



Council for Lifelong Learning
**Best Financial Management
Practices Reviews**

**Fact
Sheet**

September 2001

<p>1. What are the best financial management practices reviews?</p>	<p>The best financial management practices reviews are in-depth reviews that examine a school district's operations at the individual program level. They are intended to improve the use of resources and identify potential cost savings. Best financial management practices must be developed for, but are not limited to, the following areas: management structures; performance accountability; efficient delivery of educational services; administrative and instructional technology, personnel systems and benefits management; facilities construction and maintenance; student transportation; food service operations; and cost control systems.</p>
<p>2. How were these reviews established?</p>	<p>Chapter 2001-86, L.O.F., substantially revises the best financial management practices program and repeals the school district performance reviews. Some provisions from the school district performance reviews are included in the new best financial management practices reviews. A best financial management practices review is required for every district on a five-year cycle.</p>
<p>3. Who funds the reviews?</p>	<p>The state will fully pay for the reviews, subject to an annual appropriation in the <i>General Appropriations Act</i>.</p>
<p>4. When does each specific school district undergo a review?</p>	<p>A five-year schedule, encompassing all of Florida's school districts, and stipulating which districts will undergo review in which year, is established in statute. If unforeseen circumstances prevent initiation of reviews scheduled in a given year, the Joint Legislative Auditing Committee may adjust the schedule of districts to be reviewed. Additional reviews may be scheduled to address adverse financial conditions in specific districts.</p>
<p>5. Who conducts the reviews?</p>	<p>The reviews may be conducted through contracted services with private firms or the Office of Program Policy Analysis and Government Accountability (OPPAGA) staff. However, on the reviews that are contracted out to private consultants, OPPAGA must train the consultants. OPPAGA has the responsibility to assist the consultants and review their work in order to ensure consistency between reviews.</p>
<p>6. How do the best financial management practices reviews work?</p>	<p>The scope of the review focuses on the best financial management practices ("best practices") adopted by the Commissioner of Education; however, OPPAGA may include additional items after seeking input from the district and the</p>

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	<p>Department of Education.</p> <p>Districts are to complete a self-assessment instrument on each best practice prior to the review. OPPAGA and the consultant conducting a review are to hold at least one advertised public forum to explain the review process and obtain input from students, parents, the business community, and other district residents.</p> <p>The final report issued pursuant to the review will include an "action plan." The action plan stipulates the actions the district must take to address the problems or shortcomings identified by the review.</p> <p>The school board for the district under review must decide, (by majority plus one vote) within 90 days of receipt of the final report, whether or not to implement the action plan. If a district fails to vote on the action plan within 90 days, school board members may be required to appear and present testimony before a legislative committee.</p> <p>No later than one year after receipt of the final report, the district must submit an initial status report on progress toward implementing the action plan and any changes bearing on compliance with best practices. A second status report is to be made no later than one year after the initial report.</p> <p>Following receipt of each status report, OPPAGA is to assess the district's implementation of the action plan. Districts that successfully implement the best financial management practices within two years, or are determined in the review to be using best practices, are eligible to receive a "Seal of Best Financial Management" awarded by the State Board of Education.</p> <p>The Seal is effective for five years or until the next review is completed. If all operational or policy changes comply with the best financial management practices, the district may request a waiver from the next scheduled review.</p>
<p>7. What happens with the money that is saved?</p>	<p>Unrestricted cost savings resulting from implementation of the best financial management practices must be spent at the school and classroom levels for teacher salaries, teacher training, improved classroom facilities, student supplies, textbooks, classroom technology, and other direct student instructional activities.</p>

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8. What are the applicable statutes?	Section 230.23025, F.S. -- Best financial management practices reviews 2001-2002 General Appropriations Act, S.A. 147A
9. Where can I get additional information?	The Florida Legislature Office of Program Policy Analysis and Governmental Accountability (850) 488-0021 www.oppaga.state.fl.us The Florida House of Representatives Committee on General Education (850) 414-9780