Needed	Step 1: Create a special task force to study the issue. Step 2: Assign the responsibility of making a recommendation to the task force. Step 3: Present the recommendation to the District Technology Committee Step 4: The District Technology Committee should review and refine the recommendation and then take the necessary steps to incorporate it as board policy.
Who is Responsible	Deputy superintendent of School Operations
Time Frame	July 1, 2003; implementation depends on the success of the standardization effort
Fiscal Impact	This can be accomplished with existing resources.

Action Plan 6-5**Develop and implement a computer replacement policy that will distribute technology resources equitably districtwide, reduce the costs of supporting older, out-of-warranty computers and leverage the district's purchasing power**

Strategy	The superintendent should develop a task force to establish and implement a replacement policy. Members of the task force should include school administrators, IT and Media and Instructional Technology Department staff, Procurement Department staff and other relevant contributors.
Action Needed	Step 1: The task force should analyze the issues related to replacing and rotating equipment. Step 2: The task force should propose the policy and develop a strategy to implement and evaluate the policy. Step 3: The Technology Standards Committee should review and approve the policy

	Step 4: The Technology Standards Committee should present the policy and the strategy to the Board for approval.
Who is Responsible	Superintendent
Time Frame	July 1, 2003
Fiscal Impact	Cost savings of buying annually 2,000 computers (5% discount): \$150,000 times five years= \$750,000 over five years.

Action Plan 6-6

Shift the responsibility of upgrading network operating systems from individual schools to the district to improve efficiency in providing technical support to the district

Strategy	The Information and Technology Services Director should assign a task force to develop a plan to provide uniformity in network operating systems.
Action Needed	Step 1: Assign the task of developing the plan to the Networking /WAN Committee. Step 2: The committee should work with school principals to analyze the issues and develop a plan. Step 3: The plan should be reviewed and refined by the District Technology Committee and should be incorporated into the District Technology Plan. Step 4: A proposal should be presented to the school board for approval.
Who is Responsible	Superintendent
Time Frame	July 1, 2003
Fiscal Impact	This can be accomplished with existing resources.

Action Plan 6-7

Expand access and analysis of the HEAT help desk database to identify and reduce high cost locations and to share solutions to recurring technical problems

Strategy	The IT department should develop a strategy to expand the access to and develop of reports that enable the district to use the HEAT help desk system to identify and reduce high cost locations. The strategy should include an analysis of the costs and benefits of web enabling the HEAT application to share solutions to recurring technical problems, to enter requests for service, and check the status of work orders.
Action Needed	Step 1: Create a special task force to study the issue. Step 2: Develop the strategy, timeline and priority. Step 3: Assign staff to develop and manage the project. Step 4: Implement the project, review and revise as necessary. Step 5: Evaluate the effectiveness.
Who is Responsible	Director of Information Technology and Services
Time Frame	July 1, 2003
Fiscal Impact	This can be accomplished with existing resources.

Personnel Systems and Benefits

Action Plan 7-1

The District Should Continue Implementation of an Automated Application Processing System

Strategy	The Osceola County School District should continue its development and implementation of an automated system for receiving, processing, and managing applications submitted by potential new employees.
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Action Needed	<p>Step 1: Identify personnel data that should be retained in an automated personnel database.</p> <p>Step 2: Design a database format to include the needed data.</p> <p>Step 3: By September 15, 2002, enter personnel data for a sample of district employees to be used as a testing sample.</p> <p>Step 4: Test the database to ensure that it contains appropriate data and that needed data can be easily accessed.</p> <p>Step 5: Revise the database format as indicated by the testing.</p> <p>Step 6: Train administrators to use the automated system to get needed information from the applications.</p> <p>Step 7: Activate the database to begin accepting applications from prospective new employees no later than October 31, 2002.</p> <p>Step 8: Enter data in the database as new employees are hired.</p>
Who is Responsible	Director of Human Resources
Time Frame	July 1, 2003 (for Phase 1, steps 1 through 7. Step 8 will be an on-going process.)
Fiscal Impact	<p>The associate superintendent for School Operations and the director of Human Resources estimated that the initial development and implementation of the automated applications process will cost the district approximately \$116,000. This cost includes development and implementation of necessary software and hardware and the cost for 25 licenses to use the software. Staff further estimated that implementation of the automated applications system could reduce the number of new employees needed in the Human Resources Department to maintain personnel records during the next five years. The estimated reduction in salaries and benefits resulting from the reduced need for new employees over that period would be \$216,000 and the net costs avoided by automating the process would be \$100,000.</p> <p>After two or three years use of the automated applications system the district should review the system to see if it is providing the projected savings and whether the district should expand the database to include non-instructional employees. District staff estimated that it could cost an additional \$50,000 to purchase the additional software and licenses needed to expand the system. The costs of that expansion are not included in this analysis, but a part of the future evaluation should include a cost/benefit analysis.</p>

Use of State and District Construction Funds

Action Plan 9-1

Improve life cycle cost specifications and include in prototype designs

Strategy	Incorporate life cycle cost analyses as part of the overall prototype specifications by type of school.
Action Needed	<p>Step 1: Utilize available information such as design, systems, materials, construction processes and labor techniques as part of the facilities planning process.</p> <p>Step 2: Identify specific factors that are proven to be reasonable related to the maintenance and operation costs of new facilities.</p> <p>Step 3: Incorporate the results of the life cycle cost analyses in design, construction, equipment selection, and furnishings into specifications for prototype design operational costs.</p>
Who Is Responsible	Assistant superintendent of Facilities and Maintenance
Time Frame	July 1, 2003
Fiscal Impact	This can be implemented within existing resources.

Facilities Construction

Action Plan 10-3

Conduct a formal facilities audit	
Strategy	Conduct a formal audit of district facilities designed to develop accurate information about the physical condition of the facilities and the use of space prior to the development of each five-year educational plant survey.
Action Needed	<p>Step 1: Develop a comprehensive format for an audit of the district’s facilities, to include, as a minimum, the items below.</p> <ul style="list-style-type: none"> • Structural design and integrity • Mechanical systems • Electrical systems • Finishes • Fire safety, health and sanitation issues • ADA requirements • Educational suitability • Utilization satisfaction • Technological readiness • Site and building adaptability including potential for expansion • Site size and layout • Space (size, number, utility, and flexibility of various areas in the facility and the relationships of these areas to each other) • Light, heat and air • Acoustics • Aesthetics • Equipment • Availability of utilities • Hazardous materials inventory • Maintenance adequacy • Estimates of future operational and maintenance cost considerations <p>Step 2: Develop a list of prioritized needs based on the completed comprehensive audit.</p> <p>Step 3: Recommend repair, replacement, remodeling or renovation projects based on the prioritized needs for inclusion in the five year plan.</p>
Who is Responsible	Associate superintendent for Facilities and Maintenance
Time Frame	January 31, 2004
Fiscal Impact	This can be implemented with existing resources.

Action Plan 10-4

Implement principal educational programs	
Strategy	Develop and deliver educational programs designed to teach site-based managers basic facilities maintenance and operations.

Action Needed	<p>Step 1: Develop a course curriculum to introduce basic maintenance and operations concepts to site-based managers. Course elements should introduce concepts of</p> <ul style="list-style-type: none"> • fire safety, health and sanitation • energy conservation • mechanical systems • electrical systems • custodial and grounds maintenance, and • hazardous materials. <p>Step 2: Require all new managers to attend course. Step 3: Make course available to existing managers.</p>
Who is Responsible	Director of Maintenance
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 10-5

Examine Alternatives To New Construction

Strategy	The district needs to examine the alternatives to new construction, including an analysis of short-term and long-term implications. The analysis should be completed by a task force of facilities planning professionals and district specialists in other areas including education, fiscal and operations, and representatives of the BAB and the CAC.
Action Needed	<p>Step 1: Establish a task force charged with enumerating and examining alternatives to new construction.</p> <p>Step 2: Develop the alternatives into short-term and long-term solutions.</p> <p>Step 3: Determine cost implications of short- and long-term alternatives.</p> <p>Step 4: Enumerate advantages and disadvantages of alternatives.</p> <p>Step 5: Conduct a complete evaluation of different alternatives, giving weight to educational, operational, and fiscal factors.</p> <p>Step 6: Present the alternatives to the superintendent.</p> <p>Step 7: Publish and disseminate the results to program staff and the public.</p> <p>Step 8: Utilize this information in preparing five-year work plan.</p>
Who is Responsible	Superintendent, deputy superintendent for School Operations and Human Resources, associate superintendent for Maintenance and Facilities
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 10-6

Solicit public input on alternatives to new construction

Strategy	Conduct a series of well-advertised public hearings to solicit community opinions about short- and long-term alternatives to new facilities construction.
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Appendix A

Action Needed	<p>Step 1: Schedule a series of focused public forums to present alternatives identified by the task force in Action Plan 10-6.</p> <p>Step 2: Use a combination of methods including, but not limited to direct mail, distribution via student handout, local media advertising and web- based advertising to announce the locations and schedules for the forums.</p> <p>Step 3: Prepare list of short- and long-term alternatives explaining advantages and disadvantages for each alternative and make available to public.</p> <p>Step 4: Accept public input and comments.</p> <p>Step 5: Compile results in usable report format.</p> <p>Step 6: Use results to determine alternatives acceptable to public in meeting needs of district.</p> <p>Step 7: Utilize this information in preparing five-year work plan.</p>
Who is Responsible	Director of Community Relations and staff of the FPC
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 10-8

Commit the site selection process to writing

Strategy	The district should develop formal, comprehensive written procedures that fully outline the site selection process.
Action Needed	<p>Step 1: Outline requirements of the Florida Statutes</p> <p>Step 2: Develop written evaluation procedures to be followed that ensure all legal requirements are being met.</p> <p>Step 3: Develop a written valuation and appraisal process for recommended sites that includes selection methods for outside firms specializing in marketing analyses and property appraisal techniques.</p> <p>Step 4: Establish written criteria for the site selection.</p> <p>Step 5: Prepare a written evaluation document to be used during the evaluation process.</p> <p>Step 6: Forward the written procedures and the evaluation document to the school board for approval and formal adoption as a board procedure.</p> <p>Step 7: Distribute approved policy to responsible employees and committee members.</p>
Who is Responsible	Assistant superintendent for Business and Fiscal Services and the assistant superintendent for Maintenance and Facilities.
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

Action Plan 10-9

Formally assign site selection responsibility to a site selection committee

Strategy	The school board should create a committee to oversee the site selection process.
Action Needed	<p>Step 1: The board should develop a site selection committee comprised of various stakeholders including persons with appropriate qualifications to carry out the related tasks.</p> <p>Step 2: The committee should be charged with developing procedures to be followed in evaluating sites, ensuring that all legal requirements are being met.</p> <p>Step 3: The established criteria for the site selection process should be developed into an evaluation document to be used during the evaluation process and approved by the board.</p> <p>Step 4: After committee approval, the evaluation document should be presented to the school board to assist in the acquisition decision process.</p>

Who is Responsible	Osceola County School Board assisted by the superintendent and other staff as determined appropriate
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

Action Plan 10-10**Formalize accountability mechanisms in construction**

Strategy	The district will develop written accountability measures to evaluate the performance of the construction program.
Action Needed	Step 1: Develop performance benchmarks for the construction program. Step 2: Develop peer district comparisons to compare against benchmarks. Step 3: Review significant peer district differences to determine what factors influence the differences. Step 4: Develop strategies to improve construction program.
Who is Responsible	Assistant superintendent for Facilities and Maintenance
Time Frame	June 30, 2003
Fiscal Impact	This can be accomplished within existing resources.

Action Plan 10-15**Develop a standardized building orientation program**

Strategy	Establish a standardized method of orienting new users to a newly constructed building and incorporate it in the construction contract.
Action Needed	Step 1: Develop written orientation process for users of newly constructed buildings. Step 2: Present the written process to the BAB and the CAC for review and comment. Step 3: Adopt the written orientation process as a formal part of the district's standard construction contract. Step 4: Distribute copies of the approved process to appropriate district staff and the public.
Who is Responsible	Assistant Superintendent for Maintenance and Facilities.
Time Frame	January 31, 2003
Fiscal Impact	This can be accomplished within existing resources.

Action Plan 10-16**Conduct regular post-occupancy evaluations**

Strategy	Develop a process to conduct post-occupancy evaluations of new facilities.
Action Needed	Step 1: Review existing literature to develop a post-occupancy evaluation methodology. Step 2: Prepare a written manual to guide the post-occupancy process. Step 3: Designate FPC staff to serve as lead team members for post-occupancy evaluations. Step 4: Conduct post-occupancy evaluations of all new facilities within an appropriate time frame. Step 5: Report the results of the evaluations to the ed spec committees, the design review committee, and design professionals as appropriate. Step 6: Incorporate identified good elements and solutions for design problems in future projects.
Who is Responsible	Assistant superintendent for Facilities and Maintenance
Time Frame	June 30, 2003
Fiscal Impact	This can be accomplished within existing resources.

Action Plan 10-17

Formalize first year building evaluations	
Strategy	Develop a process to conduct evaluations of operating costs and building usage for new facilities.
Action Needed	Step 1: Develop a first year building evaluation methodology. Step 2: Prepare a written process to guide the evaluation process. Step 3: Conduct building evaluations of all new facilities within an appropriate time frame. Step 4: Compile the information and determine efficiencies, operating costs and comparison with other types of mechanical and electrical systems in use by the district and by peer districts. Step 5: Report the results of the evaluations to district staff. Step 6: Use information in design process in future projects.
Who is Responsible	Assistant superintendent for Facilities and Maintenance
Time Frame	June 30, 2003
Fiscal Impact	Can be accomplished within existing resources.

Facilities Maintenance

Action Plan 11-1

Revise the Maintenance Handbook	
Strategy	Continue the revision handbook process begun by the director of maintenance.
Action Needed	Step 1: Develop mission statement and goals for the Maintenance Department. Step 2: Develop organizational structure in written format. Step 3: Develop operational procedures. Step 4: Determine procedures to be included in the manual. Step 5: Determine procedures of other district departments or functions to be referenced in the manual. Step 6: Consolidate as single document. Step 7: Present handbook to the school board for adoption as an official policy of the district.
Who Is Responsible	Director of Maintenance
Time Frame	January 31, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 11-2

Centrally locate district procedures	
Strategy	Consolidate and locate procedures that affect the Maintenance Department in a central location accessible to maintenance and site staffs and the public.
Action Needed	Step 1: Review district policies to determine those that have a direct impact on the operations of the Maintenance Department. Step 2: Assign staff member responsibility for keeping the polices and procedures current and up to date. Step 3: Select area within Maintenance Department to locate the policies.
Who Is Responsible	Director of Maintenance
Time Frame	January 31, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 11-3

Develop Custodial Standards	
Strategy	Continue the development of custodial training, sanitation and housekeeping standards and formalize the results as district policy.
Action Needed	Step 1: Develop mission statement and goals for custodial operations. Step 2: Develop organizational structure in written format. Step 3: Develop training standards and guidelines. Step 4: Develop sanitation standards. Step 5: Develop housekeeping standards. Step 6: Present standards to the school board for adoption as an official policy of the district. Step 7: Distribute policy to site-based administrators. Step 8: Hold site-based administrators accountable, in their annual review, for meeting the adopted standards.
Who Is Responsible	Director of Maintenance for development Superintendent for accountability of administrators
Time Frame	June 30, 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 11-4

Maintenance Task Benchmarking	
Strategy	Communicate expectations to Maintenance Department personnel by developing performance standards for frequently repeated maintenance tasks.
Action Needed	Step 1: Identify tasks which are appropriate for the application of performance standards. Step 2: Develop comprehensive performance standards for the tasks utilizing a combination of nationally recognized standards and district experience. Step 3: The supervisors and the lead forepersons hold staff meetings to explain the performance standards while making the standards available to all staff members. The custodial supervisor should communicate the performance standards for custodians to the site administrators. Step 4: The director reviews the performance standards with the school board and submits them for adoption. Step 5: The board approves the use of the performance standards for the evaluation of staff. Step 6: Include appropriate standards in job descriptions. Step 7: Include elements of standards in annual employee performance reviews. Step 8: Use standards as a planning and evaluation tool.
Who is Responsible	Maintenance director
Time Frame	June 30, 2003
Fiscal Impact	This can be completed with existing resources.

Action Plan 11-6

Establish Maintenance Department accountability measures	
Strategy	Develop performance measures to ensure Maintenance Department accountability.

Action Needed	<p>Step 1: Identify major activities and programs that are the responsibility of the Maintenance Department.</p> <p>Step 2: Identify goals and measurable objectives for each activity or program noted that reflect the purpose and mission statement of the Maintenance Department.</p> <p>Step 3: Develop performance and cost-efficiency standards and interpretive benchmarks, including comparisons to adjoining districts, to evaluate each activity or program and use these in management decision making.</p> <p>Step 4: Use the standards to evaluate the performance and cost of department activities and develop potential cost savings of alternatives, such as outside contracting and privatization.</p> <p>Step 5: Implement alternatives as appropriate.</p> <p>Step 6: Apply the same benchmarks and standards to evaluate the results of selecting the alternatives.</p> <p>Step 7: Periodically report the results of the alternative selections including successful and unsuccessful activities, cost savings or additional expenses and customer satisfaction.</p>
Who is Responsible	Director of Maintenance
Time Frame	July 1, 2004
Fiscal Impact	This can be implemented with existing resources.

Action Plan 11-7

Develop staffing formulae for the district	
Strategy	Ensure adequate staffing levels in maintenance and custodial operations to meet the needs of the district.
Action Needed	<p>Step 1: Review existing suggested staffing formulae that have been developed by the Florida Department of Education.</p> <p>Step 2: Determine appropriate maintenance and custodial outcomes for the district based on strategic planning efforts and established local standards.</p> <p>Step 3: Develop staffing formulae that meet the indicated outcomes.</p> <p>Step 4: Prepare fiscal note describing impact of formulae adoption.</p> <p>Step 5: Present staffing formulae to superintendent.</p> <p>Step 6: Present formulae to district school board for consideration.</p> <p>Step 7: Hold site-based facilities managers accountable for staffing decisions outside of an adopted formula.</p>
Who is Responsible	Maintenance director
Time Frame	June 30, 2003
Fiscal Impact	Fiscal impact will not be known until completion of formulae development.

Student Transportation

Action Plan 12-5

Establish a Clear Policy for Mainstreaming Exceptional Students' Transportation	
Strategy	Modify current ESE student policy to clearly express a desire that exceptional students ride regular buses whenever possible and appropriate.
Action Needed	<p>Step 1: The ESE director, assisted by the transportation director draft a modification to current district policy clearly stating that ESE students should ride regular buses whenever possible and appropriate.</p> <p>Step 2: Superintendent and school board approve policy amendment.</p>
Who Is Responsible	ESE director; transportation director; superintendent; school board.

Time Frame	July 1, 2003
Fiscal Impact	None

Action Plan 12-6**Collect Medicaid Reimbursement for Qualifying Students' Transportation**

Strategy	Pursue efforts to collect Medicaid reimbursement for all qualifying student transportation trips.
Action Needed	<p>Step 1: Assistant superintendent for Business and Fiscal Services assigns the responsibility to determine the appropriateness of obtaining reimbursement from Medicaid for transportation services related to qualified students to the ESE coordinator, assisted by the transportation director.</p> <p>Step 2: The ESE coordinator, contacts the appropriate person who can provide billing information for Medicaid-reimbursable expenses.</p> <p>Step 3: Once Medicaid billing information has been determined, the ESE coordinator assisted by the transportation director, establish procedures to capture this information in an auditable fashion.</p> <p>Step 4: The district bills Medicaid using the proper form and/or format required for expedient reimbursement.</p>
Who Is Responsible	Assistant superintendent for Business and Fiscal Services; ESE coordinator; transportation director
Time Frame	July 1, 2003
Fiscal Impact	Net revenue of \$24,045 annually. This impact considers the cost of employing a contractor charging 30% of the \$34,350 in revenue generated for billing services.

Action Plan 12-7**Evaluate the Cost-Effectiveness of Reducing the number of spare buses to no more than 10% of the number in daily service**

Strategy	Establish a bus spare policy and determine if it would be cost-effective to limit the number of spares to no more than 10% of the number in daily service.
Action Needed	<p>Step 1: The director of transportation of carry out an assessment of the number of buses required to support operations.</p> <p>Step 2: The transportation director prepares a report and presents it to the superintendent and school board for approval.</p> <p>Step 3: The related school board policy is established.</p> <p>Step 4: As buses are removed from service they should go to auction to recover as much cost as possible.</p>
Who Is Responsible	School board, superintendent, transportation director
Time Frame	July 1, 2003
Fiscal Impact	By reducing spare buses to 10% of buses in daily service the district could reduce its fleet by 12 and realize a one time revenue increase of \$78,000

Action Plan 12-8**Evaluate the Cost-Effectiveness of Establishing a Bus Replacement Schedule and Initiate a Bus Purchase Plan to Meet the Board's Policy on Age of Buses**

Strategy	Establish a cost-effective written bus replacement policy that will establish normal bus replacement at least at a minimum 12-year cycle.
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Appendix A

Action Needed	<p>Step 1: The assistant superintendent for Business and Fiscal Services and the director of transportation carry out an assessment to determine whether it would cost-effective to adopt a 12-year bus replacement schedule. Part of the assessment should include an analysis of all the variables that impact the life cycle of the current fleet such as safety, specification and design, and economy and efficiency. The assessment should consider a range of procurement options, such as adhering to a replacement cycle (10 to 15 years), purchasing used buses, and/or lease purchase. The assessment could also include consultations with the other school districts that have alternate replacement cycles (e.g., the Hillsborough district uses a 12-year cycle and the Miami-Dade district uses a 15-year replacement cycle) as well as FDOE.</p> <p>Step 2: The assistant superintendent for Business and Fiscal Services and the transportation director compare the results of the assessment with the results of the district's lease-purchase RFP, recommending the most cost effective option.</p> <p>Step 3: The assistant superintendent for Business and Fiscal Services prepares a report and presents it to the superintendent and school board for approval.</p> <p>Step 4: The related school board policy is established contingent upon Step 3.</p> <p>Step 5: As buses are removed from service and replaced, they should go to auction to recover as much cost as possible.</p>
Who Is Responsible	School board, superintendent, assistant superintendent for Business and Fiscal Services, Transportation Director
Time Frame	July 1, 2003
Fiscal Impact	Fiscal impact will depend on the replacement cycle strategy adopted by the school board.

Action Plan 12-9

Find Maintenance Software Packages

Strategy	The Transportation Department needs to continue in its efforts to find a maintenance software package that incorporates all areas of maintenance, particularly preventative maintenance scheduling.
Action Needed	<p>Step 1: District staff has indicated its software service contract will expire in two years and the software will no longer receive vendor support. Staff has indicated that it will be contacting other vendors to see which systems are in use, and assessing the pros and cons of each system before making a decision.</p> <p>Step 2: The Transportation Department needs to continue its search for an adequate, supported, widely used, software package to modernize its maintenance program. This search needs to take place in conjunction with the district's MIS Department.</p> <p>Step 3: The software is acquired, tested and implemented.</p> <p>Step 4: The MIS Department monitors and assists in the implementation.</p>
Who Is Responsible	Transportation director; service manager; MIS Department; Finance Department
Time Frame	July 31, 2004
Fiscal Impact	None; district already plans to budget for upgrade.

Action Plan 12-10

Develop Performance Indicators, Benchmarks, and a “Report Card” Style Annual Report for the School Board

Strategy	Develop a list of performance indicators that would be useful to the school board and general public to provide accountability for student transportation performance. Each performance indicator should be associated with a performance target to evaluate performance, and a “report card” style annual report should be made to the school board.
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Action Needed	<p>Step 1: Review benchmarks that are appropriate, feasible, and useful for both student transportation operations and vehicle maintenance. Selected benchmarks should support the district strategic plan. Staff should consider the list of performance measures for student transportation operations shown below.</p> <ul style="list-style-type: none"> • Cost per mile for school bus operations • Failure to comply with pickup or delivery schedules within prescribed time ranges (late arrivals), measured as incidents per month • Customer service evaluation rating as good, as measured by routine customer service surveys of principals and parents • Number and percentage of students who have scheduled bus ride times that exceed the district's standards • Number of all accidents, measured as incidents per 100,000 miles • Parent complaints, measured by number of phone calls and categorized by type of complaint (on-time, discipline, safety concerns, vehicle maintenance, driver performance, etc.) <p>Step 2: For vehicle maintenance staff should consider the performance measures shown below.</p> <ul style="list-style-type: none"> • Downtime of buses, measured as days out of service • Number of breakdowns per 100,000 miles • Maintenance cost for each vehicle, measured against average for all comparable vehicles • Turnaround time for scheduled and corrective maintenance by type of vehicle • Vehicle maintenance hours as a percentage of total hours charged • Vehicle to mechanics ratio • Average maintenance cost per mile by type of school bus • Safety inspections, measured as a percentage of all repair work time. <p>Other performance indicators may be selected based on local interest and data availability.</p> <p>Step 3: For all performance measures that are selected, devise a reporting mechanism and frequency appropriate for that particular measure.</p> <p>Step 4: Collect information on actual performance and report on it at selected intervals.</p> <p>Step 5: Establish performance standards for future school years.</p>
Who Is Responsible	Transportation director and maintenance manager, in consultation with assistant superintendent for Business and Fiscal Services.
Time Frame	<p>July 1, 2003: Identify which benchmarks are appropriate and feasible, and establish the mechanism for measuring them.</p> <p>January 1, 2004: Begin collecting performance information for the 2002-03 school year for each of the established benchmarks.</p> <p>July 1, 2004: Present school board with first annual report on student transportation performance.</p>
Fiscal Impact	This can be accomplished with existing resources.

Food Service Operations

Action Plan 13-1

Develop program goals, objectives, and measures	
Strategy	Develop food service program performance goals with clearly defined objectives/strategies and measures.
Action Needed	<p>Step 1: The assistant superintendent for Business and Fiscal Services direct the food service director to develop program goals, objectives, and measures</p> <p>Step 2: The food service director, in conjunction with central office food service administrators, develops program goals, objectives, and measures patterned after and/or complimentary to the superintendent's district-wide goals.</p> <p>Step 3: Solicit input from cafeteria managers on the draft program goals, objectives, and measures.</p> <p>Step 4: Submit the final program goals, objectives, and measures to the assistant superintendent for Business and Fiscal Services, who will submit them to the deputy superintendent, who will submit them to the superintendent, who will submit them to the board for approval.</p>
Who Is Responsible	Assistant superintendent for Business and Fiscal Services direct the food service director to develop the goals, objectives, and measures. The food service director and/or designee develop the goals, objectives, and measures.
Time Frame	January 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 13-3

Develop required introductory training for new employees	
Strategy	Develop a basic sanitation and safety presentation for new employee orientation.
Action Needed	<p>Step 1: Food service director and/or designee develop basic introduction course.</p> <p>Step 2: Coordinate the presentation with Risk Management for new employee orientation as necessary.</p> <p>Step 3: Coordinate the presentation with Personnel for new employee orientation as necessary.</p> <p>Step 4: Coordinate the presentation with Professional Development to ensure that new employee orientation attendance is recorded.</p>
Who is Responsible	Food service director and/or designee
Time Frame	August 2003
Fiscal Impact	Maximum of \$850 annually - cafeteria manager to teach one hour (\$21.26) per week per month (\$21.26 X 4 = \$85.04) for ten operational months (\$85.04 X 10 = \$850.40).

Action Plan 13-4

Develop required general sanitation and safety training for all employees	
Strategy	Develop an abbreviated version of the current comprehensive 'Foundations' training course and require all new employees to complete it within three months of hire. All other employees should be required to complete the abbreviated program in a timely manner as determined by the food service director.

Action Needed	<p>Step 1: Work with the Human Resources Department to determine whether position descriptions/requirements will have to be updated to reference the mandatory attendance of the introductory safety/sanitation training course within three months of hire. Update position descriptions as necessary.</p> <p>Step 2: Identify what modifications will have to be made to the current comprehensive curriculum to provide an introduction to the most critical food service areas/issues.</p> <p>Step 3: Identify and recruit cafeteria managers to teach the introductory training course. Establish a rotating list of managers to teach the course.</p> <p>Step 4: Develop a schedule of course presentation based on the district's hiring pattern. Care should be taken to consolidate employees for presentation, e.g., require a minimum of three employees per presentation, and the food service director should retain the flexibility to manage the course schedule for maximum efficiency and minimal cost.</p> <p>Step 5: Develop a tracking system within the food service department to note completion of the introductory training course and maintain documentation of exceptions/extensions.</p>
Who is Responsible	Food service director and/or designee
Time Frame	August 2003
Fiscal Impact	Maximum of \$582 annually assuming a one-hour course provided every month to a minimum of three new employees – cafeteria manager to teach one hour (\$21.26); pay three new employees for attending ($\$12.32 \times 3 = \36.96); total cost per class ($\$21.26 + \$36.96 = \$58.22$); cost of classes provided monthly for ten operational months ($\$58.22 \times 10 = \582.20).

Action Plan 13-8

Develop program benchmarks and identify data collection needs

Strategy	Outline program benchmarks and the WinSNAP 'back of the house' data that will be required to monitor program performance in relation to the benchmarks.
Action Needed	<p>Step 1: Identify exemplary food service programs and DOE data that will be used to develop program benchmarks.</p> <ul style="list-style-type: none"> • Develop program benchmarks including • meals per labor hour, • costs per meal, and • participation rates. <p>Step 2: Identify the WinSNAP 'back of the house' management data that will be captured and reported to monitor program performance in relation to the established benchmarks.</p> <p>Step 3: Once benchmarks are established, identify and implement a schedule of benchmark and program performance comparison.</p> <p>Step 4: Document the comparison of program performance and benchmarks and provide a report to the assistant superintendent of Business and Fiscal Services.</p>
Who is Responsible	Food service director and/or designee
Time Frame	January 2003
Fiscal Impact	Can be implemented with existing resources.

Action Plan 13-9

Use program goals to monitor program performance

Strategy	Use program goals, objectives, and benchmarks to monitor and evaluate program performance.
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Appendix A

Action Needed	<p>Step 1: Using the program goals, objectives, and benchmarks established in Action Plan 13-1, page 13-10, identify the data that must be collected, as well as the data format, for use in program assessment.</p> <p>Step 2: Collect the identified data, analyze, summarize, and report results to the assistant superintendent for Business and Fiscal Services.</p> <p>Step 3: Identify and document any changes in data needs over time, e.g., additional data that will have to be captured for future analysis or data that was of little use in program analysis and should no longer be collected/included.</p>
Who is Responsible	Food service director and/or designee
Time Frame	January 2003
Fiscal Impact	This can be done with existing resources.

Action Plan 13-10

Assess the potential for outsourcing various food service operations

Strategy	Regularly conduct and document an assessment of services that could potentially be outsourced.
Action Needed	<p>Step 1: Develop a standard methodology to be used in the assessment of outsourcing services. Elements that may be included are</p> <ul style="list-style-type: none"> • criteria used as basis for comparison, • programs/vendors used for comparison, and • rationale used to select specific comparison group(s). <p>Step 2: Using the methodology established in step 1, develop a standard assessment documentation form to allow for quick comparisons, comprehensive information, and a basis for assessment/comparison over time.</p> <p>Step 3: Establish a schedule for a review of services and the potential to outsource them. Such services may include</p> <ul style="list-style-type: none"> • warehousing, • delivery, • program management, and • equipment maintenance. <p>Step 4: Conduct assessments according to the schedule established in step 3 and report results to the assistant superintendent for Business and Fiscal Services.</p>
Who is Responsible	Food service director and/or designee
Time Frame	Plan what areas will be examined during the 2002-03 school year. Implement the first study/comparison during the 2003-04 school year.
Fiscal Impact	This can be done with existing resources.

Action Plan 13-11

Promote the volunteer food service labor program

Strategy	Promote the ‘Win-Win Deal’ throughout the district to increase volunteer participation and assist with the food service labor shortage.
Action Needed	<p>Step 1: Food service director and/or designee develop a promotional campaign for the ‘Win-Win Deal’ targeting groups such as those below.</p> <ul style="list-style-type: none"> • Principals • Students • OASIS volunteers • PTOs • Community events • School open-houses <p>Step 2: Food service director and/or designee work with the OASIS volunteer</p>

	program director to include the 'Win-Win Deal' in volunteer promotional materials.
	Step 3: Implement the promotional campaign.
	Step 4: Track the number of 'Win-Win Deal' volunteers following the promotional campaign to identify successful promotions.
	Step 5: Food service director and/or designee establish a schedule for follow-up on the program and related promotion on a regular basis, e.g., the beginning of each school year.
Who is Responsible	Food service director and/or designee
Time Frame	July 1, 2003
Fiscal Impact	Any printing costs for promotional materials will be negligible and paid by the food service program. Adding 'Win-Win Deal' information into the OASIS promotional materials can be done with existing resources.

Action Plan 13-12**Document program participation decisions**

Strategy	Document the district's decision whether to participate in additional nutrition programs and/or services or discontinue current participation.
Action Needed	Step 1: Develop a standard documentation form for use in documenting deliberations about participating in nutrition programs and/or services and/or discontinuing participation in current programs. The form could include data such as <ul style="list-style-type: none"> • program considered and/or service requested; • staff/parties involved in deliberations; • district items of consideration/deliberated for participation; • decision of participation with rationale/reasons; and • future follow-up and/or actions with dates. Step 2: Annually summarize deliberations/decisions and submit to the assistant superintendent of Business and Fiscal Services, who reports the information to the deputy superintendent, who reports the information to the superintendent.
Who is Responsible	Food service director and/or designee
Time Frame	Close of each school year beginning with the 2002-03 school year
Fiscal Impact	This can be done with existing resources.

Action Plan 13-13**Develop program fiscal goals**

Strategy	Develop food service fiscal goals linked to overall program goals/objectives.
Action Needed	Step 1: Develop program fiscal goals to guide annual budget development. The fiscal goals should be incorporated into the overall program goals and objectives (See Action Plan 13-2, page 13-13).
Who is Responsible	Food service director and/or designee
Time Frame	January 2003
Fiscal Impact	This can be implemented with existing resources.

Action Plan 13-14**Fully implement automated management software**

Strategy	Fully implement the WinSNAP 'back of the house' management software.
Action Needed	Step 1: Food service director and/or designee, in conjunction with the software vendor, implement the management software according to the current installation plan.

Appendix A

Who is Responsible	Food service director and/or designee
Time Frame	December 2002
Fiscal Impact	No additional fiscal impact is expected, as the software system has already been purchased.

Action Plan 13-15

Schedule and implement reviews of employee handbooks and procedures

Strategy	Develop a schedule for the review of the cafeteria manager's handbook, employee handbook, and cashier procedures.
Action Needed	Step 1: Food service director and/or designee develop a written schedule for the review of the cafeteria manager's handbook, employee handbook, and cashier procedures, e.g., at the end of each school year. Step 2: The individual responsible for implementing the review of the handbooks and cashier procedures should document the review; including what changes were made or the lack of needed changes. Step 3: Include the revenue process procedures document in the manager's handbook and assess the need for inclusion in the employee handbook.
Who is Responsible	Food service director and/or designee
Time Frame	August 2003 in preparation for the 2003-04 school year
Fiscal Impact	This can be implemented with existing resources.

Action Plan 13-16

Fully implement automated management software

Strategy	Fully implement the WinSNAP 'back of the house' management software
Action Needed	Step 1: See Action Plan 13-18, page 13-37
Who is Responsible	Food service director and/or designee
Time Frame	December 2002
Fiscal Impact	No additional fiscal impact is expected, as the software system has already been purchased.

Action Plan 13-17

Determine whether to increase breakfast prices or implement Provision II universal free breakfasts

Strategy	Use participation and meal/plate cost data to determine whether breakfast prices should be increased and/or whether the Provision II free breakfast program should be implemented.
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Action Needed	<p>Step 1: Collect breakfast participation data by school level (elementary, middle, high) and eligibility status (free, reduced, paid).</p> <p>Step 2: Identify and collect the meal/plate cost data needed from the WinSNAP ‘back of the house’ management software that will allow for an assessment of participation in the Provision II universal free breakfast program and/or increasing breakfast prices.</p> <p>Step 3: Based on participation, cost data, and student economic eligibility, identify whether the Provision II universal free breakfast should be implemented.</p> <p>Step 4: If appropriate, apply for and implement the Provision II universal free breakfast program.</p> <p>Step 5: If the district decides not to pursue the Provision II universal free breakfast program, document the reasons and conduct and document a formal assessment of the need and feasibility of increasing breakfast prices based on participation rates and meal costs.</p> <p>Step 6: Report the assessment outcome to the assistant superintendent for Business and Fiscal Services outlining a plan for increasing breakfast prices and anticipated income or the reasons for electing not to raise meal prices.</p> <p>Step 7: Should the district elect not to raise meal prices, food service administrators should outline a formal schedule for the issue to be re-examined.</p> <p>Step 8: Re-examine the issue of increasing breakfast prices based on the schedule established in Step 7. Results of each review should be formally documented and reported to the assistant superintendent for Business and Fiscal Services.</p> <p>Step 9: Establish a formal schedule for the comparison of meal prices, both breakfast and lunch, with peer districts.</p> <p>Step 10: Conduct and document peer meal price comparisons based on the schedule established in Step 9.</p>
Who is Responsible	Food service director and/or designee
Time Frame	Gather data first half of the 2002-03 school year (August – January). Complete formal analysis/report by the end of the 2002-03 school year (June).
Fiscal Impact	This can be implemented with existing resources.

Action Plan 13-18

Pay for in-house maintenance services

Strategy	The food service program pay for in-house maintenance services based on completed work orders.
Action Needed	<p>Step 1: The maintenance director will develop a cost per hour for maintenance work that will be provided the food service director and finance and accounting. This cost data, along with replacement part(s) costs, will be used to bill the food service department for completed work orders.</p> <p>Step 2: At the end of each month the maintenance department will submit the number of completed work orders and related work hours and part(s) costs to the finance and accounting department to be charged back to the food service department. Copies of bills submitted to Finance and Accounting should be provided to the food service department for verification.</p> <p>Step 3: The food service department will pay the district monthly for in-house maintenance services.</p> <p>Step 4: The maintenance department should be prepared to provide a work order/job cost estimate, if asked, to allow the food service department to compare repair costs with private maintenance providers.</p>
Who is Responsible	The maintenance director and finance and accounting
Time Frame	July 2003

Fiscal Impact	Based on the estimated maintenance labor and parts costs through the end of the 2002 school year, the food service program can expect to pay approximately \$260,000 annually for in-house maintenance services.
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Action Plan 13-19

Develop a long-range equipment replacement plan	
Strategy	Develop a long-range equipment replacement plan.
Action Needed	<p>Step 1: Examine the current maintenance automation system, TERMS, to determine whether additional programming will be necessary to capture equipment purchase date.</p> <p>Step 2: Make any needed TERMS system programming changes.</p> <p>Step 3: The food service director and maintenance director together develop a list of ‘major equipment’ that will be tracked for long-term replacement.</p> <p>Step 4: Once ‘major equipment’ is identified, the food service director shall provide this list to the purchasing department.</p> <p>Step 5: Based on the list of ‘major food service equipment’, the purchasing department will provide a copy of purchase orders for items on the list to the maintenance department.</p> <p>Step 6: Using the property tags on existing equipment and TERMS inventory data, the maintenance director develop a life-span report of existing equipment and provide it to the food service director.</p> <p>Step 7: As new ‘major equipment’ is purchased, the maintenance director will project the lifespan and add the information to an annual equipment lifespan report.</p> <p>Step 8: The maintenance director will provide the food service director with an equipment lifespan report for use in budget development each year.</p> <p>Step 9: Based on the lifespan equipment report, the food service director and maintenance director together will identify priority equipment replacement needs each year.</p>
Who is Responsible	Food service director and the maintenance director.
Time Frame	January 2003
Fiscal Impact	No fiscal impact is anticipated. District staff will handle any TERMS programming needs.

Cost Control Systems

Action Plan 14-1

Implement Risk Assessment Process	
Strategy	Implement a risk assessment process to enhance identification of high-risk activities which will result in prioritizing these activities in order of highest risk for purposes of resolving them.
Action Needed	<p>Step 1: Develop and distribute request for proposal for risk assessment.</p> <p>Step 2: Select firm that will perform risk assessment for the district.</p> <p>Step 3: Review results of risk assessment and prioritize high-risk activities.</p> <p>Step 4: Assign responsibility for addressing and resolving prioritized risks.</p>
Who Is Responsible	Chief Financial Officer in lieu of Internal Auditor
Time Frame	December 31, 2002

Fiscal Impact	<p>The average annual cost is estimated to be approximately \$15,000. This amount is based on an estimate of 175 hours at an average rate of \$85 per hour (\$14,875 rounded up to \$15,000). Although first year costs may be higher, efficiencies gained during the first year should result in lower costs in subsequent years. Using the average of \$15,000 for each year will result in a cost of \$75,000 over five years.</p> <p>It is likely that the addressing of risks identified in the risk assessments will result in cost savings and avoidances that will offset the cost of the risk assessments. However, the cost impact of these potential savings and avoidances cannot be determined at this time.</p>
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Action Plan 14-2

Alternative Inventory Services

Strategy	Analyze the costs and benefits of contracting the storage and distribution of inventory supplies to private companies.
Action Needed	<p>Step 1: Determine the costs (staffing, equipment, facilities, overhead, other) associated with maintaining inventories by review and analysis of activity cost reports.</p> <p>Step 2: Ascertain the types of inventory-related services available in the industry and the costs associated with the services.</p> <p>Step 3: Determine the costs and benefits associated with utilizing alternative inventory management resources.</p> <p>Step 4: Document the result of the study and present the analysis and recommendations to the superintendent.</p> <p>Step 5: If more beneficial, the Associate Superintendent for Maintenance and Facilities should pursue contracting the storage and distribution of supplies to private companies.</p>
Who is Responsible	Associate Superintendent for Maintenance and Facilities
Time Frame	December 31, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.

Comparison of Inventory Levels with Other School Districts

Strategy	Establish procedures for the comparison of district inventory levels with other school districts to ensure that excessive inventory levels are not maintained.
Action Needed	<p>Step 1: Establish procedures to compare the district's inventory level with other school districts.</p> <p>Step 2: Assign responsibility for monitoring the analysis and review of the inventory levels of the other school districts.</p> <p>Step 3: Determine whether the district's inventory levels are proper in comparison to similar school districts.</p>
Who is Responsible	The Director of Purchasing and Warehousing Services (school supplies) and the Associate Superintendent for Maintenance and Facilities
Time Frame	December 31, 2002
Fiscal Impact	This recommendation can be implemented with existing resources.