



ESD 113 Performance Audit Status Report on Recommendations June 2008

The Educational Service District (ESD) 113 performance audit was conducted during the 2006-07 school year with the final report being completed in September of 2007. The ESD 113 report included 14 commendations and 22 recommendations. This status report documents ESD 113's decision and current status related to each of those recommendations. A similar status report will be provided in June of 2009 for any recommendations that were accepted but not yet implemented in 2008.

Chapter 3 Recommendations

This chapter presents information about the governance and management functions of Educational Service District 113 in Olympia, Washington.

Recommendation 3.1

Align the agency's strategic plan with its budget.

ESD 113 Response: Implemented with qualifications.

This recommendation is not feasible with most of the ESD 113 budget. Budgets for cooperatives, contracts, and grants represent 95% of the total budget. Those funding categories include their own expectations, requirements and/or governance structures which would make it unfeasible to align them with the ESD 113 strategic plan. Beginning with the 2008-09 budget, this recommendation will be implemented for the 01 budget category and any other discretionary budgets.

Recommendation 3.2

Pursue the potential of a new cooperative in the area of public/community relations.

ESD 113 Response: Accepted.

We explored this service area with member school districts a few years ago and found insufficient interest, at that time, to proceed with a cooperative. We will include this potential cooperative in future school district needs assessments.

Recommendation 3.3

Establish a well-defined internal and external leadership development program.

ESD 113 Response: Accepted with qualifications.

ESD 113 will be participating as a partner in the 2008-09 startup of the AWSP-WASA Leadership Academy which will ultimately be a statewide program. That program addresses the external leadership development program within this recommendation. Our practice with internal leadership development has been more flexible based on the unique needs and interests of agency staff. Given the small number of staff involved, we feel that such flexibility is preferable to a "well-defined" program.

Chapter 4 Recommendations

This chapter presents information relating to the financial management, purchasing and contract management functions of Educational Service District 113 in Olympia, Washington.

Recommendation 4.1

Implement a zero-based budgeting process to better link the service district's strategic plan to its budget.

ESD 113 Response: Implemented with qualifications.

As with item 3.1, this recommendation is not feasible with most of the ESD 113 budget. Beginning with the 2008-09 budget, this recommendation will be applied to the 01 budget category and any other discretionary budgets.

Recommendation 4.2

Improve internal controls by further separating duties in the accounts payable and purchasing functions.

ESD 113 Response: Implemented.

This recommendation has been implemented this year in conjunction with preparations for a new accounting director.

Recommendation 4.3

Document fiscal procedures in written procedures manuals.

ESD 113 Response: Implemented.

The implementation of the new WESPaC fiscal-personnel software, just prior to the performance audit, caused some existing administrative procedures or forms to be out-of-date. Revised procedures and forms have been implemented this year. Desk manuals have also been updated this year in conjunction with preparations for a new accounting director.

Recommendation 4.4

Reduce payroll processing costs by implementing a mandatory direct deposit policy.

ESD 113 Response: Declined.

It does not appear worth the potential savings to require this for the few employees not already utilizing the option. Currently, 78% of our employees utilize direct deposit. Many of the remaining staff either do not have bank accounts where such deposits could be made or they do not want to utilize the service. We will continue to promote this option for staff but do not choose to require it.

Chapter 5 Recommendations

This chapter presents information relating to the program delivery of the ESD 113 in Olympia, Washington.

Recommendation 5.1

Establish a data-driven, curriculum design framework at the school level.

ESD 113 Response: Accepted with qualifications.

The feasibility of this recommendation is dependent on district interest or other funding sources to cover the costs. We will include this potential cooperative in future school district needs assessments.

Recommendation 5.2

Examine effective instructional models and programs that can be collected and disseminated to all school administrators and teachers.

ESD 113 Response: Accepted with qualifications.

The feasibility of this recommendation is dependent on district interest or other funding sources to cover the costs. We will include this potential cooperative in future school district needs assessments.

Recommendation 5.3

Establish an agency-wide needs assessment process consistent with the ESD 113 strategic plan.

ESD 113 Response: Accepted.

This work is in process and will be implemented as part of the current strategic plan.

Recommendation 5.4

Develop an agency-wide professional development plan consistent with an ESD needs assessment.

ESD 113 Response: Accepted.

This work is in process and will be implemented as part of the current strategic plan.

Recommendation 5.5

Establish a systemic, agency-wide process for implementing new models and programs and discontinuing models and programs that are proven to be ineffective in improving student achievement.

ESD 113 Response: Implemented.

This work was implemented as part of the current strategic plan.

Recommendation 5.6

Establish a process for collaborative planning and delivery of school improvement and professional developmental between ESD 113 and the Office of the Superintendent of Public Instruction.

ESD 113 Response: Implemented.

This work has been implemented as part of the expanded partnership agreement between the nine ESDs and OSPI. This agreement was mandated by legislation that occurred after the performance audit data collection and site

visit. Currently, we are collaborating on mathematics and science professional development but other areas are likely in the future.

Recommendation 5.7

Explore the opportunity and potential cost savings to establish a Medicaid Reimbursement Cooperative at ESD 113.

ESD 113 Response: Accepted with qualifications.

As is the case with all ESD cooperatives, this can only be implemented if enough of our districts request the service. Given the uncertain future of applicable Medicaid funding, this is not a high priority. We will include this potential cooperative in future school district needs assessments.

Chapter 6 Recommendations

This chapter presents information relating to the human resources (HR) management functions of Educational Service District 113. Covered in this chapter are the following topics: personnel policies and procedures, employee appraisal and job descriptions, recruitment and employment, and professional and staff development.

No recommendations were made in this section.

Chapter 7 Recommendations

This chapter represents information relating to facilities use and management function of Educational Service District 113 located in Olympia, Washington.

Recommendation 7.1

Explore and "pilot" the practice of home officing for itinerant/consultant employees.

ESD 113 Response: Implemented.

The issue was studied during the past year and a policy has been brought to the ESD Board which authorizes this practice where warranted, and provides guidance for how and when the practice is implemented.

Recommendation 7.2

Minimize the use of small individual refrigerators in the office facility.

ESD 113 Response: Declined.

This recommendation was studied and it does not appear that the potential savings are significant and would not be worth the lost efficiency and negative staff morale that would result from requiring the use of refrigerators in a centralized location. We will require prior approval before any additional individual refrigerators are placed.

Recommendation 7.3

Explore the use of existing regional and state purchasing cooperatives to purchase supplies and equipment related to facility management/maintenance.

ESD 113 Response: Implemented.

This practice was already in place for many purchases. We have and will continue to explore the use of additional purchasing cooperatives where they are cost effective and make sense for the agency's operation.

Chapter 8 Recommendations

This chapter presents information relating to the Management Information Systems (MIS) functions of Educational Service District 113. MIS is defined as all the technology support within the ESD and provided by the ESD to the school districts.

Recommendation 8.1

Consolidate and reorganize external technology network support functions.

ESD 113 Response: Declined.

Our external technology programs were studied and reorganized the year before the performance audit occurred. We remain confident that our most recent reorganization still makes sense and will service our clients best in the near term. All ESD programs that provide technology support, internally to ESD staff members or externally to school districts, now meet on a monthly basis to inform one another of their individual program work and to collaborate on shared work.

Recommendation 8.2

Create a comprehensive technology plan tied to the overall ESD plan that addresses both internal and school district needs over the next five years. The plan should be updated at least annually.

ESD 113 Response: Implemented with qualifications.

An updated agency technology plan was in process at the time of the performance audit and has been completed. An inventory of technology assets has been completed, as well as an equipment replacement schedule. We will continue to monitor and adjust that plan as warranted. We offer our assistance with technology planning related to core data network infrastructure to school districts that contract with our Network Services department. Our Educational Technology Service Center also hosts an annual workshop on technology planning which is open to all school districts in our service area.

Recommendation 8.3

Create a more coordinated and systematic set of mechanisms to elicit feedback and direction from the school districts and the personnel directly affected by the technology services.

ESD 113 Response: Accepted.

This work is underway as part of our current strategic plan to elicit client satisfaction and needs assessment data for all ESD programs.

Recommendation 8.4

Provide more focused and nurturing consulting and support to districts on applying for E-rate funds, and make this a high priority for the ESD.

ESD 113 Response: Implemented with qualifications.

This recommendation is worthy of consideration, but as proposed, it does not seem to recognize the role of district choice regarding participation. We have implemented “more focused and nurturing consulting and support,” but it will be up to the districts to determine whether they will utilize the support that we have offered to submit E-rate applications. We are monitoring those districts that have not submitted applications and will continue to offer support for those who do not participate.

Recommendation 8.5

Secure and improve access to ESD 113's internal data and technology systems for authorized personnel.

ESD 113 Response: Implemented

Wireless security has been implemented as has a virtual private network for secure remote access by authorized personnel. We continue to plan and implement improvements to insure access to, and security of, the agency's data.