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Progress Report



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St. Lucie School District Has Implemented Best Practices and Is Eligible For State Seal

at a glance

On May 13, 2003, the St. Lucie County School Board voted to implement the action plans in the Best Financial Management Practices Review (OPPAGA Report No. 03-26) published in April 2003. OPPAGA developed these action plans to help the St. Lucie County School District implement the best practices within two years, which would make the district eligible to receive the Seal of Best Financial Management from the State Board of Education.

The district has implemented all of the action plans and is now eligible for a Seal of Best Financial Management. The district has substantially improved its management practices and increased its efficiency and effectiveness. The district reports a positive fiscal impact of at least \$680,000 since May 2003.

To continue to improve, the district should monitor certain issues, including test scores and discipline for ESE students, and take any additional actions needed to ensure that it maintains a strong financial position and continues to meet best practice standards.

OPPAGA recommends that the State Board of Education award the Seal of Best Financial Management to the St. Lucie County School District.

Scope and Methodology—

This report provides the Florida Legislature with information on the status of the St. Lucie County School District's implementation of action plans included in the Best Financial Management Practices Review published in May 2003.¹ On May 13, 2003, the St. Lucie County School Board voted to implement the action plans and pursue the Seal of Best Financial Management.

Florida law provides that district school boards that agree by a majority plus one vote to institute the action plans must submit an annual report to a number of entities, including the Legislature, the Governor, OPPAGA, the Auditor General, and the Commissioner of Education on progress made towards implementing the plan. They also must report any changes in other areas of operation that would affect the district's use of the best practices. The law also requires that OPPAGA annually review a district's practices to determine whether it has started using the Best Financial Management Practices in the areas covered by the action plan.

We based our conclusions in this report on documentation provided by the district,

¹ Best Financial Management Practice Review St. Lucie County School District, [Report No. 03-26](#), May 2003.

discussions with district staff on the status of action plan implementation as of July 2004, and an in-depth site visit to assess the district's implementation of the action plans.

Background

The 1997 Florida Legislature created the Best Financial Management Practices Reviews to increase public confidence and support for school districts that demonstrate good stewardship of public resources, to encourage cost savings, and to improve district management and use of funds. The best practices, adopted by the Commissioner of Education, 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.

Florida law provides that the State Board of Education award the Seal of Best Financial Management to any district that OPPAGA determines is using the best financial management practices. The seal is effective for five years during which time the district's school board is required to annually report on whether any changes have occurred in policies or operations or any other situations that would not conform to the state's best financial management practices. The State Board of Education may revoke the seal at any time if it determines that the district is no longer complying with the state's best financial management practices.

The 2002 Legislature directed OPPAGA to conduct a Best Financial Management Practices

Review of the St. Lucie County School District. Based on review field work, at that time we concluded that the St. Lucie County School District was using 88% (189 of 214) of the best practices adopted by the Commissioner and was not eligible for a Seal of Best Financial Management at that time. (See Exhibit 1.)

For those areas in which the district was not using best practices, the final report contained specific action plans that provided detailed steps the district should take in order to implement best practice principles within two years. By implementing the action plans and other report recommendations, we determined that the St. Lucie County School District could improve district operations, save money, and demonstrate good stewardship of public resources.

Exhibit 1 Our Original Review Found that the St. Lucie County School District Was Using 88% of the Best Practices

Best Practice Area (Total Practices)	Was the District Using Individual Best Practices?	
	Yes	No
Management Structures (12)	11	1
Performance Accountability System (5)	3	2
Educational Service Delivery (16)	12	4
Administrative and Instructional Technology (20)	20	0
Personnel Systems and Benefits (15)	15	0
Use of Lottery Proceeds (5)	5	0
Use of State and District Construction Funds (4)	4	0
Facilities Construction (32)	29	3
Facilities Maintenance (26)	17	9
Student Transportation (20)	17	3
Food Service Operations (17)	15	2
Cost Control Systems (31)	30	1
Community Involvement (11)	11	0
All Areas (214)	189	25

Source: OPPAGA.

Overall Conclusions

Since May 2003, the district has fully implemented all 31 of the action plans

contained in the original OPPAGA report (refer to Exhibit 2). Thus, OPPAGA recommends that the State Board of Education grant a Seal of Best Financial Management to the district.

Exhibit 2
The District Has Fully or Partially Implemented All 31 Report Action Plans¹

Best Practice Area	Action Plans	Action Plans Fully Implemented
Management Structures Performance	1	1
Accountability System	2	2
Educational Service Delivery	6	6
Administrative and Instructional Technology	0	NA
Personnel Systems and Benefits	0	NA
Use of Lottery Proceeds	0	NA
Use of State and District Construction Funds	0	NA
Facilities Construction	3	3
Facilities Maintenance	10	10
Student Transportation	4	4
Food Service Operations	4	4
Cost Control Systems	1	1
Community Involvement	0	NA
All Areas	31	31 (100%)

¹ The original review found that the district was using all best practices in five areas: administrative and instructional technology, personnel systems and benefits, use of lottery proceeds, use of state and district construction funds, and community involvements. Thus, our original report contained no action plans in these areas.

Source: OPPAGA.

By implementing report action plans, the district has increased its efficiency and effectiveness, improved its management, and reduced costs. For instance, the district has made several changes to improve the efficiency and effectiveness of its Exceptional Student Education (ESE) program, establish a mechanism for teachers to access successful teaching strategies linked to the sunshine state standards, and better track and update library materials. In addition, the district has made numerous changes to improve the efficiency, effectiveness, and accountability of operational and educational support areas such as facilities construction and maintenance, transportation, and food services.

While the district has implemented all report action plans and now meets best practice standards, we identified some areas it should continue to monitor and/or address. These are summarized below.

- The district should continue to monitor the results of the actions it has taken to improve its ESE program and, if necessary, make changes to its strategies for ensuring that schools take steps to identify gifted minority students, make appropriate referrals to the ESE program, process referrals in a timely manner, improve exceptional students’ reading skills, and reduce their suspension rates.
- The district should continue its efforts to improve its facilities construction program by publishing its design standards in a manual that is readily available to school personnel and vendors.
- The district should continue to evaluate ways to enable maintenance workers to obtain parts from the warehouse more quickly.
- The district should determine whether establishing a small, in-house construction crew would be more cost-effective than its current practice of contracting out all small projects.
- And finally, the school board should periodically review the prospect of billing Medicaid for eligible transportation service, and reinstitute the practice if its review determines reimbursement to be profitable in the future.

For more detailed information, refer to the *Implementation Status by Best Practice Area* section of this report, below.

Implementation Status by Best Practice Area

Management Structures

Our original review found that the St. Lucie County School District was using 11 of 12 best

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practices established for management structures. To assist the district in meeting best practice standards, the final report contained one action plan recommending that the district evaluate the number of school-based administrators in middle schools by comparing its school administration to student ratios to those of other districts and examining the duties of deans and assistant principals.

Since May 2003, the district has fully implemented this action plan. The district compared its school-based administrator to student ratio to those of six comparable districts and found that it ranked third in the number of students per administrator. The district also analyzed the job descriptions of its middle school deans and decided to change the job descriptions to that of dean/conduct counselor. It also gave one dean/conduct counselor in each middle school part-time teaching responsibilities. This allowed the district to avoid approximately \$114,000 per year in the cost of hiring teachers.

Performance Accountability System

In our original report, we concluded that the St. Lucie County School District was using three of the five performance accountability best practices. The final report contained two action plans to enable the district to improve its performance accountability system and meet best practice standards. The first was that the school board periodically reevaluate and modify its strategic plan to ensure that it could accomplish its strategies with available resources. The second was that the district develop measurable, long-term objectives for all of its operational programs.

Since May 2003, the district has fully implemented both action plans in this area. For example, during its annual review of the strategic plan, the school board rejected proposed strategies that had either been accomplished or could not be supported with available resources. Also, the objectives for the maintenance program were revised to provide more measurable, longer-term outcomes.

Maintenance was the primary area lacking long-term measurable objectives during our original review.

Educational Service Delivery

Our original review found that the St. Lucie County School District was using 12 of the 16 best practices for educational service delivery. The final report contained six action plans designed to improve the efficiency and effectiveness of the district's educational programs and assist the district in meeting best practice standards.

The district has implemented all six action plans in this area. Four of six the action plans related to improving aspects of the district's Exceptional Student Education (ESE) program. Since May 2003, the district has implemented these action plans by taking the actions described below.

- To better identify gifted minority students, the district has adopted methods for monitoring referrals of African-American and LEP (Limited English Proficiency) students for gifted programs, required evaluation of all African-American and LEP students who score 75% on the NRT or 3 or more on any area of the FCAT; and trained school staff. As a result, the district has experienced a small increase in the proportion of gifted students who are African-American or Hispanic.
- To improve the timeliness of the process for identifying ESE students and reduce inappropriate referrals, the district has trained school-based ESE teams and guidance counselors and developed a system for monitoring the process. As a result, between July 1, 2003, and May 26, 2004, the district processed 489 of 584 (84%) ESE referrals within 60 days, which meets best practice guidelines. In addition, the steps the district has taken were effective in decreasing the number of students referred to the ESE program who are subsequently found ineligible for services. As a result, in 2003-04, approximately 72% of the students

referred were found eligible for the exceptional student education program.

- To improve the reading skills of ESE students, the district trained all elementary teachers in the St. Lucie Exceptional Student Education Reading Program. This program is based on research supporting the Florida Just Read program and provides intensive reading instruction for struggling students. All elementary schools were required to participate in the program. At the end of the 2003-04 school year, 65% of the ESE students participating in the reading program experienced reading gains. The district plans to expand the program to the secondary level.
- To reduce suspension rates of ESE students and non-ESE students alike, the district now monitors suspension rates by gender, ethnicity, and disability and shares this data with principals. In addition, the district has piloted a positive behavior support program in four schools. The district reports that these schools have experienced a dramatic reduction in the percentage of all students, including ESE students, referred for disciplinary procedures. The district plans to expand the program to an additional 17 school sites in the 2004-05 school year.

While the district has implemented the four action plans related to its ESE program and now meets best practice standards in this area, it should continue to monitor the results and, if necessary, make changes to its strategies for ensuring that schools take steps to identify gifted minority students, make appropriate referrals to the ESE program, process referrals in a timely manner, improve exceptional students' reading skills, and reduce their suspension rates.

The remaining two action plans in the Educational Service Delivery area related to establishing a mechanism for teachers to access teaching strategies linked to the sunshine state standards and tracking and updating library materials.

In response to the first of these action plans, the district formed a committee of nationally certified teachers and teachers on special assignment. These teachers selected web-based teaching strategies linked to the Sunshine State Standards and used them to create a instructional support website. The committee and professional development staff within the personnel department will share responsibility for updating the website.

In response to the second of these action plans, the district created a districtwide inventory of library materials. The inventory contains information on the age and subject of library materials at each school. The district uses this inventory to encourage school-based media specialists to weed out outdated materials. The inventory indicates that media specialists focus limited funds on updating materials in fields such a technology that quickly become outdated.

Administrative and Instructional Technology

Our original review found that the St. Lucie County School District was using all of the 20 best practices related to administrative and instructional technology functions. The final report contained no action plans related to administrative and instructional technology initiatives.

Personnel Systems and Benefits

Our original review found that the district was using all of the 15 best practices in this area. Our final report contained no personnel action plans related to the operations of the district's human resource department.

Use of Lottery Proceeds

Our original review found that the St. Lucie County School District was using all five best practices related to its use of lottery proceeds. The final report contained no action plans in this area.

Use of State and District Construction Funds

Our original review found that the St. Lucie County School District was using all four of the best practices in this area. The final report contained no action plans related to the district's use of construction funds.

Facilities Construction

Our original review found that the district was using 29 of the 32 best practices related to facilities construction functions. To assist the district in meeting the remaining best practice standards, our final report contained three action plans outlining the steps the district should take to develop a long-range facilities master plan, codify design standards, and develop a post-occupancy building evaluation process.

Since May 2003, the district has fully implemented all three action plans in this area. For instance, the district has now developed a long-range facilities master plan, established design standards for future construction, and created a post-occupancy questionnaire that considers operating costs.

While the district has implemented the three action plans related to facilities construction and now meets best practice standards in this area, it should continue its efforts by publishing its design standards in a manual that is readily available to school personnel and vendors.

Facilities Maintenance

Our original review found that the district used 17 of the 26 best practices for facilities maintenance. Our final report contained 10 action plans to help the district improve its efficiency and effectiveness, reduce costs, and meet the remaining best practice standards in this area. Since May 2003, the district has fully implemented all 10 action plans. Several of the actions the district has taken are described below.

- The district created a maintenance plan and adopted the RS Means Performance Standard for evaluating employee time on task. It is developing task codes by trade and has contracted with a vendor to incorporate the data into the maintenance work order system.
- The district has developed an accountability system for the maintenance department that contains specific cost-containment objectives for maintenance and custodial services and energy use as well as strategies for achieving those objectives. It also is measuring customer satisfaction through surveys and periodic visits to schools sites.
- The district has improved the efficiency of its facilities maintenance function in several ways. For instance, it has established a pilot project to study the use of purchasing cards by maintenance employees and, in the interim, has implemented the use of blanket purchase orders with local vendors to allow maintenance employees to obtain needed parts quickly. It also has negotiated volume discounts for parts and supplies. It has reduced inventory in its warehouse by \$222,541 or 49%. We recommend that the district continue to evaluate ways to enable maintenance workers to obtain parts from the warehouse more quickly.
- The district also has taken steps to improve the productivity of its facilities maintenance function. For instance, it has adopted a policy stating that, except in unusual circumstances, maintenance employees are not to work on construction projects. This will allow these employees to work on routine and preventive maintenance projects during the summer and other low-demand periods. In lieu of maintenance staff, schools are to contract with private vendors for small construction projects. We recommend that the district determine whether establishing a small, in-house construction crew would be more cost-

effective than its current practice of contracting out all small projects.

- The district has strengthened supervision of maintenance projects by adding a foreman position and creating team leader positions. It also has created a staffing formula for maintenance positions which calls for one maintenance employee for every 71,000 of building space. To meet the standard in this formula, the district intends to add maintenance positions as it constructs new buildings.
- Finally, the district has taken steps to better manage and reduce its energy usage. For instance, it hired an energy manager, created a HVAC maintenance response team, and created an approved energy management plan. The district also has awarded savings rebates to several schools. By implementing report recommendations, the district has reduced energy consumption and, thus, avoided a total of \$336,000 in energy costs during the 2003-04 school year. This has helped offset the additional expenses associated with rising fuel costs.

Student Transportation

Our original review found that the St. Lucie County School District was using 17 of the 20 best practices established for student transportation. Our final report contained four action plans designed to improve the efficiency and effectiveness of student transportation and assist the district in meeting best practice standards.

Since May 2003, the district has fully implemented all four action plans in this area. For instance, the district has given the transportation department access to ESE students' Individualized Education Plans when transportation is one of the services the plan requires. In addition, when possible, transportation staff attend IEP meetings involving transportation. These steps should allow the transportation department to better assess whether specialized transportation is

needed and how to provide it. As a result, the district reports that some exceptional students who were originally recommended to ride specialized buses are riding regular buses. In addition, the transportation department has changed its practices to allow regular students to ride specialized buses when they are located near an exceptional student needing specialized transportation and are going to the same school. This reduces transportation costs by eliminating the need to have two buses travel the same route.

In addition, the district has billed Medicaid for eligible transportation services. However, it plans to discontinue this practice as it has not been cost-effective. We recommend that the school board periodically review the prospect of billing Medicaid for eligible transportation services and reinstitute the practice if its review determines reimbursement to be profitable in the future.

The district has also implemented procedures designed to reduce bus vandalism. Under these procedures, students riding buses must sit in designated seats. At the end of each bus run, drivers check the bus and report any damage and the student responsible for it to the transportation department. The district then bills the student's family for the amount needed to repair the damage. District staff report that these procedures have been effective in reducing the costs associated with bus vandalism and estimate a cost savings of about \$7,000 in seat repair alone.

Finally, district staff now propose and present to the school board changes in transportation policy that can reduce costs. The resulting policy changes have reduced courtesy riders to 1.13% of total riders, reduced the number of students with special needs being transported, and increased the district's identification of construction zones that pose hazardous walking conditions and are therefore eligible for state funding. The district is currently studying a proposal to reduce the cost of special buses by mainstreaming ESE students on regular buses.

Food Service Operations

Our original review found that the district was using 15 of the 17 best practices for food services. Our final report contained two action plans to assist the district in meeting best practice standards in the remaining areas.

Since May 2003, the district has fully implemented these two action plans. For instance, the district created a new evaluation method for school cafeteria managers. Now both the school superintendent and food service director have input into these evaluations. The district also created job descriptions that clarify the responsibility of the food service director. According to district staff, this has eliminated uncertainty and increased the job satisfaction of cafeteria managers.

The district also has used food service funds to create a position solely responsible for maintaining food service equipment. This has helped to ensure that the food service department fully funds its maintenance costs. In addition, it has improved the timeliness of

food equipment repair. Finally, the food service department has created and implemented a preventive maintenance and replacement schedule for its equipment.

Cost Control Systems

Our original review found that the St. Lucie County School District was using 30 of the 31 best practices established for cost control systems. Our final report contained one action plan recommending that the district implement a risk assessment process.

Since May 2003, the district has fully implemented this action plan by creating and disseminating a risk assessment questionnaire based on the best management practices guidelines.

Community Involvement

Our original review found that the St. Lucie County School District was using all 11 best practices related to community involvement. The final report contained no action plans in this area.

OPPAGA's Home Page Contains More Information

Additional information on the Best Financial Management Practice Reviews of school districts, is provided on the OPPAGA website, the *Florida Monitor*, at www.oppaga.state.fl.us/

OPPAGA supports the Florida Legislature by providing evaluative research and objective analyses to promote government accountability and the efficient and effective use of public resources. This project was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person, or by mail (OPPAGA Report Production, Claude Pepper Building, Room 312, 111 W. Madison St., Tallahassee, FL 32399-1475).

Florida Monitor: www.oppaga.state.fl.us

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