

June 5, 2024

Manatee County School Board
215 Manatee Avenue West Bradenton, FL 34205

Dear Members of the School Board,

The Citizens' Financial Oversight Committee ("CFOC") has completed its review of the revenue, expenses and operating reserves of the one mill increase in the school ad valorem millage pursuant to "Resolution 2017-11" (the "Resolution") for the fiscal year ending June 30, 2023.

Our review included reviewing expense transaction details of the Manatee County School District (the "District"), compiling and summarizing detailed records into the data included in this report. We performed certain analytical procedures to verify our conclusions. Also, we relied upon representations of the District, and the internal audit procedures of restricted funds of the District in reaching our conclusions.

In addition, members of the CFOC visited selected schools to observe programs with direct funding from the millage. As the chairperson of the CFOC I noted that the school buildings that I toured had bright, open spaces that made students feel at ease and welcomed an invigorating learning environment. I was extremely impressed at how our millage dollars were used to provide top notch experiences for all ages. The staff had been properly trained and the students entered the classrooms and participated with excitement. The children were eager to provide explanations of what they were learning and even how things were programed. I was truly impressed!

Except as otherwise set forth herein, it is our finding that tracking and accounting of Resolution Revenue and Resolution Expenditures were in material compliance with the operating budget established by the District and approved by the Board for the twelve months ending June 30, 2023.

In addition to the CFOCs review of financial records of the District, the CFOC has reviewed the available STEAM data totaling \$6,551,175.86, roughly 12% of the millage funds collected. This data was used to identify relevant outcomes related to the use of the Resolution Revenue (as hereinafter defined) consistent with the stated goals of the Resolution. As illustrated within this report, the district has shown improvement in metrics related to goals set forth in the initiative. This improvement can be attributed to many factors including implementation of the referendum. That said, certain data and analysis being measured at this time are presented in this report. All charts and graphs presented were prepared and supplied by the school district.

It is the CFOC's opinion that all conclusions in this report are based on materially correct data.

It is an honor to serve the taxpayers of Manatee County and the committee appreciates the opportunity to serve in this capacity and make a difference in the lives of our children, the future leaders of our community.

Susan Harrigan, Chair
Citizens' Financial Oversight Committee

Creation of the Citizens’ Financial Oversight Committee

The Citizens’ Financial Oversight Committee (“CFOC”) was created through the Manatee County School District School Board’s approval and adoption of Resolution 2017-11 on November 14, 2017, and the subsequent vote in favor of the one mill increase in the operating ad valorem millage by the constituents of Manatee County in the Special Election held on March 20, 2018.

More specifically: (a) the ballot summary question language approved in Resolution 2017-11 stated the funds generated by the one mill increase to the operating ad valorem millage would be “overseen by an independent citizens’ committee”; and (b) paragraph 4 of Resolution 2017-11 provided as follows: “Provided the millage increase for Manatee County Schools is approved, a financial oversight committee appointed by the School Board shall issue an annual report to insure proper fiscal stewardship of the funds. In addition, the committee shall identify relevant outcomes and report results to the community.

The School Board appointed the initial members of the committee in 2018 who serve subject to the committee charter approved by the CFOC and the School Board. Over the past two years, the Board has appointed subsequent members as terms have expired. As of June 30th, 2024, no member term is expiring. The current committee consists of the following members:

Eric Di Silvestro	term ending June 2027
Tom Ehren	term ending June 2025
Catherine Ferrer	term ending June 2025
Susan Harrigan, Chairman	term ending June 2026
Michael Hartman, Vice Chairman	term ending June 2025
Holly Johnson	term ending June 2026
Pat Barber, MEA President	no expiration
Deanna Howell, AFSCME President	no expiration

Mission of the CFOC

The Mission of the CFOC is to: (i) provide oversight to ensure proper fiscal stewardship of operating funds provided by the one mill increase in the operating ad valorem millage; (ii) identify and measure relevant outcomes from the deployment of the funds from the one mill increase; and (iii) report results to the School Board and the community.

Operation and Organization of the CFOC

The committee meets as a single body to review information provided by the District pertinent to its mission.

Financial Review and Analysis

We have completed our review of the Resolution Revenue, Expenditures and operating reserves of the Resolution Revenue. Our review included accessing audited financial records of the District, compiling and summarizing detailed records into the data included in this report. We performed certain analytical procedures to verify our conclusions. Also, we relied upon representations from the District, and the internal audit procedures of restricted funds of the District in reaching our conclusions.

Defining Terms

- Resolution Revenue: Revenue generated from the one mill increase in the school ad valorem millage pursuant to Resolution 2017-11.
- Core Revenue: All other general fund revenue
- Resolution Expenditures: Expenditures restricted from the Revenue source of the one mill increase in the school ad valorem pursuant to Resolution 2017-11
- Core Expenditures: All other general fund expenditures

Conclusions

Our review concludes that the financial records of the District represent, in all material respects, proper recording and tracking of the Resolution Revenue, Resolution Expenditures and operating reserves related to the Resolution Revenue as presented in the following schedules (appendices to this report):

- Resolution Budget vs. Actual Expenditures/Fund Balance by Project for the Year Ended June 30th, 2023 (Schedule A)
- Recap of Comparative Income and Expense Data and Analysis of Increase/Decrease for the Initial Year of Resolution Amounts (Schedule B)

Analysis

Schedule A presents a comparison of budgeted Resolution Expenditures to actual Resolution Expenditures for the fiscal year ending June 30, 2023. Resolution Revenue budgeted but not spent in a given Project accounting category in the fiscal year ended June 30, 2023 was carried forward to the 2022-2023 budget as adjustments restricted to the Project accounting category the funds were originally budgeted for. Similarly, Resolution Expenditures more than the budgeted amounts were carried forward to the following fiscal year as adjustments in the 2022-2023 budget.

Schedule A

Referendum Expenditures - Budget vs Actual by Project for Year Ending June 30th, 2023

	Goal	2021-22 Actual	%	2022-23 Budget	%	2022-23 Actual	% Expensed
STEAM	12.13%	\$ 7,070,496	15.10%	\$ 7,111,465	12.13%	\$ 6,604,741	12.16%
Instructional Staff	51.00%	\$ 24,131,008	51.54%	\$ 29,899,138	51.00%	\$ 28,263,312	52.02%
AFSCME	6.00%	\$ 3,524,614	7.53%	\$ 3,521,546	6.00%	\$ 2,179,003	4.01%
SAMP / School Administrators	6.00%	\$ 2,709,440	5.79%	\$ 3,517,546	6.00%	\$ 3,161,798	5.82%
Paraprofessionals	5.00%	\$ 2,303,278	4.92%	\$ 2,931,288	5.00%	\$ 2,703,565	4.98%
Charter Schools	16.87%	\$ 7,081,742	15.13%	\$ 9,890,109	16.87%	\$ 9,763,086	17.97%
Non-Bargaining	3.00%	N/A	N/A	\$ 1,754,668	3.00%	\$ 1,652,965	3.04%
3% set aside for Fund Balance	3.00%	\$	0.00%	\$ 1,758,773	0.00%	\$ -	0.00%
Total	100.00%	\$ 46,820,578	100.00%	\$ 58,625,760	100.00%	\$ 54,328,471	100.00%

Schedule B presents comparative revenue and expense information and corresponding year over year change analysis. This chart illustrates the gap in the core funding filled by the resolution.

Schedule B

Recap of 2022 vs 2023 Core and Resolution Revenue and Expenditures

Core vs Resolution Analysis	Sum of 2022 Actuals	Sum of 2023 Actuals	Difference Year to Year 2022 vs 2023	Percentage Difference
Revenues				
Core	\$ 428,278,388	\$ 485,145,329	\$ 56,866,940	13.28%
Resolution	\$ 46,065,037	\$ 58,625,760	\$ 12,560,723	27.27%
Total Revenues	\$ 474,343,425	\$ 543,771,088	\$ 69,427,663	14.64%
Expenditures				
Core	\$ 420,213,283	\$ 452,464,519	\$ 32,251,236	7.67%
Resolution	\$ 46,820,579	\$ 54,328,471	\$ 7,507,892	16.04%
Total Expenditures	\$ 467,033,862	\$ 506,792,990	\$ 39,759,128	8.51%
Difference				
Core	\$ 8,065,105	\$ 32,680,810	\$ 24,615,704	
Resolution	\$ (755,542)	\$ 4,297,289	\$ 5,052,830	
Grand Total	\$ 7,309,563	\$ 36,978,098	\$ 29,668,535	

Relevant Outcomes and Results

Pursuant to the Resolution, the CFOC has identified relevant outcomes related to the use of the Resolution Revenue, consistent with the stated goals of the Resolution. In order to measure these outcomes, the CFOC has relied upon representations of the District.

As illustrated within this report, the district has shown improvement in metrics related to goals set forth in the initiative. This improvement can be attributed to many factors including implementation of the referendum.

“To increase student achievement...”

Student achievement has continued to rise until the time of COVID where the District data did not improve at the same rate as previously (when using school grade as a proxy for student achievement).

2020-2021 school grades were only available if a District opted in. No conclusion can be drawn about the impact of Resolution Revenue on retention. Information related to the expansion of Career and Technical Education and STEM programs supported by the Resolution Revenue is being measured, including the number of programs added as well as student participation in these programs.

We have examined the grades of each school in the District from 2015 to 2023, as shown in the chart below. Though the District grade itself has remained consistent as a “B” for the last three years, 2016-’17 thru 2019-20 (not illustrated in this report), individual school performance has improved. By the end of the 2018-2019 school year, all but two schools were a grade C or above. This information was provided by the Florida Department of Education website. We are assuming that school grades can be used as a proxy for student performance. Improvement is noted this year with no schools receiving an “F” school grade. However, District rating remained at a B for 2023, dropping state ranking to 31st in 2023 from 25th in 2022.

Number of Schools by Letter Grade including charter schools

School Grade	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021*	2021-2022	2022-2023
A	5	14	15	21	N/A	7	19	22
B	16	13	18	19	N/A	3	13	14
C	27	20	19	18	N/A	4	27	21
D	7	11	6	2	N/A		2	6
F	2	0	0	0	N/A		1	
Total	57	58	58	60	N/A	14	62	63

*School & District Grades were opt-in only in 2021

Individual school grades and information about school grading can be found at the following websites:

Department of Education (DOE)

<https://www.fldoe.org/>

2022-23 Guide to Calculating School Grades and District Grades

<https://www.fldoe.org/core/fileparse.php/18534/urlt/SchoolGradesCalcGuide23.pdf>

Academic Dashboard <https://www.manateeschools.net/academicdb>

The chart below shows the graduation rate in the district compared to the state from 2015-16 to 2022-23.

Note Manatee County’s 2.75% increase going into 2019-2020 during the time of the COVID impact, but a widening graduation rate gap compared to the state’s increase that the county has yet to recover fully. The district experienced a 2% increase in the graduation rate in 2022-23.

Graduation Rate by Year

Year	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Florida	80.7%	82.3%	86.1%	86.9%	90.0%	90.1%	87.3%	88.0%
Manatee	83.5%	81.1%	85.4%	83.2%	85.8%	85.1%	80.3%	82.3%

“To recruit and retain teachers and staff...”

The recruitment and retention of teachers and staff with competitive salaries has been measured differently than in previous years. Data in the previous years was collected at different points during the year. For this report, the data below reflects retention at the beginning of the school year.

The following chart was provided to the CFOC by the Administration showing teacher retention at the elementary, middle, and high school levels as well as MTC and cross-departmental teachers.

Year over Year Retention of All Staff

Year	Number of Retained Staff at beginning of School Year	Retention %
2019	5678	
2020	5085	89.56%
2021	4800	84.54%
2022	4478	78.87%
2023	4430	78.02%

Year over Year Retention of Instructional/ Teachers

Year	Number of Retained Teachers at beginning of School Year	Retention %
2018-2019	2733	
2019-2020	2500	91.47%
2020-2021	2385	95.40%
2021-2022	2299	96.39%
2022-2023	2289	99.57%

2022-2023 School Year Teacher Separations	Count
Certification	3
Death	5
Job Abandonment	1
Non-Renewal	23
Retirement	73
Resignation	307
Term During Probation	6
Grand Total	418

At the beginning of the school year on August 10th, 2022, 99.57% of teaching positions were filled. The chart above represents separations that occurred during the 2022-2023 school year, after the start date. The committee requested additional information regarding reasons why teachers left the school district and is represented in the data above and is classified by reason for separation.

“Expand Career and Technical Education and STEM programs to prepare students for the workforce...”

This is an area where extensive data is being collected by the District. Much of this information is internally generated by the District and utilized by District leadership, as opposed to the information being collected only at the request of this Committee. We have reviewed plans outlining the intended use of the Resolution Revenue for these areas and provided feedback where appropriate, and the District has made changes accordingly in response to this feedback.

The relevant outcomes that we can measure at this time are the number of programs added and the number of students participating in these programs. A summary of the progress is included as Schedule C in the appendices. As mentioned previously, the CFOC is continuing to track and analyze data to reach conclusions about the success of these programs.

The District has identified the following relevant outcomes that it is measuring:

- Graduation Rates
- Number of Industry certifications earned
- On-the-Job Training experience

The degree of planning that has gone into the deployment of Resolution Revenue to expand career and technical education and STEM programs by the District, as well as the identification of relevant outcomes it is measuring gives this Committee a high degree of confidence that we will be able to continue to collect consistent, reliable information on these programs as the information becomes available. It is encouraging that the District administration and staff overseeing these programs proactively identified relevant outcomes that they wanted to measure for their own purposes.

Discussion and Recommendations

Consistent with the CFOC's prior recommendation regarding maintaining increases in Core Expenditures consistent with economic conditions, the CFOC again recommends the School District consider Core Expenditure increases after accounting for inflation. Should there be a correlation between spending in certain areas and the success of the District, in the case of Instruction, there was likely no Core Expenditure increases net of inflation.

Incremental increases in Resolution Revenue through an increase in tax assessed values alone will not be sufficient to fund the necessary increases in certain Core Expenditure areas.

It is vital that the District takes a more hands on approach with measuring the relevant outcomes of the Resolution and using that information to guide their decision making. For this Committee to uphold its obligation under the Resolution, we need consistent, reliable information provided to us in a timely fashion during the year the expenses occur and in a format conducive to data analysis. 2022-2023 data was received by the committee on August 02, 2023, after the close of the fiscal year. This prevented the committee from overseeing expenditures in real time and fulfilling this caveat of the resolution. Supplemental information detailing year end accruals was delivered on June 06, 2024.

Recognition of Staff

We are grateful for the help of District staff members who have worked to provide the information presented, and we must work together to establish a more streamlined, recurring flow of information each and every quarter. We would like to specifically thank Rachel Sellers, Ryan Juengling, and Kevin Chapman for their efforts and guidance.

Schedule C

2022/2023 Career and Technical Education Millage Budget:

In 2022/2023, the Career and Technical Education millage budget was utilized on the continued expansion of programs and replacement/upgrade of equipment at district middle and high schools. Multiple school's received upgrades for their computer labs, 3D printers, interactive panel displays, large format printers and online curriculum. The Lincoln Medical Program received support to expand the skills lab and patient simulation area. Multiple schools received enhancements to their Agriscience land labs. Sugg and Nolan middle school's received Garner Holt computers and animatronics kits. Funds were used to support new industry certification testing and training for Academy administrators. Millage funds also supported middle and high school participation in Career and Technical Student Organization (CTSO) national competition.

2022/2023 Science Millage Budget:

Science millage funds spent in 2022/2023 were focused on expanding current programs into new schools, and to providing resources and materials needed for science teachers to engage in real-world, hands-on lessons. Progress Learning was added as a progress monitoring program for grades 6-12 as well as continued with Generation Genius, and the Discovery Education Experience. Gizmos (explore learning) were added for grades 6–12 which are online, real-world simulations and case studies for students to expand on not only their content knowledge, but to apply Nature of Science and Science & Engineering data analysis skills. Funds were used to upgrade equipment and add supplies to several secondary schools such as Manatee High, Sugg's new campus, Haile, and Johnson K-8. Additional Science Woz Ed kits for many schools were upgraded and additional Woz Ed STEM kits were added to Ballard, Bashaw and Palm View.

2022/2023 STEM Elementary Millage Budget:

During the 2022/2023 school year, the elementary millage budget was used to provide cutting edge technology for Elementary students and expand/support the robotics education programs for our youngest students. New laser cutting and engraving machines were purchased for schools. These lasers are the final step in the design process and offer students a way to see first-hand what they have created using design software and the manufacturing industry. This budget was used to acquire VEX robotics equipment at many schools to support the clubs that the schools have started. In addition, underwater robotics units were purchased for Anna Maria Elementary School to support the Guy Harvey program. The classroom continued to include more students at a time with coding and STEM software so additional iPads were purchased. The large robotics event at the convention center is a big draw for the students and schools to share and demonstrate their skills needed for designing, building, coding, driving and competing with their robots reflecting the engineering processes and continual improvement approach to education. The millage also provided access to live STEM robotics competitions at the local, regional, and national levels and supported 13 the national competition teams from Manatee who qualified with the funds for the trip to Dallas, Texas. Eighteen elementary STEM teachers' salary and the STEM Coordinator's salary were also funded from the STEM Elementary funds.

2022/2023 Critical Mission School-Based Budget:

All elementary, middle, and high schools in Manatee County were once again allocated their portion of this year's millage funds to be used for school-based, academic development, remediation, and STEM learning enhancement projects. These efforts included one-on-one student academic tutoring focused on small group instruction in multiple subjects along with remediation materials based off individual school needs. Many schools utilized these funds to host after school and summer school courses to increase student achievement.

2022/2023 Arts Millage Budget:

The 2022/2023 Arts millage budget, in its initial year, was utilized to expand opportunities for students in the Arts by providing supplies, instruments, and equipment to all K-12 public schools. Each visual and performing arts teacher was allocated a specific budget to support their specific program. In addition to the school-based teacher allocations, funding was provided for equipment, instruments, transportation, assessment/contest fees, professional development, professional organization dues, pay for extra time worked for non-contract hours for Arts events, and adjunct instruction for schools on specific school requests and needs. Additional funds were also allocated to our three Arts Magnet Schools. The district Visual and Performing Arts Curriculum team was also increased by one specialist and one bookkeeper to facilitate and support Arts millage.