



Indian River County School District Has Implemented the Best Practices and Is Eligible For the State Seal

at a glance

On September 23, 2003, the Indian River County School Board agreed by a unanimous vote to institute the action plans in the Best Financial Management Practices Review (OPPAGA Report No. 03-44). OPPAGA developed these action plans to help the district implement the best practices and become eligible to receive the Seal of Best Financial Management from the State Board of Education.

As of June 2005, the district had fully implemented 10 of the 11 action plans contained in the OPPAGA report and had substantially implemented the remaining action plan. As a result, the district has put systems in place that should help it to significantly improve its management practices and increase its efficiency and effectiveness.

To continue to improve, the district should monitor certain recently implemented processes, including its risk management system and the post-occupancy evaluations of major construction projects.

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

Scope

This report provides the Florida Legislature with information on the status of the Indian River County School District's implementation of action plans included in the Best Financial Management Practices Review published in August 2003.¹ On September 23, 2003, the Indian River 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 plans. 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 plans.

We based our conclusions in this report on documentation provided by the district, discussions with district staff on the status of action plan implementation and an in-depth site

¹ *Best Financial Management Practice Review Indian River County School District*, [Report No. 03-44](#), August 2003.

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 Florida Legislature directed that OPPAGA conduct a Best Financial Management Practices Review of the Indian River County School District during Fiscal Year 2002-03.² Based on

² Refer to [Ch. 2002-394, Laws of Florida](#), Specific Appropriation 132A.

review field work, OPPAGA concluded that the Indian River County School District was using 89% (132 of 148) 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.)

Exhibit 1 Our Initial Review Found That the District Was Using 89% of the Best Practices

Best Practice Area (Total Practices)	Was the District Using Individual Best Practices?	
	Yes	No
Management Structures (14)	13	1
Performance Accountability System (5)	1	2
Educational Service Delivery (12)	11	1
Administrative and Instructional Technology (9)	9	0
Personnel Systems and Benefits (11)	11	0
Facilities Construction (24)	20	4
Facilities Maintenance (22)	20	2
Transportation (20)	19	1
Food Service Operations (11)	9	2
Cost Control Systems (22)	19	3
All Areas (148)	132	16

Source: OPPAGA.

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 Indian River County School District could improve district operations and demonstrate good stewardship of public resources.

Overall Conclusions

As of August 2005, the Indian River County School District has fully implemented 10 of the 11 action plans contained in the original report. It also substantially implemented the remaining action plan, which related to performing an annual risk assessment. The district has developed a risk assessment questionnaire and plans to present an analysis of its results in April 2006. Thus, the district has put systems in place that will help it improve its management and

accountability, as well as increase its efficiency and effectiveness. OPPAGA recommends that the State Board of Education award the Seal of Best Financial Management to the Indian River County School District. For the implementation status of action plans by best practice area, see Exhibit 2.

**Exhibit 2
The Indian River County School District Has Fully Implemented 10 of 11 Report Action Plans**

Best Practice Area	Total Action Plans	Status of Action Plans	
		Fully Implemented	Underway
Management Structures	1	1	0
Performance Accountability System	1	1	0
Educational Service Delivery	1	1	0
Administrative and Instructional Technology	0	0	0
Personnel Systems and Benefits	0	0	0
Facilities Construction	2	2	0
Facilities Maintenance	1	1	0
Transportation	0	0	0
Food Service Operations	1	1	0
Cost Control Systems	4	3	1
All Areas	11	10	1

Source: OPPAGA.

To ensure that it continues to meet best practice standards, the district should monitor several issues. For example, as of August 2005, the district had taken steps to strengthen the performance accountability systems of its major operational and educational programs. While these systems now meet best practice standards, at the time of our follow-up review, they had not been in place long enough to provide the kind of information needed to make program improvements or develop annual program budgets. Thus, the district should continue to collect data related to each program performance measure, review program performance in relation to established benchmarks, report accountability information to the public, and implement its scheduled program evaluations. In addition, the district should use this information to make future

structural and process-related changes to increase its efficiency and effectiveness.

The district also should continue to monitor staff’s implementation of key strategic planning documents and procedures. All district initiatives brought before the school board are currently linked to a specific goal and a measurable objective. However, the district should annually review and evaluate its strategic plan and, when appropriate, revise it to reflect changing county and student demographics and new district needs.

The *Implementation Status by Best Practice Area* section of this report, below, contains a more detailed description of the action plans the district has implemented and identifies the additional steps the district should take to ensure that it continues to meet best practice standards and make the best use of resources.

Implementation Status by Best Practice Area

Management Structures

Our original review found that the Indian River County School District was using 13 of the 14 best practices for this area. The report contained one action plan to assist the district in revising its strategic plan so that it meets best practice standards.

As of August 2005, the district had implemented this action plan. Its revised strategic plan includes goals and specific, measurable objectives for each the district’s instructional and operational programs, and strategies for attaining the objectives. The district adopted its new strategic plan in 2004. However, due to the disruption and physical damage to Indian River County caused by two hurricanes in the past year, the plan has not been in place for a long enough period of time to assess its effectiveness in focusing the district’s resources on its primary strategies. Thus, to ensure that it continues to meet best practice standards, the district should monitor the plan’s implementation.

Performance Accountability System

Our original review found that the Indian River County School District's performance accountability system needed substantial improvement and that the district was using one of the three best practices in this area. The final report contained one action plan to help the district meet best practice standards by developing stronger accountability systems that would allow it to examine and publicly report on the efficiency and effectiveness of its operational and support programs.

As of August 2005, the district had implemented this action plan. It established program-level measures that are directly linked to strategic plan goals. These measures are comprehensive in nature and address the performance and efficiency of each major educational and operational program. The district also identified benchmarks for these measures that will enable it to determine if it is achieving its expectations in terms of performance and cost. District managers are tracking their programs' performance and costs against these measures and other internal measures. The district has also established procedures for reporting results to the school board.

Educational Service Delivery

Our original review found that the Indian River County School District was using 11 of the 12 educational service delivery best practices. The final report contained one action plan designed to improve the efficiency and effectiveness of the district's educational programs and assist the district in meeting best practice standards.

As of August 2005, the district had implemented this action plan by taking the actions described below.

- The district increased its use of testing data to improve student performance. It purchased and implemented an on-line, user-friendly reporting system that is used by teachers and administrators to analyze student performance data, including Florida Comprehensive Assessment Test scores, at the individual, classroom, school, and

districtwide level. Teachers received training in using the system.

- School Improvement Liaisons use information from this system to assess progress towards accomplishing school improvement goals and objectives.
- The district periodically evaluates school improvement plans for relevancy and currency.

Administrative and Instructional Technology

Our original review found that the Indian River County School District was using all nine of the administrative and instructional technology best practices. Thus, the final report contained no action plans in this area.

Personnel Systems and Benefits

Our original review found that the Indian River County School District was using all 11 of the personnel systems and benefits best practices. Thus, the final report contained no action plans related to the operations of the district's human resource department.

Facilities Construction

Our original review found that the Indian River County School District was using 20 of the 24 best practices for facilities construction. The final report contained two action plans to assist the district in meeting best practice standards. These action plans were designed to improve several aspects of its construction program, including long-range facilities planning and conducting post-occupancy evaluations of major construction projects to ensure that finished projects meet the needs of the district.

As of August 2005, the district had implemented both action plans for facilities construction by taking the actions described below.

- The district established a Facilities Planning Committee composed of district and community representatives that developed and presented construction plans to the school board.

- Program managers developed short and long-range facility construction goals and presented them to the school board.
- The district included goals and objectives related to school facilities construction in its new strategic plan and linked these goals and objectives to current and future construction plans.
- The district created a new facilities planning and construction department under the assistant superintendent for Planning and Operations to coordinate planning and oversight of facility projects.
- The district developed a methodology for conducting post-occupancy evaluations of facilities, which will be overseen by the director of Facilities Planning and Construction. This methodology includes using post-occupancy user questionnaires to obtain input from a cross section of school administrators and teachers, conducting site visits to the facilities, and analyzing utility cost and data work orders.

To ensure that it continues to meet facilities construction best practice standards, the district should

- continue to use the building committee in developing construction plans for the new facilities; and
- use the results of the post-occupancy evaluations in assessing the efficiency and effectiveness of its facilities.

Facilities Maintenance

Our original review found that the Indian River County School District was using 20 of the 22 of the best practices in this area. Our final report contained one action plan that recommended the district develop a customer feedback system for use in assessing facility maintenance conditions.

As of August 2005, the district had implemented this action plan. The district developed and distributed a survey instrument to enable various stakeholders to comment on the quality and timeliness of maintenance services.

However, at the time of our follow-up review, information from the surveys had not yet been used in making program improvements.

To ensure that it continues to meet facilities maintenance best practice standards, the district should continue to

- periodically issue its feedback survey of maintenance and custodial services throughout the district, and
- use the results of the survey to evaluate its maintenance program and make needed improvements.

Transportation

Our original review found that the Indian River County School District was using 19 of 20 best practices for student transportation. To meet best practice standards, our final report recommended that the district improve several aspects of its Transportation Program's accountability system.³

As of August 2005, the district had implemented this action plan. The district revised its strategic plan to include goals and objectives for the Transportation Program and is better using its computer system to assess program performance.

Food Service Operations

Our original review found that the Indian River County School District was using 9 of the 11 best practices in this area. The final report contained one action plan to assist the district in meeting best practice standards by improving several aspects of its Food Service Program's accountability system.

As of August 2005, the district had implemented this action plan by taking the actions described below.

- The district developed goals and measurable objectives for food service operations and included them in its strategic plan.

³ This recommendation was one of several suggested revisions to the district's strategic plan. Therefore, it was included as part of the action plan related to the district's strategic plan presented in the Management Structures section of the original report.

- Program managers began to regularly assess performance and efficiency both at the district and school level using a broad range of measures such as student participation rates, school facility profits and losses, and meals per labor hour for the district as a whole and for individual schools.
- Program managers established standards, or targeted levels of performance, for most performance and efficiency measures. For instance, the district established meals per labor hour standards for elementary and secondary school food service operations. It also established an expectation that all school food service operations operate on a break-even basis. Further, the district compares its performance and cost against several national benchmarks. The district expects to develop additional standards for meal participation rates at individual schools by October 2005.
- The district developed a formal ethics policy that applies to all personnel and that included remedies for unethical behavior. The district also developed a process which permits employees to report suspected improprieties without fear of reprisal. In addition, it developed board policies to implement both of these recommendations.
- The district established links between the strategic plan objectives and the district budget planning process. The district also established a strategic plan that linked school board agenda items to the strategic plan. In addition, it linked its budget for Fiscal Year 2005-06 to its strategic plan.
- The district partially implemented our recommendation to conduct annual risk assessments. In July 2005, the district developed a timeline for implementing an annual risk assessment process and developed a risk assessment questionnaire/survey. The district plans to begin conducting the risk assessment in March 2006 and present an analysis of its results by April 15, 2006.

To ensure that it continues to meet food services best practice standards, the district should complete developing standards for meal participation rates for individual schools, evaluate its performance in achieving its goals and objectives, and report its performance and efficiency to district management, the school board, and the public.

Cost Control Systems

Our original review found that the Indian River School District was using 19 of the 22 cost control systems best practices. The final report contained four action plans to assist the district in meeting best practice standards by enhancing the district's operation and accountability of resources.

As of August 2005, the district had fully implemented three of these action plans and partially implemented the remaining action plan by taking the actions described below.

To fully implement the remaining action plan, the district should follow through on its plans to use its risk assessment of operations to review or audit areas of greater risk.

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/.



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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.
- [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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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.

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