



Sarasota County School District Making Progress, But Not Yet Eligible for the State's Seal of Best Financial Management

at a glance

On October 7, 2003, the Sarasota County School Board voted to implement the action plans in the Best Financial Management Practices Review (OPPAGA [Report No. 03-34](#)) published in June 2003. OPPAGA developed these action plans to help the Sarasota 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.

Since October 2003, the district implemented 16 and partially implemented 41 of the 58 action plans contained in the original OPPAGA report. Thus, while the district made progress on 98% (57 of 58) of the action plans, it currently is not eligible for a Seal of Best Financial Management.

By implementing the remaining action plans, the Sarasota County School District will be able to further improve and streamline its management, increase its efficiency and effectiveness, and reduce its costs.

OPPAGA will review the implementation status of action plans again after the district's next status report.

Scope

This report provides the Florida Legislature with information on the status of the Sarasota County School District's implementation of action plans included in the Best Financial Management Practices Review published in June 2003.¹ On October 7, 2003, the Sarasota 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 toward implementing the plans. The district also must report any changes in other areas of operation that would affect the district's use of the best practices. The law 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 plans.

¹ *Best Financial Management Practice Review Sarasota County School District, [Report No. 03-34](#), June 2003.*

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.² 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, 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.

The Florida Legislature directed OPPAGA to conduct a Best Financial Management Practices Review of the Sarasota County School District in Fiscal Year 2002-03.³ Based on review field work, we concluded that the Sarasota County School District was using 72% (107 of 148) of the best practices adopted by the Commissioner and was not eligible for a Seal of Best Financial Management at that time.⁴ (See Exhibit 1.)

For those areas in which the district was not using best practices, the report contained action plans detailing the steps the district should take to meet best practice standards within two years. By implementing the action plans, we determined that the Sarasota County School District could improve district operations, save money, demonstrate good stewardship of public resources, and be eligible for the state’s Seal of Best Financial Management. The report included

² The 2001 Legislature passed the Sharpening the Pencil Act, which made several substantive changes to the Best Financial Management Practices Review process.

³ Refer to [Ch. 2002-394, Laws of Florida](#).

⁴ OPPAGA contracted with Berkshire Advisors, Inc., of Austin, Texas, to conduct review fieldwork and write the final report. OPPAGA and Auditor General staff monitored field work and reviewed drafts. OPPAGA made the final determination of whether the district was using individual best practices.

recommendations that if implemented would have had an estimated positive fiscal impact of \$4,880,170 over a five-year period.

Exhibit 1 Our Original Review Found That the Sarasota County School District Was Using 72% of the Best Practices

Best Practice Area (Total Practices)	Is the District Using Individual Best Practices?	
	Yes	No
Management Structures (14)	8	6
Performance Accountability System (3)	1	2
Educational Service Delivery (12)	11	1
Administrative and Instructional Technology (9)	7	2
Personnel Systems and Benefits (11)	9	2
Facilities Construction (24)	19	5
Facilities Maintenance (22)	14	8
Transportation (20)	18	2
Food Service Operations (11)	7	4
Cost Control Systems (22)	13	9
All Areas (148)	107 (72%)	41 (28%)

Source: OPPAGA.

Overall Conclusions

Since October 2003, the district implemented 16 and partially implemented 41 of the 58 action plans in the original OPPAGA report. Thus, while the district made progress on 98% (57 of 58) of the action plans, it currently is not eligible for a Seal of Best Financial Management.⁵ For this report, we reviewed the district’s progress as of March 2005 and based our conclusions on a review of district’s annual report, supporting documentation, a site visit in December 2004, and discussions with district staff. Any action taken since March 2005 will be reviewed as part of the district’s next progress report. (See Exhibit 2 for the status of action plans by best practice area.)

⁵ This includes district actions that varied slightly from the recommended action, but generally addressed the intent of the action plan included in the report.

Exhibit 2

The District Has Implemented or Partially Implemented 98% (57 of 58) of Report Action Plans

Best Practice Area	Total Action Plans	Status of Action Plans		
		Implemented	Implementation Underway	Not Implemented
Management Structures	11	0	10	1
Performance Accountability System	2	0	2	0
Educational Service Delivery	3	0	3	0
Administrative and Instructional Technology	3	0	3	0
Personnel Systems and Benefits	6	4	2	0
Facilities Construction	7	3	4	0
Facilities Maintenance	13	4	9	0
Student Transportation	2	0	2	0
Food Service Operations	4	2	2	0
Cost Control Systems	7	3	4	0
All Areas	58 (100%)	16 (27%)	41 (71%)	1 (2%)

Source: OPPAGA.

We discussed our conclusions with the Sarasota County School District and presented a detailed description of what it needs to do to fully implement each of the remaining action plans. To allow us to confirm that these actions have been taken, in its next status report the district will need to provide detailed descriptions and documentation of the additional steps it has taken.

Implementation Status by Best Practice Area

Management Structures

In our original report, the Sarasota County School District was using 8 of the 14 best practices established for management structures. The district had done a good job assigning school principals the authority they needed to improve student achievement, obtaining community input, pursuing new sources of revenue, and ensuring the accuracy of its enrollment projections. In addition, the school board and the superintendent had a constructive working relationship and together effectively served the Sarasota community. We recommended 11 action plans to assist the district in meeting best practice standards by changing its administrative procedures, staffing and business practices, and strategic planning and budgeting processes.

Since October 2003, the district partially implemented 10 of the 11 action plans and did not yet begin to implement the remaining action plan in this area. For instance, the district took steps to more clearly delineate the roles and responsibilities of the board and the superintendent, streamline its organizational structure and reduce and/or adjust staffing levels in selected areas, and improve its planning and budgeting practices.

To fully implement these action plans, the district should

- establish formal procedures governing the interactions of the superintendent, district administrators and staff with the board attorney;
- establish a formal process for evaluating the board attorney on an annual basis and assessing the appropriateness of legal fees every three to five years;
- evaluate its organizational structure to eliminate unnecessary positions and improve efficiencies;
- include the number of contract employees assigned to a given unit on staffing rosters and staffing summaries to better communicate its use of contactors in carrying out the district’s mission;
- develop a schedule and process for reviewing organizational structure, administrative

- staffing and business practices on a regular basis;
- strengthen strategic planning for instructional activities;
- continue to develop a strategic planning process for the Business Services Division;
- strengthen the link between instructional priorities and financial plans and budgets;
- strengthen the link between priorities for non-instructional and support services and financial plans and budgets; and
- ensure that financial plans and budgets reflect an appropriate balance between instructional and non-instructional priorities.

Performance Accountability System

In our original report, the Sarasota County School District was using one of the three performance accountability best practices. The district had some performance and accountability mechanisms for instructional programs, but lacked similar mechanisms for most of the non-instructional programs, such as transportation and food services. We recommended two action plans to assist the district in meeting best practice standards by strengthening its performance accountability system.

Since October 2003, the district partially implemented both action plans in this area. For instance, the district strengthened accountability by developing goals and objectives for some of its major operational programs. District managers began identifying each program’s major activities. For some of these activities, such as those in food services, the district developed performance standards to better assess effectiveness and efficiency. In other areas, such as transportation, managers are developing information systems and collecting peer and performance data needed to establish accountability mechanisms. To fully implement these action plans, the district should

- develop goals, objectives, and outcome-oriented performance measures, and benchmarks for each major operational program so that it can determine the relative cost-efficiency and cost-effectiveness of each program; and

- assess operational programs to identify the greatest potential risks to the district’s efficiency, effectiveness, and data security, and develop ways to minimize these risks.

Educational Service Delivery

In our original report, the Sarasota County School District was using 11 of the 12 educational service delivery best practices. The district had a strong system of school-based accountability and data management tools that supported schools in disaggregating and analyzing educational school, class, and individual student performance data. In addition, the district provided an array of effective support services for students. We recommended three action plans to assist the district in meeting best practice standards by reviewing the cost-effectiveness of its workforce development programs.

Since October 2003, the district partially implemented all three of these action plans. For instance, to address issues with its secondary career development programs, the district began studying program enrollment trends; assessing programs offered; and reviewing programs and relationships between the district middle and high schools and the Sarasota County Technical Institute. To fully implement these action plans, the district should assess its secondary career offerings regularly and make adjustments as needed. These evaluations should assess program enrollment, marketing plans, and the labor market to determine whether the programs offered provide viable job opportunities.

Administrative and Instructional Technology

In our original report, the Sarasota County School District was using seven of nine administrative and instructional technology best practices. In general the district was doing a good job of planning for its technology needs and providing training for the various technology applications purchased. We recommended three action plans to assist the district in meeting best practice standards by making improvements in its technology-related purchasing processes and technical support services.

Since October 2003, the district partially implemented all three action plans in this area. For instance, to address cost-effective technology acquisition, the district adopted a replacement cycle for all teacher/administrative workstations and developed a districtwide computer purchasing strategy to standardize computer configurations and centralize technology purchasing. The district also reorganized its technical support aide function and was in the process of purchasing a new work management system to improve data on workload and thereby address cost-effective technical support.

To fully implement these action plans, the district should

- establish and follow replacement cycles for all technology in the district;
- equitably distribute technology resources across campuses and departments;
- standardize technology purchasing procedures; and
- monitor the implementation of the new technical support structure to make sure that it results in increased technician productivity.

Personnel Systems and Benefits

In our original report, the Sarasota County School District was using 9 of the 11 personnel systems and benefits best practices. The district effectively recruited and hired qualified instructional and non-instructional personnel. It also had effective systems in place to train instructional staff and to evaluate teacher performance. The district moved aggressively to deal with employees who repeatedly failed to meet performance expectations. We recommended six action plans to assist the district in meeting best practice standards. These included conducting an internal pay analysis, developing and implementing a pay for performance plan, improving the way it recruits and trains substitute teachers, reducing staff absenteeism, and developing a strategic plan for human resources.

Since October 2003, the district implemented four of those action plans. For instance, the district adopted an automated substitute teacher deployment system which allowed it to reduce staffing for this activity by half. In addition, the district developed a plan to address how service would be provided during absences of bus drivers, food service workers, and custodians. It also revised its substitute teacher training program and made the program a requirement of substitute employment. Finally, the district developed a strategic plan for human resources that included measurable objectives that reflect the purpose and expected outcomes of the program.

The district partially implemented the remaining two action plans in this area. For instance, it developed a progressive discipline plan to address employee absenteeism and formed a committee to discuss incentive and reward systems for good attendance. It also created an evaluation process that includes a tool to assess substitute teacher performance. To fully implement these action plans, the district should

- continue to implement its progressive discipline plan to deal with employee absences and evaluate the plan's effectiveness;
- create incentive and reward systems for good attendance; and
- assess the effectiveness of its substitute teacher evaluation process.

Facilities Construction

In our original report, the Sarasota County School District was using 19 of the 24 best practices for facilities construction. For the most part, the district effectively managed project funding, design, and construction. We recommended seven action plans to assist the district in meeting best practice standards by improving facilities planning and strengthening program accountability.

Since October 2003, the district implemented three of the seven action plans in this area. For instance, the district established a planning department and broadened membership of its facilities strategy team to include representatives from municipalities, school administration, district staff, and communities in Sarasota County. The district also began using the services of two retired real estate professionals to guide efforts in land acquisition.

The district partially implemented the four remaining plans. To fully implement these plans, the district should

- finish developing specifications for its information database to allow better integration of data from the county and affected municipalities;
- complete its revision of district specifications for educational facilities and make sure they are consistent with state educational specifications;
- clarify goals of the various facilities offices, integrate those goals with the school district’s strategic plan, and develop objectives and measures for evaluating the effectiveness and efficiency of the capital program in relation to its clarified goals; and
- establish an ongoing strategy for evaluating facilities construction operations.

Facilities Maintenance

In our original report, the Sarasota County School District was using 14 of 22 best practices for facilities maintenance. The district’s performance was particularly strong in health and safety and energy management. In addition, the Facilities Services Department had done a relatively good job of maintaining district facilities in the face of budget constraints. We recommended 13 action plans to assist the district in meeting best practice standards by making improvements in data management, staffing, supervision, and program accountability.

Since October 2003, the district implemented 4 of the 13 action plans in this area. First, the district refined the mission statement for its maintenance operations and created measurable goals and

objectives that correspond to this mission. Second, the district assigned clerical staff to complete the data entry necessary to close out completed work orders, thereby allowing managers more time to address maintenance staff performance. Third, the district revised its custodial staffing allocation formula so that the age of each school is factored in when making staffing decisions. The district needs to monitor its staffing formula periodically to make sure custodians are used as efficiently as possible.

Fourth, the district improved its supervision of custodian staffing, but not in the economical way we recommended, which was to remove head custodians from the same collective bargaining unit as other custodians. Because the district cannot reassign head custodians from the classified category until after the current union agreement expires, it hired eight custodial specialists and a custodial manager to oversee custodial performance. While this approach allows managers to better monitor assignments and performance, it is more costly than what we proposed. The district should monitor this approach to ensure that it is economical, efficient, and effective in order to justify the additional costs.

The district partially implemented the remaining nine action plans. To fully implement these plans, the district should

- upgrade or replace its work order system so that it can more effectively track costs, staffing, and time to complete planned tasks and implement efficiency and effectiveness initiatives;
- establish performance and productivity standards for maintenance and custodial workers and assess employees against these standards as part of periodic personnel evaluations;
- revise its customer feedback survey process and use the feedback to improve operations;
- develop operating policies and procedures for all maintenance program areas and post them on the district’s website so that they are widely accessible;

- revise its formula for staffing based on actual workload projections; and
- periodically evaluate the costs of maintenance programs to determine if they can be accomplished for lower cost in some other manner (e.g., through outsourcing, shifting of resources, or introducing improved technology).

Student Transportation

In our original report, the Sarasota County School District was using 18 of the 20 best practices for student transportation. Generally, the district did a good job transporting students to and from school each day. We recommended two action plans to assist the district in meeting best practice standards by strengthening accountability and evaluating whether certain transportation functions should be privatized.

Since October 2003, the district partially implemented both action plans in this area. The district reviewed its transportation program for ways to privatize services when there is a sound business purpose for doing so. In addition, the district began strengthening accountability by researching systems to collect and monitor performance data.

To fully implement these action plans, the district should

- improve its methodology for calculating transportation costs per transported student and determine whether transportation services are cost-efficient and cost-effective compared to similar private providers and other school districts; and
- develop clear goals, measurable objectives, performance measures, and benchmarks for the program that link to the district's performance and financial accountability systems and budget.

Food Service Operations

In our original report, the Sarasota County School District was using 7 of 11 best practices for food service operations. The district complied with federal, state and district regulations, worked to ensure that customer needs were met, improved services and food quality where needed, and optimized its financial opportunities. In addition, the food service program was well organized and provided excellent employee training. We recommended four action plans to assist the district in meeting best practice standards by improving its collective bargaining process, developing more accurate cost estimates for budgeting, reducing food costs, revising menus, and improving employee productivity.

Since October 2003, the district implemented two of the four action plans in this area. For instance, the district increased its use of USDA commodities, which should reduce food costs. The district also reviewed and, where appropriate, revised its menus, conducted simple time and motion studies, and used the results to update its production standards.

The district partially implemented the remaining two action plans. To fully implement these plans, the district should

- remove the cafeteria managers from the same bargaining units as the food service workers they supervise; and
- prepare an indirect cost plan that details how the district's indirect costs should be allocated to the food service program.

Cost Control Systems

In our original report, the Sarasota County School District had established adequate cost control systems and used best practices related to establishing adequate internal controls, using effective financial information systems, managing cash and investments effectively, and responding aggressively to internal control weaknesses.

Overall, the district was using 13 of 22 best practices for cost control systems. We recommended seven action plans to assist the district in meeting best practices standards in financial management, internal auditing, risk management, and inventory management.

Since October 2003, the district implemented four of the seven action plans in this area by developing comprehensive procedures manuals for financial operations, developing policies and procedures for risk management, preparing insurance cost comparisons with peer districts, and evaluating the feasibility of alternative warehouse services.

The district partially implemented the three remaining action plans. It completed the research necessary to prepare a draft policy for confidential reporting of suspected improprieties and expects to have the draft policy ready for board approval by June 30, 2005. The district’s budget generally

reflects strategic plan goals and objectives but could be improved. The district should set priorities for strategic plan objectives, identify the resources needed, establish performance criteria for all programs and activities, and develop timely processes for monitoring progress. Finally, the executive director developed a model to conduct a districtwide risk assessment and expects finish prioritizing risks by June 30, 2005. Upon completion, the district should assign responsibility for addressing and resolving identified risks.

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). Cover photo by Mark Foley.

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

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