REPORT NO. 2011-184
MAY 2011

MARION COUNTY
DISTRICT SCHOOL BOARD

Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students

and

Student Transportation

For the Fiscal Year Ended
June 30, 2010

STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

BOARD MEMBERS AND SUPERINTENDENT

Marion County District School Board members and the Superintendent of Schools who served during the 2009-10 fiscal year are listed below:

	District No.
Judith Zanetti, Vice-Chair from 11-17-09	*1*
Jacqueline Porter	*2*
Bobby L. James, Chair to 11-16-09	*3*
Sue M. Mosley, Chair from 11-17-09, Vice-Chair to 11-16-09	*4*
Ronald B. Crawford	*5*

James Yancey, Jr., Superintendent

The examination team leader was Jeremy A. Riggins, CPA, and the examination was supervised by J. David Hughes, CPA. Please address inquiries regarding this report to Nancy M. Reeder, CPA, Audit Manager, via e-mail at nancyreeder@aud.state.fl.us or by telephone at (850) 414-9941.

This report and other reports prepared by the Auditor General can be obtained on our Web site at www.myflorida.com/audgen; by telephone at (850) 487-9175; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Marion County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2010

CELLA	Comprehensive English Language Learning Assessment
ELL	English Language Learner
ESE	Exceptional Student Education
ESOL	English for Speakers of Other Languages
FES	Fluent English Speaker
IDEA	Individuals with Disabilities Education Act
IEP	Individual Educational Plan
OJT	On-the-Job Training
PK	Prekindergarten

Marion County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
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EXECUTIVE SUMMARY

Summary of Attestation Examination

Except for the material noncompliance mentioned below involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located for students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT) and students transported, the Marion County District School Board complied, in all material respects, with State requirements regarding the determination and reporting of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and the number of students transported for the fiscal year ended June 30, 2010.

- **Thirty-seven of the 327 students in our ESOL sample, 32 of the 236 students in our ESE Support Levels 4 and 5 sample, and 32 of the 186 students in our Career Education 9-12 (OJT) sample had exceptions involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located.**
- **Of the 367 students in our student transportation sample, 89 had exceptions involving their reported ridership classification or eligibility for State transportation funding.**

Noncompliance related to FTE resulted in 68 findings. The resulting audit adjustments to the District's reported, unweighted FTE totaled to a negative 9.6570 but have a potential impact on the District's weighted FTE of a negative 81.2042. Noncompliance related to student transportation resulted in six findings and a net audit adjustment of a negative 51 students.

Weighted FTE adjustments are presented in our report for illustrative purposes only. They do not take special program caps and allocation factors into account and are not intended to indicate the weighted FTE used to compute the dollar value of audit adjustments, which is the responsibility of the Department of Education (DOE). However, the gross dollar effect of our FTE audit adjustments may be estimated by multiplying the net weighted FTE audit adjustment by the base student allocation amount. For the Marion County District School Board, the estimated gross dollar effect of our FTE audit adjustments is a negative $294,822 (negative 81.2042 times $3,630.62).

We have not presented an estimate of the potential dollar effect of our student transportation audit adjustments because there is no equivalent method for making such an estimate.

The ultimate resolution of our FTE and student transportation audit adjustments and the computation of their financial impact is the responsibility of DOE.

School District of Marion County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Marion County. Those services are provided primarily to prekindergarten through twelfth grade students and to adults seeking career education-type training. The District is part of the State system of public education under the general direction and control of the State Board of Education. The geographic boundaries of the District are those of Marion County.

The governing body of the District is the District School Board, which is composed of five elected members. The executive officer of the Board is the elected Superintendent of Schools. For the fiscal year ended June 30, 2010, the District operated 62 schools serving prekindergarten through twelfth grade students, reported 41,375.50 unweighted FTE for those students, and received approximately $100.6 million in State funding for those FTE.

Florida Education Finance Program (FEFP)

Florida school districts receive State funding through FEFP to serve prekindergarten through twelfth grade students (adult education is not funded by FEFP). FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system the availability of programs and services appropriate to the student's educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per student cost for equivalent educational programs due to sparsity and dispersion of student population. The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE (full-time equivalent student). For example, one student would be reported as one FTE if the student was enrolled in six classes per day at 50 minutes per class for the full 180-day school year (i.e., six classes at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equals one FTE).

Student Transportation

Any student who is transported by the District must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Vocational or Exceptional student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes. The District received approximately $9.8 million in State transportation funding.

DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL
STATE OF FLORIDA

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111 West Madison Street
Tallahassee, Florida 32399-1450

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT
MARION COUNTY DISTRICT SCHOOL BOARD
FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated July 1, 2010, that the Marion County District School Board complied with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2010. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the *FTE General Instructions* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with the aforementioned State requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. The legal determination of the District's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

Compliance

Our examination procedures disclosed the following material noncompliance: 37 of the 327 students in our ESOL sample,[1] 32 of the 236 students in our ESE Support Levels 4 and 5 sample,[2] and 32 of the 186 students in our Career Education 9-12 (OJT) sample[3] had exceptions involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located.

In our opinion, except for the material noncompliance mentioned above involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located for students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Marion County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2010.

The results of our examination disclosed other noncompliance with the State requirements mentioned above. We considered this other noncompliance in forming our opinion regarding the District's compliance and it did not affect our opinion as stated above. All noncompliance disclosed by our examination procedures is discussed in SCHEDULE D. The impact of this noncompliance on the District's reported FTE is presented in SCHEDULE A, SCHEDULE B, SCHEDULE C, and SCHEDULE D.

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[1]*For ESOL, see SCHEDULE D, Finding Nos. 2, 7, 8, 15, 21, 22, 23, 26, 30, 35, 36, 39, 41, 42, 45, 46, 51, 56, 60, 61, and 63.*

[2]*For ESE Support Levels 4 and 5, see SCHEDULE D, Finding Nos. 3, 4, 5, 9, 13, 16, 17, 18, 20, 27, 33, 37, 38, 40, 43, 44, 47, 52, 57, 58, 62, 65, and 66.*

[3]*For Career Education 9-12 (OJT), see SCHEDULE D, Finding Nos. 6, 11, 12, 24, 25, 28, 48, 54, and 55.*

Internal Control Over Compliance

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report significant deficiencies in internal control detected during our examination and identify those considered to be material weaknesses. The purpose of our examination was to express an opinion on the District's compliance with State requirements and did not include expressing an opinion on the District's related internal controls. Accordingly, we express no such opinion. Due to its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.[4] However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to reporting errors or records that were not properly and accurately prepared or were missing and could not be located for students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT). Other noncompliance disclosed by our examination procedures is indicative of control deficiencies,[4] and is also presented herein. The findings, populations, samples, and exception totals that pertain to material and other noncompliance are presented in SCHEDULE A and SCHEDULE D.

The District's written response to this examination has not been subjected to our examination procedures and, accordingly, we express no opinion on it.

Pursuant to Section 11.45(4)(c), Florida Statutes, this report is a public record and its distribution is not limited. Attestation standards established by the AICPA require us to indicate that this report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and applicable District management and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



David W. Martin, CPA
May 10, 2011

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[4] *A control deficiency in the entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the aforementioned State requirements such that there is more than a remote likelihood that noncompliance that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies that results in a more-than-remote likelihood that material noncompliance will not be prevented or detected by the entity's internal control.*

SCHEDULE A

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2010

Description[1]	Number of Schools	% of Pop.	Number of Students (w/Exceptions)	% of Population (Sample)	Number of Unweighted FTE[2]	% of Population (Sample)
1. Basic						
Population[3]	60	100.00%	19,847	100.00%	30,402.2500	100.00%
Sample Size[4]	23	38.33%	268	1.35%	221.0310	0.73%
Students w/Exceptions	-	-	(2)	(0.75%)	-	-
Net Audit Adjustments[5]	-	-	-	-	29.9845	-
2. Basic with ESE Services						
Population[3]	60	100.00%	4,861	100.00%	7,901.3100	100.00%
Sample Size[4]	24	40.00%	223	4.59%	191.6776	2.43%
Students w/Exceptions	-	-	(3)	(1.35%)	-	-
Net Audit Adjustments[5]	-	-	-	-	12.3296	-
3. ESOL						
Population[3]	45	100.00%	1,217	100.00%	1,220.6600	100.00%
Sample Size[4]	21	46.67%	327	26.87%	228.7184	18.74%
Students w/Exceptions	-	-	(37)	(11.31%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(22.1295)	-
4. ESE Support Levels 4 and 5						
Population[3]	33	100.00%	364	100.00%	283.3800	100.00%
Sample Size[4]	19	57.58%	236	64.84%	143.5507	50.66%
Students w/Exceptions	-	-	(32)	(13.56%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(23.9393)	-
5. Career Education 9-12						
Population[3]	12	100.00%	391	100.00%	1,567.9000	100.00%
Sample Size[4]	7	58.33%	186	47.57%	66.9268	4.27%
Students w/Exceptions	-	-	(32)	(17.20%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(5.9023)	-

All Programs						
Population[3]	62	100.00%	26,680	100.00%	41,375.5000	100.00%
Sample Size[4]	24	38.71%	1,240	4.65%	851.9045	2.06%
Students w/Exceptions	-	-	(106)	(8.55%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(9.6570)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2010

Description[1]	Number of Schools	% of Population	Number of Teachers (w/Exceptions)	% of Population (Sample)
Teachers				
Population[3]	62	100.00%	833	100.00%
Sample Size[4]	24	38.71%	280	33.61%
Teachers w/Exceptions	-	-	(8)	(2.86%)

[1] *See NOTE A6.*

[2] *Unweighted full-time equivalent (FTE) students represents FTE prior to the application of the applicable cost factor for each program. (See SCHEDULE B and NOTE A4.)*

[3] *The population shown for the number of schools is the total number of schools in the District which offered the courses in the program specified (i.e., Basic, ESOL, ESE, and Career Education 9-12). The population shown for the number of students is the total number of students in each program at the schools in our sample. Our Career Education 9-12 population and sample data for students reflects only those students who participated in OJT. The population shown for full-time equivalent (FTE) students is the total FTE for all the District's schools (sample schools plus nonsample schools) as reported for each survey conducted for the fiscal year ended June 30, 2010. The population shown for teachers is the total number of teachers at schools in our sample who taught courses in ESE Support Levels 4 and 5 or Career Education 9-12 or taught courses to ELL students. (See NOTE A5.)*

[4] *See NOTE B.*

[5] *Our audit adjustments present the net effects of noncompliance disclosed by our examination procedures, including those related to our tests of teacher certification. Our audit adjustments generally reclassify reported FTE to Basic education, except for noncompliance involving a student's enrollment or attendance, in which case the reported FTE is taken to zero.*

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
EFFECT OF AUDIT ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
For the Fiscal Year Ended June 30, 2010

No.	Program[1]	Net Audit Adjustment[2]	Cost Factor	Weighted FTE[3]
101	Basic K-3	7.2336	1.074	7.7689
102	Basic 4-8	17.4329	1.000	17.4329
103	Basic 9-12	5.3180	1.033	5.4935
111	Grades K-3 with ESE Services	7.2234	1.074	7.7579
112	Grades 4-8 with ESE Services	.5000	1.000	.5000
113	Grades 9-12 with ESE Services	4.6062	1.033	4.7582
130	ESOL	(22.1295)	1.124	(24.8736)
254	ESE Support Level 4	(16.7592)	3.520	(58.9924)
255	ESE Support Level 5	(7.1801)	4.854	(34.8522)
300	Career Education 9-12	(5.9023)	1.050	(6.1974)
Total		(9.6570)		(81.2042)

[1] *See NOTE A6.*

[2] *These adjustments are for unweighted FTE. (See SCHEDULE C.)*

[3] *Weighted FTE adjustments are presented for illustrative purposes only; they do not take special program caps or allocation factors into consideration and are not intended to indicate the FTE used to compute the dollar value of audit adjustments. That computation is the responsibility of the Department of Education. (See NOTE A4.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2010

No.	Program	Audit Adjustments[1] District-Wide	#0251	#0331	Balance Forward
101	Basic K-3	.....	.4000	.....	.4000
102	Basic 4-8	.....	.....	.....	.0000
103	Basic 9-12	.1167	.....	1.4672	1.5839
111	Grades K-3 with ESE Services	.....	.8167	.....	.8167
112	Grades 4-8 with ESE Services	.....	.5000	.....	.5000
113	Grades 9-12 with ESE Services	.....	.....	.....	.0000
130	ESOL	(.2835)	(.4000)	(1.7018)	(2.3853)
254	ESE Support Level 4	.....	1.0033	.....	1.0033
255	ESE Support Level 5	.....	(2.3200)	.....	(2.3200)
300	Career Education 9-12	.1668	.....	(.2654)	(.0986)
Total		.0000	.0000	(.5000)	(.5000)

[1] *These adjustments are for unweighted FTE. (See NOTE A4.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2010

Program No.	Brought Forward	Audit Adjustments[1] #0351	#0391	#0461	#0471	Balance Forward
101	.4000	.....	.....	.....	.....	.4000
102	.0000	.....	.....	.....	.....	.0000
103	1.5839	.....	.....	(.3332)	.....	1.2507
111	.8167	.....	.5000	.....	.....	1.3167
112	.5000	.....	.....	.....	.....	.5000
113	.0000	.7996	.....	1.7490	.5000	3.0486
130	(2.3853)	(.2996)	.....	(.7490)	.....	(3.4339)
254	1.0033	(.5000)	(.5000)	(1.0000)	.....	(.9967)
255	(2.3200)	.....	.....	.....	(.8419)	(3.1619)
300	(.0986)	(2.7559)	.....	(.1668)	.....	(3.0213)
Total	(.5000)	(2.7559)	.0000	(.5000)	(.3419)	(4.0978)

[1] *These adjustments are for unweighted FTE. (See NOTE A4.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2010

Program No.	Brought Forward	Audit Adjustments[1] #0501	#0521	#0571	#0581	Balance Forward
101	.4000	.....	.....	3.6835	.....	4.0835
102	.0000	.....	.....	.....	.....	.0000
103	1.2507	1.4174	.5785	.....	.....	3.2466
111	1.3167	.....	.....	.....	.5000	1.8167
112	.5000	.....	.....	.....	.....	.5000
113	3.0486	(.2502)	.....	.....	.....	2.7984
130	(3.4339)	(1.1672)	(.5785)	(3.6835)	.....	(8.8631)
254	(.9967)	.....	.....	.....	(.5000)	(1.4967)
255	(3.1619)	(.5000)	(.5182)	.....	.....	(4.1801)
300	(3.0213)	(1.7788)	(.1134)	.....	.....	(4.9135)
Total	(4.0978)	(2.2788)	(.6316)	.0000	.0000	(7.0082)

[1] *These adjustments are for unweighted FTE. (See NOTE A4.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2010

Program No.	Brought Forward	Audit Adjustments[1] #0591	#0611	#0641	#0651	Balance Forward
101	4.0835	.....	.7000	.....	.8334	5.6169
102	.0000	1.6500	.....	.4167	.7334	2.8001
103	3.2466	.....	.....	.....	.....	3.2466
111	1.8167	.....	.7500	.5000	3.6567	6.7234
112	.5000	.....	.....	.....	.....	.5000
113	2.7984	.....	.....	.....	.....	2.7984
130	(8.8631)	(1.6500)	(.4500)	(.4167)	(1.5668)	(12.9466)
254	(1.4967)	.....	(.5000)	(.5000)	(3.6567)	(6.1534)
255	(4.1801)	.....	(.5000)	.....	.....	(4.6801)
300	(4.9135)	.....	.....	.....	.....	(4.9135)
Total	(7.0082)	.0000	.0000	.0000	.0000	(7.0082)

[1] *These adjustments are for unweighted FTE. (See NOTE A4.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2010

Program No.	Brought Forward	Audit Adjustments[1] #0661	#0671	#0681	#0701	Balance Forward
101	5.6169	.....	1.2000	.4167	.....	7.2336
102	2.8001	.....	.....	.....	.....	2.8001
103	3.2466	1.6362	.....	.....	.4352	5.3180
111	6.7234	.....	.....	.....	.....	6.7234
112	.5000	.....	.....	.....	.....	.5000
113	2.7984	.0800	.....	.....	.....	2.8784
130	(12.9466)	(1.6362)	(1.2000)	(.4167)	(.8552)	(17.0547)
254	(6.1534)	.....	.....	(.3200)	.....	(6.4734)
255	(4.6801)	(.5000)	.....	.....	.....	(5.1801)
300	(4.9135)	(.2050)	.....	.....	(.7838)	(5.9023)
Total	(7.0082)	(.6250)	.0000	(.3200)	(1.2038)	(9.1570)

[1] *These adjustments are for unweighted FTE. (See NOTE A4.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2010

Program No.	Brought Forward	Audit Adjustments[1] #0711	#0721	#9722	#9731	Total
101	7.2336	.....	.....	.....	.....	7.2336
102	2.8001	1.0000	6.0748	.....	7.5580	17.4329
103	5.3180	.....	.....	.....	.....	5.3180
111	6.7234	.5000	.....	.....	.....	7.2234
112	.5000	.....	(.5000)	.5000	.....	.5000
113	2.8784	.....	.....	1.2278	.5000	4.6062
130	(17.0547)	.....	(5.0748)	.....	.....	(22.1295)
254	(6.4734)	(.5000)	.....	(1.7278)	(8.0580)	(16.7592)
255	(5.1801)	(1.0000)	(1.0000)	.....	.....	(7.1801)
300	(5.9023)	.....	.....	.....	.....	(5.9023)
Total	(9.1570)	.0000	(.5000)	.0000	.0000	(9.6570)

[1] *These adjustments are for unweighted FTE. (See NOTE A4.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Overview

Management is responsible for determining and reporting the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) in compliance with State requirements. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the *FTE General Instructions* issued by the Department of Education. Except for material noncompliance involving the reporting errors or records that were not properly and accurately prepared or were missing and could not be located for students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Marion County District School Board complied, in all material respects, with State requirements governing the determination and reporting of FTE for the fiscal year ended June 30, 2010. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 35.

Findings	**Net Audit Adjustments (Unweighted FTE)**
Our examination included the July and October 2009 surveys and the February and June 2010 surveys (see NOTE A5). Unless otherwise specifically stated, the Findings and audit adjustments presented herein are for the October 2009 survey or the February 2010 survey or both. Accordingly, our Findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.	

District - Wide

Ineligible Courses Reported in ESOL

1. [Ref. 149] Our examination procedures include an automated test that compares the course numbers reported in ESOL by the District to the courses that have been designated for that program by the Department of Education. The results of this test disclosed that two of the District's schools reported three courses in ESOL that were ineligible for such reporting. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
District – Wide (Continued)		
Ineligible Courses Reported in ESOL (Continued)		
103 Basic 9-12	.1167	
130 ESOL	(.2835)	
300 Career Education 9-12	.1668	.0000
		.0000

Ward-Highlands Elementary School (#0251)

2. [Ref. 25101] The file for one ELL student did not contain documentation justifying the student's continued ESOL placement for a fourth year. We made the following audit adjustment:

101 Basic K-3	.4000	
130 ESOL	(.4000)	.0000

3. [Ref. 25102] Three ESE students were not reported in accordance with the students' *Matrix of Services* forms. We made the following audit adjustment:

111 Grades K-3 with ESE Services	.5000	
112 Grades 4-8 with ESE Services	.5000	
254 ESE Support Level 4	(.1800)	
255 ESE Support Level 5	(.8200)	.0000

4. [Ref. 25103] The *Matrix of Services* form for one ESE student was not reviewed and updated when the student's new IEP was prepared. We also noted that the *Matrix of Services* form did not indicate the individual services in Domain B. We made the following audit adjustment:

111 Grades K-3 with ESE Services	.3167	
254 ESE Support Level 4	(.3167)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Ward-Highlands Elementary School (#0251) (Continued)		
5. [Ref. 25104] The *Matrix of Services* forms for two ESE students were incorrectly scored. The *Matrix of Services* forms included three Special Consideration points designated for PK students that were reported for less than .5000 FTE; however, the students were reported for .5000 FTE. We also noted that the *Matrix of Services* form for one of the students was also incorrectly totaled. We made the following audit adjustment:		
254 ESE Support Level 4	1.5000	
255 ESE Support Level 5	(1.5000)	.0000
		.0000
North Marion High School (#0331)		
6. [Ref. 33101] One Career Education 9-12 (OJT) student was absent from school during the entire 11-day window of the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:		
103 Basic 9-12	(.2346)	
300 Career Education 9-12	(.2654)	(.5000)
7. [Ref. 33102] Two ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
103 Basic 9-12	1.0266	
130 ESOL	(1.0266)	.0000
8. [Ref. 33103] The *ELL Student Plans* for two students did not support the reporting of two Language Arts courses in Program No. 130 (ESOL). We made the following audit adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
North Marion High School (#0331) (Continued)		
103 Basic 9-12	.6752	
130 ESOL	(.6752)	.0000
		(.5000)

Forest High School (#0351)

9. [Ref. 35101] The *Matrix of Services* form for one ESE student incorrectly included one Special Considerations point for which the student was not eligible. The point was designated for students with a *Matrix* score of 17 points and a Level 5 rating in three Domains. This student had a Level 5 rating in only one Domain. We made the following audit adjustment:

113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000

10. [Ref. 35102] The course schedule for one ESE student incorrectly reported a portion of the student's instructional time in Program No. 113 (Grades 9-12 with ESE Services) and Program No. 130 (ESOL). The course schedules of ESE students should be reported entirely in ESE. We made the following audit adjustment:

113 Grades 9-12 with ESE Services	.2996	
130 ESOL	(.2996)	.0000

11. [Ref. 35103] The timecards for four Career Education 9-12 (OJT) students were missing and could not be located. We made the following audit adjustment:

300 Career Education 9-12	(.9669)	(.9669)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Forest High School (#0351) (Continued)		
12. [Ref. 35104] Nine Career Education 9-12 (OJT) students were reported for more work hours than were supported by their timecards. We made the following audit adjustment:		
300 Career Education 9-12	(1.7890)	(1.7890)
		(2.7559)
South Ocala Elementary School (#0391)		
13. [Ref. 39101] One ESE student in the February 2010 survey was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
		.0000
Vanguard High School (#0461)		
14. [Ref. 46101] One Basic student was absent from school during the entire 11-day window of the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:		
103 Basic 9-12	(.3332)	
300 Career Education 9-12	(.1668)	(.5000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Vanguard High School (#0461) (Continued)		
15. [Ref. 46102] The course schedules for two ESE students (who were in our ESOL sample) incorrectly included a portion of the students' instructional time in Program No. 113 (Grades 9-12 with ESE Services) and Program No. 130 (ESOL). The course schedules of ESE students should be reported entirely in ESE. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	.7490	
130 ESOL	(.7490)	.0000
16. [Ref. 46103] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000
		(.5000)
Hillcrest School (#0471)		
17. [Ref. 47101] One ESE student was incorrectly reported in Program No. 255 (ESE Support Level 5) based on his placement into the Hospital and Homebound Program. The student was not scheduled to and did not begin receiving homebound services until after the reporting survey period concerned. Consequently, the student should have been reported in Program No. 113 (Grades 9-12 with ESE Services) while he was in school and attending his on-campus courses. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	.5000	
255 ESE Support Level 5	(.5000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Hillcrest School (#0471) (Continued)		
18. [Ref. 47102] The number of instructional minutes for one ESE student in the Hospital and Homebound Program was incorrectly reported. The student was reported for 1,145 minutes (or .3819 FTE) but was only receiving 120 minutes (or .0400 FTE) of homebound instruction. We made the following audit adjustment:		
255 ESE Support Level 5	(.3419)	(.3419)
		(.3419)
Lake Weir High School (#0501)		
19. [Ref. 50101] One ESE student withdrew from school before the February 2010 survey and should not have been included with the survey's results. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	(.5000)	(.5000)
20. [Ref. 50102] One student was reported incorrectly in Program No. 255 (ESE Support Level 5) based on the student's placement in the Hospital and Homebound Program; however, the student was provided only on-campus instruction and should have been reported in Program No. 103 (Basic 9-12). We made the following audit adjustment:		
103 Basic 9-12	.5000	
255 ESE Support Level 5	(.5000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Lake Weir High School (#0501) (Continued)		
21. [Ref. 50103] The course schedule for one ESE student (who was in our ESOL sample) incorrectly included a portion of the student's instructional time in Program No. 113 (Grades 9-12 with ESE Services) and Program No. 130 (ESOL). The course schedules for ESE students should be reported entirely in ESE. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	.2498	
130 ESOL	(.2498)	.0000
22. [Ref. 50104] The *ELL Student Plan* for one student was not reviewed and updated for the 2009-10 school year. We made the following audit adjustment:		
103 Basic 9-12	.5004	
130 ESOL	(.5004)	.0000
23. [Ref. 50105] The files for two ELL students did not contain documentation justifying the students' continued ESOL placement for a fifth or sixth year. We made the following audit adjustment:		
103 Basic 9-12	.4170	
130 ESOL	(.4170)	.0000
24. [Ref. 50106] The timecards for seven Career Education 9-12 (OJT) students were missing and could not be located. We made the following audit adjustment:		
300 Career Education 9-12	(1.0836)	(1.0836)
25. [Ref. 50107] Four Career Education 9-12 (OJT) students were reported for more work hours than were supported by their timecards. We made the following audit adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Lake Weir High School (#0501) (Continued)		
300 Career Education 9-12	(.6952)	(.6952)
		(2.2788)
Dunnellon High School (#0521)		
26. [Ref. 52101] The file for one ELL student did not contain documentation justifying the student's continued ESOL placement for a fifth year. We made the following audit adjustment:		
103 Basic 9-12	.3751	
130 ESOL	(.3751)	.0000
27. [Ref. 52102] The course schedule for one ESE student in Program No. 255 (ESE Support Level 5) was reported incorrectly. The student was reported as receiving both homebound instruction (under district cost center #9346) and on-campus instruction (at Dunnellon High School #521). However, the student did not attend school during the reporting survey and should not have been reported for any on-campus instruction. We made the following audit adjustment:		
255 ESE Support Level 5	(.5182)	(.5182)
28. [Ref. 52103] One student in Career Education 9-12 (OJT) was reported for more work hours than the student's timecard supported. We made the following audit adjustment:		
300 Career Education 9-12	(.1134)	(.1134)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Dunnellon High School (#0521) (Continued)		
29. [Ref. 52170] One Basic subject area teacher whose class included ELL students had earned only 18 of the 60 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We made the following audit adjustment:		
103 Basic 9-12	.2034	
130 ESOL	(.2034)	.0000
		(.6316)
Sunrise Elementary School (#0571)		
30. [Ref. 57101] Three students were reported incorrectly in ESOL for a fourth year of placement. The students were FES and Competent English Readers and Writers based on their CELLA that was administered when the students were in second grade. We also noted that an ELL Committee was not convened to consider the students' ESOL placement. We made the following audit adjustment:		
101 Basic K-3	2.0835	
130 ESOL	(2.0835)	.0000
31. [Ref. 57170] One teacher taught Primary Language Arts to classes that included ELL students but was not properly certified to teach ELL students and was not approved by the School Board to teach such students out of field. We made the following audit adjustment:		
101 Basic K-3	1.6000	
130 ESOL	(1.6000)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings	**Net Audit Adjustments (Unweighted FTE)**
Evergreen Elementary School (#0581)	
32. [Ref. 58170] One noncertified teacher taught as a long-term substitute during the school terms covered by the October 2009 and February 2010 surveys. Since there are no specific limitations placed on substitute teaching by law or rule, and since State Board of Education Rule 6A-1.0503, Florida Administrative Code, in particular, defines qualified instructional personnel but does not address the area of substitute teaching, we made no audit adjustment.	.0000
33. [Ref. 58101] The *Matrix of Services* form for one ESE student was incorrectly scored. The *Matrix of Services* form included three Special Consideration points designated for PK students that were reported for less than .5000 FTE; however, the student was reported for .5000 FTE. We made the following audit adjustment:	
111 Grades K-3 with ESE Services .5000	
254 ESE Support Level 4 (.5000)	.0000
	.0000
Harbour View Elementary School (#0591)	
34. [Ref. 59170] One Basic subject area teacher whose class included ELL students had earned only 18 of the 60 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We made the following audit adjustment:	
102 Basic 4-8 1.6500	
130 ESOL (1.6500)	.0000
	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Maplewood Elementary School (#0611)		
35. [Ref. 61101] The course schedule for one ESE student (who was in our ESOL sample) incorrectly included a portion of the student's instructional time in Program No. 111 (Grades K-3 with ESE Services) and Program No. 130 (ESOL). The course schedules for ESE students should be reported entirely in ESE. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	.2500	
130 ESOL	(.2500)	.0000
36. [Ref. 61102] The file for one ELL student did not contain documentation justifying the student's continued ESOL placement for a fourth year. We made the following audit adjustment:		
101 Basic K-3	.2000	
130 ESOL	(.2000)	.0000
37. [Ref. 61103] The *Matrix of Services* form for one ESE student was incorrectly totaled. The rating points were reported as totaling 18 points; however, the individual Domains added up to only 17 points. Consequently, the student should have been reported in Program No. 111 (Grades K-3 with ESE Services). We made the following audit adjustment:		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Maplewood Elementary School (#0611) (Continued)		
38. [Ref. 61104] The course schedule for one student reported in Program No. 255 (ESE Support Level 5) was reported incorrectly as receiving homebound instruction and also receiving on-campus instruction. However, the student was only receiving on-campus instruction during the reporting survey period and should have been reported in Program No. 101 (Basic K-3) for such instruction. We made the following audit adjustment:		
101 Basic K-3	.5000	
255 ESE Support Level 5	(.5000)	.0000
		.0000
Dunnellon Elementary School (#0641)		
39. [Ref. 64102] The file for one ELL student did not contain documentation justifying the student's continued ESOL placement for a fifth year. We made the following audit adjustment:		
102 Basic 4-8	.4167	
130 ESOL	(.4167)	.0000
40. [Ref. 64103] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
College Park Elementary School (#0651)		
41. [Ref. 65101] One student was reported incorrectly in ESOL for a fourth year of placement. The student was FES and Competent English Readers and Writers. We also noted that an ELL Committee was not convened to consider the students' continued ESOL placement. We made the following audit adjustment:		
101 Basic K-3	.8334	
130 ESOL	(.8334)	.0000
42. [Ref. 65102] The files for two ELL students did not contain documentation justifying the students' continued ESOL placement beyond the initial three-year base period. We made the following audit adjustment:		
102 Basic 4-8	.7334	
130 ESOL	(.7334)	.0000
43. [Ref. 65103] The *Matrix of Services* forms for two ESE students were incorrectly scored. The *Matrix of Services* forms included three Special Consideration points designated for PK students that were reported for less than .5000 FTE; however, the students were reported for .5000 FTE. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	2.0000	
254 ESE Support Level 4	(2.0000)	.0000
44. [Ref. 65104] Three ESE students were not reported in accordance with the students' *Matrix of Services* forms. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	1.6567	
254 ESE Support Level 4	(1.6567)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Belleview High School (#0661)		
45. [Ref. 66101] One ELL student was beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
103 Basic 9-12	.2588	
130 ESOL	(.2588)	.0000
46. [Ref. 66102] Two students were reported incorrectly in ESOL for a fourth or sixth year of placement. The students were FES and Competent English Readers and Writers. We also noted that an ELL Committee was not convened to consider the students' continued ESOL placement. We made the following audit adjustment:		
103 Basic 9-12	1.3774	
130 ESOL	(1.3774)	.0000
47. [Ref. 66103] The course schedule for one ESE student was incorrectly reported for .5000 FTE in Program No. 255 (ESE Support Level 5). The student's IEP authorized only four hours of such instruction (or .0800 FTE) and subsequent examination of the logs disclosed that the student was provided on-line instruction and not individualized, home-based instruction as required for classification in the Hospital and Homebound Program. Consequently, the student's course schedule should have been reported in Program No. 113 (Grades 9-12 with ESE Services) for that four hours only. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	.0800	
255 ESE Support Level 5	(.5000)	(.4200)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Belleview High School (#0661) (Continued)		
48. [Ref. 66104] Two students in Career Education 9-12 (OJT) were reported for more work hours than were supported by their timecards. We made the following audit adjustment:		
300 Career Education 9-12	(.2050)	(.2050)
		(.6250)
Greenway Elementary School (#0671)		
49. [Ref. 67171] One noncertified teacher taught as a long-term substitute during the school term covered by the October 2009 survey. Since there are no specific limitations placed on substitute teaching by law or rule and since State Board of Education Rule 6A-1.0503, Florida Administrative Code, in particular, defines qualified instructional personnel but does not address the area of substitute teaching, we made no audit adjustment.		.0000
50. [Ref. 67170] The parents of ELL students taught by an out-of-field teacher were not notified of the teacher's out-of-field status until November 11, 2009, after the October 2009 survey. We made the following audit adjustment:		
101 Basic K-3	1.2000	
130 ESOL	(1.2000)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Saddlewood Elementary School (#0681)		
51. [Ref. 68101] The file for one ELL student did not contain documentation justifying the student's continued ESOL placement for a fourth year. We made the following audit adjustment:		
101 Basic K-3	.4167	
130 ESOL	(.4167)	.0000
52. [Ref. 68102] The file for one ESE PK student reported in Program No. 254 (ESE Support Level 4) did not contain an IEP or *Matrix of Services* form covering the October 2009 survey. We made the following audit adjustment:		
254 ESE Support Level 4	(.3200)	(.3200)
		(.3200)
West Port High School (#0701)		
53. [Ref. 70101] One Basic student was absent from school during the entire 11-day window of the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:		
103 Basic 9-12	(.4200)	
300 Career Education 9-12	(.0800)	(.5000)
54. [Ref. 70102] Three students in Career Education 9-12 (OJT) were reported for more work hours than their timecards supported. We also noted that the timecard for one of the students also in the February 2010 survey was missing and could not be located. We made the following audit adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
West Port High School (#0701) (Continued)		
300 Career Education 9-12	(.6204)	(.6204)

55. [Ref. 70103] The timecard for one Career Education 9-12 (OJT) student was missing and could not be located. We made the following audit adjustment:

300 Career Education 9-12	(.0834)	(.0834)

56. [Ref. 70104] The files for three ELL students did not contain documentation justifying the students' continued ESOL placement beyond the initial three-year base period. We also noted that the file for one of the students did not contain an *ELL Student Plan* that covered the 2009-10 school year. We made the following audit adjustment:

103 Basic 9-12	.8552	
130 ESOL	(.8552)	.0000
		(1.2038)

Hammett Bowen Jr. Elementary School (#0711)

57. [Ref. 71101] The *Matrix of Services* form for one ESE student was incorrectly scored. The *Matrix of Services* form included three Special Consideration points designated for PK students that were reported for less than .5000 FTE; however, the student was in Kindergarten. We made the following audit adjustment:

111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Hammett Bowen Jr. Elementary School (#0711) (Continued)		
58. [Ref. 71102] The course schedule for one student was incorrectly reported in Program No. 255 (ESE Support Level 5) based on the student's placement in the Hospital and Homebound Program; however, the student was provided only on-campus instruction and should have been reported in Program No. 102 (Basic 4-8) for such instruction. We made the following audit adjustment:		
102 Basic 4-8	1.0000	
255 ESE Support Level 5	(1.0000)	.0000
		.0000
Horizon Academy at Marion Oaks (#0721)		
59. [Ref. 72101] One ESE student withdrew from school before the October 2009 survey and should not have been included with the survey's results. We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	(.5000)	(.5000)
60. [Ref. 72102] Five ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
102 Basic 4-8	1.5605	
130 ESOL	(1.5605)	.0000
61. [Ref. 72103] The files for three ELL students did not contain documentation justifying the students continued ESOL placement for a fourth or fifth year. We made the following audit adjustment:		
102 Basic 4-8	1.2471	
130 ESOL	(1.2471)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Horizon Academy at Marion Oaks (#0721) (Continued)		
62. [Ref. 72104] The course schedule for one student was incorrectly reported in Program No. 255 (ESE Support Level 5) based on the student's placement in the Hospital and Homebound Program; however, the student was provided only on-campus instruction and should have been reported in Program No. 102 (Basic 4-8) for such instruction. We made the following audit adjustment:		
102 Basic 4-8	1.0000	
255 ESE Support Level 5	(1.0000)	.0000
63. [Ref. 72105] The file for one ELL student did not contain an *ELL Student Plan* that covered the 2009-10 school year. We also noted the file did not contain documentation justifying the student's continued ESOL placement for a fifth year. We made the following audit adjustment:		
102 Basic 4-8	.5218	
130 ESOL	(.5218)	.0000
64. [Ref. 72170/71] The parents of ELL students taught by two out-of-field teachers in the October 2009 survey were not notified (Ref. 72170) or not notified until January 11, 2010, after the reporting survey (Ref. 72171) of the teachers' out-of-field status. We made the following audit adjustments:		
Ref. 72170		
102 Basic 4-8	1.1004	
130 ESOL	(1.1004)	.0000
Ref. 72171		
102 Basic 4-8	.6450	
130 ESOL	(.6450)	.0000
		(.5000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Marion Regional Juvenile Detention Center (#9722)		
65. [Ref. 972202] The files for four ESE students did not contain *Matrix of Services* forms documenting the services provided at the Juvenile Detention Center and were actually developed while the students were attending an alternative education school. They should have completed new IEPs and *Matrix* forms to prepare for their enrollment in the Juvenile Detention Center and reflect the services provided there. We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	.5000	
113 Grades 9-12 with ESE Services	1.2278	
254 ESE Support Level 4	(1.7278)	.0000
		.0000
Kingsbury Academy (#9731)		
66. [Ref. 973101] The *Matrix of Services* form for one ESE student was missing and could not be located. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
67. [Ref. 973170] One teacher who was appropriately approved to teach Reading out of field had earned none of the six college credit hours towards certification in Reading as required by the teacher's college education timeline which started in a prior year. Consequently, the teacher was not eligible to be placed in an out-of-field teaching assignment until the requirement was met for that prior year. We made the following audit adjustment:		
102 Basic 4-8	1.1630	
254 ESE Support Level 4	(1.1630)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Net Audit Adjustments (Unweighted FTE)**
Kingsbury Academy (#9731) (Continued)		
68. [Ref. 973171] One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher held certification in ESE but taught courses that required certification in Elementary Education. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:		
102 Basic 4-8	6.3950	
254 ESE Support Level 4	(6.3950)	.0000
		.0000
Net Audit Adjustments		(9.6570)

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2010

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) only ESOL-eligible courses are reported in ESOL; (2) only students who are in membership and in attendance at least 1 of the 11 days of a survey window are included with that survey's results; (3) students are reported in the proper funding categories for the correct FTE and have adequate documentation to support that reporting, particularly with regard to students in ESOL and ESE; (4) students reported for homebound instruction should be reported in the appropriate program and based on the actual contact time with the homebound instructor and as documented on their contact log; (5) the supporting timecards for Career Education 9-12 (OJT) students are properly completed and retained in readily accessible files; (6) ESE students are reported in accordance with their *Matrix of Services* forms which are properly scored and reflect the services identified on their IEPs and as provided; (7) Special Consideration points included in ratings totals on *Matrix of Services* forms should be validated prior to their inclusion; (8) the English language proficiency of ELL students due to enter a fourth, fifth, or sixth year of ESOL placement is assessed just prior to the anniversary dates of the students' initial ESOL placement; (9) teachers are properly certified or, if out of field, are approved to teach out of field by the School Board; (10) teachers earn in-service training points in ESOL strategies on a timely basis as required by rule and their in-service training timelines; and (11) parents are timely and appropriately notified when their children are assigned to classes taught by out-of-field teachers.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all State requirements governing FTE and FEFP.

Regulatory Citations

Reporting

Section 1011.60, F.S. ..... Minimum Requirements of the Florida Education Finance Program
Section 1011.61, F.S. ..... Definitions
Section 1011.62, F.S. ..... Funds for Operation of Schools

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2010

Regulatory Citations (Continued)

Reporting (Continued)

Rule 6A-1.0451, F.A.C. .....FEFP Student Membership Surveys

Rule 6A-1.04513, F.A.C. .....Maintaining Auditable FTE Records

FTE General Instructions 2009-10

Attendance

Section 1003.23, F.S. .....Attendance Records and Reports

Rules 6A-1.044(3) and
(6)(c), F.A.C. .....Pupil Attendance Records

Rule 6A-1.04513, F.A.C. .....Maintaining Auditable FTE Records

FTE General Instructions 2009-10

Comprehensive Management Information System: Automated Student Attendance Recordkeeping System

English for Speakers of Other Languages (ESOL)

Section 1003.56, F.S. .....English Language Instruction for Limited English Proficient Students

Section 1011.62(1)(g), F.S. .....Education for Speakers of Other Languages

Rule 6A-6.0901, F.A.C. .....Definitions Which Apply to Programs for English Language Learners

Rule 6A-6.0902, F.A.C. .....Requirements for Identification, Eligibility, Programmatic and Annual Assessments of English Language Learners

Rule 6A-6.0903, F.A.C. .....Requirement for Classification, Reclassification, and Post Reclassification of English Language Learners

Rule 6A-6.0904, F.A.C. .....Equal Access to Appropriate Instruction for English Language Learners

Career Education On-the-Job Attendance

Rule 6A-1.044(6)(c), F.A.C. .....Pupil Attendance Records

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2010

Regulatory Citations (Continued)

Exceptional Education

Section 1003.57, F.S. ..... Exceptional Students Instruction

Section 1011.62, F.S. ..... Funds for Operation of Schools

Section 1011.62(1)(e), F.S. ..... Funding Model for Exceptional Student Education Programs

Rule 6A-6.03028, F.A.C. ..... Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities

Rule 6A-6.03029, F.A.C. ..... Development of Family Support Plans for Children with Disabilities Ages Birth Through Five Years

Rule 6A-6.0312, F.A.C. ..... Course Modifications for Exceptional Students

Rule 6A-6.0331, F.A.C. ..... General Education Intervention Procedures, Identification, Evaluation, Reevaluation and the Initial Provision of Exceptional Education Services

Rule 6A-6.0334, F.A.C. ..... Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students

Rule 6A-6.03411, F.A.C. ..... Definitions, ESE Policies and Procedures, and ESE Administrators

Career Education On-the-Job Funding Hours

Rule 6A-6.055(3), F.A.C. ..... Definitions of Terms Used in Vocational Education and Adult Programs

FTE General Instructions 2009-10

Teacher Certification

Section 1012.42(2), F.S. ..... Teacher Teaching Out-of-Field; Notification Requirements

Section 1012.55, F.S. ..... Positions for Which Certificates Required

Rule 6A-1.0502, F.A.C. ..... Non-certificated Instructional Personnel

Rule 6A-1.0503, F.A.C. ..... Definition of Qualified Instructional Personnel

Rule 6A-4.001, F.A.C. ..... Instructional Personnel Certification

Rule 6A-6.0907, F.A.C. ..... Inservice Requirements for Personnel of Limited English Proficient Students

The accompanying notes are an integral part of this schedule.

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

NOTE A - SUMMARY

A summary discussion of the significant features of the District, FEFP, FTE, and related areas follows:

1. School District of Marion County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Marion County, Florida. Those services are provided primarily to prekindergarten through twelfth grade students and to adults seeking career education-type training. The District is part of the State system of public education under the general direction and control of the State Board of Education. The geographic boundaries of the District are those of Marion County.

For the fiscal year ended June 30, 2010, the District operated 62 schools serving prekindergarten through twelfth grade students, reported 41,375.50 unweighted FTE, and received approximately $100.6 million in State funding for those FTE. The primary sources of funding for the District are funds from FEFP, local ad valorem taxes, and Federal grants and donations.

2. Florida Education Finance Program (FEFP)

Florida school districts receive State funding through FEFP to serve prekindergarten through twelfth grade students (adult education is not funded by FEFP). FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system the availability of programs and services appropriate to the student's educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per student cost for equivalent educational programs due to sparsity and dispersion of student population.

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

NOTE A - SUMMARY (Continued)

3. Full-Time Equivalent (FTE) Students

The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an FTE. For example, for prekindergarten through third grade, one FTE is defined as one student in membership in a program or a group of programs for 20 hours per week for 180 days; for grade levels four through twelve, one FTE is defined as one student in membership in a program or a group of programs for 25 hours per week for 180 days.

4. Calculation of FEFP Funds

The amount of State and local FEFP funds is calculated by the Department of Education by multiplying the number of unweighted FTE in each educational program by the specific cost factor of each program to obtain weighted FTEs. Weighted FTEs are multiplied by the base student allocation amount and that product is multiplied by the appropriate cost differential factor. Various adjustments are then added to this product to obtain the total State and local FEFP dollars. All cost factors, the base student allocation amount, cost differential factors, and various adjustment figures are established by the Florida Legislature.

5. FTE Surveys

FTE is determined and reported during the school year by means of four FTE membership surveys that are conducted under the direction of district and school management. Each survey is a sampling of FTE membership for a period of one week. The surveys for the 2009-10 school year were conducted during and for the following weeks: survey one was performed for July 13 through 17, 2009; survey two was performed for October 12 through 16, 2009; survey three was performed for February 8 through 12, 2010; and survey four was performed for June 14 through 18, 2010.

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

NOTE A - SUMMARY (Continued)

6. Educational Programs

FEFP funds ten specific programs under which instruction may be provided as authorized by the Florida Legislature. The general program titles under which these specific programs fall are as follows: (1) Basic, (2) ESOL, (3) ESE, and (4) Career Education 9-12.

7. Statutes and Rules

The following statutes and rules are of significance to the administration of Florida public education:

Chapter 1000, F.S. .....K-20 General Provisions
Chapter 1001, F.S. .....K-20 Governance
Chapter 1002, F.S. .....Student and Parental Rights and Educational Choices
Chapter 1003, F.S. .....Public K-12 Education
Chapter 1006, F.S. .....Support for Learning
Chapter 1007, F.S. .....Articulation and Access
Chapter 1010, F.S. .....Financial Matters
Chapter 1011, F.S. .....Planning and Budgeting
Chapter 1012, F.S. .....Personnel
Chapter 6A-1, F.A.C. .....Finance and Administration
Chapter 6A-4, F.A.C. .....Certification
Chapter 6A-6, F.A.C. .....Special Programs I

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of schools, students, and teachers, using statistical and judgmental methods, for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2010. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements governing FTE and FEFP. The following schools were in our sample:

Marion County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

NOTE B - SAMPLING (Continued)

School Name/Description	Finding Number(s)
District-Wide (Ineligible Courses Reported in ESOL)	1
1. Belleview Elementary School	NA
2. Ward-Highlands Elementary School	2 through 5
3. North Marion High School	6 through 8
4. Forest High School	9 through 12
5. South Ocala Elementary School	13
6. Vanguard High School	14 through 16
7. Hillcrest School	17 and 18
8. Lake Weir High School	19 through 25
9. Dunnellon High School	26 through 29
10. Sunrise Elementary School	30 and 31
11. Evergreen Elementary School	32 and 33
12. Harbour View Elementary School	34
13. Maplewood Elementary School	35 through 38
14. Romeo Elementary School	NA
15. Dunnellon Elementary School	39 and 40
16. College Park Elementary School	41 through 44
17. Belleview High School	45 through 48
18. Greenway Elementary School	49 and 50
19. Saddlewood Elementary School	51 and 52
20. West Port High School	53 through 56
21. Hammett Bowen Jr. Elementary School	57 and 58
22. Horizon Academy at Marion Oaks	59 through 64
23. Marion Regional Juvenile Detention Center	65
24. Kingsbury Academy	66 through 68

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT
MARION COUNTY DISTRICT SCHOOL BOARD
STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated July 1, 2010, that the Marion County District School Board complied with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2010. These requirements are found primarily in Chapter 1006, Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with the aforementioned State requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. The legal determination of the District's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

Compliance

Our examination procedures disclosed material noncompliance with the District's reported student ridership data as follows: 89 of the 367 students in our sample had exceptions involving their reported ridership classification or eligibility for State transportation funding. (See SCHEDULE G, Finding Nos. 3, 4, 5, and 6.)

In our opinion, except for the material noncompliance mentioned above involving their reported ridership classification or eligibility for State transportation funding, the Marion County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2010.

The results of our examination disclosed other noncompliance with the State requirements mentioned above. We considered this other noncompliance in forming our opinion regarding the District's compliance and it did not affect our opinion as stated above. All noncompliance disclosed by our examination procedures is discussed in SCHEDULE G. The impact of this noncompliance on the District's reported number of transported students is presented in SCHEDULE F and SCHEDULE G.

Internal Control Over Compliance

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report significant deficiencies in internal control detected during our examination and identify those considered to be material weaknesses. The purpose of our examination was to express an opinion on the District's compliance with State requirements and did not include expressing an opinion on the District's related internal controls. Accordingly, we express no such opinion. Due to its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.[1] However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to ridership classification and reporting of transported students. Other noncompliance disclosed by our examination procedures is indicative of control deficiencies,[1] and is also presented herein. The findings, populations, samples, and exception totals that pertain to material and other noncompliance are presented in SCHEDULE F and SCHEDULE G.

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[1] *A control deficiency in the entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the aforementioned State requirements such that there is more than a remote likelihood that noncompliance that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more-than-remote likelihood that material noncompliance will not be prevented or detected by the entity's internal control.*

The District's written response to this examination has not been subjected to our examination procedures, and accordingly, we express no opinion on it.

Pursuant to Section 11.45(4)(c), Florida Statutes, this report is a public record and its distribution is not limited. Attestation standards established by the AICPA require us to indicate that this report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and applicable District management and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



David W. Martin, CPA
May 10, 2011

SCHEDULE F

Marion County District School Board
Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2010

Description	Number of Vehicles	% of Population	No. of Students Transported	% of Population (Sample)
Population[1]	702	100.00%	43,385	100.00%
Sample[2]	-	-	367	0.85%
Sample Students				
With Exceptions	-	-	89	(24.25%)
Net Audit Adjustments	-	-	(23)	(6.27%)
Non-Sample Students				
With Exceptions	-	-	28	0.06%
Net Audit Adjustments	-	-	(28)	0.06%
Sample and Non-Sample Students				
Net Audit Adjustments	-	-	(51)	0.12%

[1] *The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2010. The District reported 43,385 students in the following ridership categories: 1,651 in IDEA (K-12), Weighted; 475 in IDEA (K-12), Unweighted; 356 in IDEA (PK), Weighted; 45 in IDEA (PK), Unweighted; 6 in Teenage Parents and Infants; and 40,852 in Two Miles or More). The District also reported operating a total of 702 buses. (IDEA stands for Individuals with Disabilities Education Act.)*

[2] *See NOTE B.*

The accompanying notes are an integral part of this schedule.

SCHEDULE G

Marion County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Overview

Management is responsible for determining and reporting the number of students transported in compliance with State requirements. These requirements are found primarily in Chapter 1006, Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. Except for the material noncompliance involving their reported ridership classification or eligibility for State transportation funding, the Marion County District School Board complied, in all material respects, with State requirements governing the determination and reporting of students transported for the fiscal year ended June 30, 2010. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 51.

Findings	**Students Transported Net Audit Adjustments**

Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey. Our detailed tests involved verification of the specific ridership categories reported for students sampled from the July and October 2009 surveys and the February and June 2010 surveys. Adjusted students who were in more than one survey are accounted for by survey. For example, a student sampled twice (i.e., once for the October 2009 survey and once for the February 2010 survey) will be presented in our Findings as two sample students.

1. [Ref. 51/52] Our review of the buses and their corresponding routes disclosed that the District had renumbered some of their buses to reflect the transportation zone that the buses transported students in (Ref. 51). This new methodology caused some buses to be reported twice and some corresponding routes to be mistaken as buses. The result of this renumbering of buses was to overstate the number of buses in operation by 17 buses in the October 2009 survey. We also noted that 24 routes (18 routes in the October 2009 survey involving 17 students and 6 routes in the February 2010 survey involving 6 students) were missing and could not be located (Ref. 52). We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Marion County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings			**Students Transported Net Audit Adjustments**
Ref. 51			
October 2009 Survey			
Buses in Operation	(17)		--
Ref. 52			
October 2009 Survey			
90 Days-in-Term			
Two Miles or More *(Non-Sample Students)*		(17)	
February 2010 Survey			
90 Days-in-Term			
IDEA (K-12), Unweighted *(Non-Sample Student)*		(1)	
Two Miles or More *(Non-Sample Students)*	(5)		(23)

2. [Ref. 53] Five students were reported using identification numbers for which no name or other demographic information could be located in the District's records. Consequently, these students were not eligible for State transportation funding. We made the following audit adjustment:

October 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Non-Sample Student)*	(1)	
Two Miles or More *(Non-Sample Students)*	(3)	
February 2010 Survey		
90 Days-in-Term		
Two Miles or More *(Non-Sample Students)*	(1)	(5)

3. [Ref. 54] We noted the following exceptions involving seven students in IDEA (K-12), Weighted as follows: (a) the IEPs for six students did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification, and (b) the IEP for one student was missing and could not be located. We noted that all the students were eligible for Two Miles or More. We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Marion County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Students Transported Net Audit Adjustments**
October 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	(1)	
Two Miles or More *(Sample Student)*	1	
February 2010 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(5)	
Two Miles or More *(Sample Students)*	5	
June 2010 Survey		
11 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	(1)	
Two Miles or More *(Sample Student)*	1	0

4. [Ref. 55] Twenty-two sample students were either shown on the supporting bus drivers' reports as not having been transported (16 students) or were not listed on the supporting bus drivers' reports (6 students). Consequently, the students should not have been reported for State transportation funding. We made the following audit adjustments:

October 2009 Survey	
90 Days-in-Term	
IDEA (K-12), Weighted *(Sample Student)*	(1)
IDEA (K-12), Unweighted *(Sample Students)*	(3)
Teen Parent *(Sample Student)*	(1)
Two Miles or More *(Sample Students)*	(5)
February 2010 Survey	
90 Days-in-Term	
IDEA (K-12), Unweighted *(Sample Student)*	(1)
Two Miles or More *(Sample Students)*	(2)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Marion County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Students Transported Net Audit Adjustments**
June 2010 Survey		
11 Days-in-Term		
Two Miles or More *(Sample Students)*	(5)	
4 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(2)	
IDEA (K-12), Unweighted *(Sample Students)*	(2)	(22)

5. [Ref. 56] We noted the following exceptions involving 59 students in IDEA (K-12), Unweighted, as follows: (a) 58 students lived more than two miles from school and should have been reported in Two Miles or More, and (b) 1 PK student should have been reported in IDEA (PK), Unweighted. We made the following audit adjustments:

July 2009 Survey		
8 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(7)	
Two Miles or More *(Sample Students)*	7	
October 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(23)	
Two Miles or More *(Sample Students)*	23	
February 2010 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(24)	
Two Miles or More *(Sample Students)*	24	
June 2010 Survey		
4 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(5)	
IDEA (PK), Unweighted *(Sample Student)*	1	
Two Miles or More *(Sample Students)*	4	0

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Marion County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		**Students Transported Net Audit Adjustments**
6. [Ref. 57] One student lived less than two miles from school and was otherwise ineligible to be reported for State transportation funding. We made the following audit adjustment:		
October 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	(1)
Net Audit Adjustments		(51)
Summary		
Sample Students w/Exceptions	89	
Sample Students – Net Audit Adjustments	--	(23)
Non-Sample Students w/Exceptions	28	
Non-Sample Students – Net Audit Adjustments	--	(28)
Net Audit Adjustments		(51)

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Marion County District School Board
Student Transportation
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2010

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) the number of buses used to transport students is accurately reported and bus drivers' reports are maintained in readily accessible files; (2) transported students are reported in the correct ridership category; (3) only those students who are enrolled in school during the survey week and are transported at least one time during the 11-day survey window are included with that survey's results; (4) the distance from home to school for students classified in Two Miles or More is verified prior to those students being reported; and (5) the weighted IDEA classifications of transported ESE students are supported by the students' IEPs.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all State requirements governing student transportation.

Regulatory Citations

Chapter 1006, Part I, E., F.S. .....Transportation of Public K-12 Students
Section 1011.68, F.S. .....Funds for Student Transportation
Chapter 6A-3, F.A.C. .....Transportation
Student Transportation General Instructions

The accompanying notes are an integral part of this schedule.

Marion County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

NOTE A - SUMMARY

A summary discussion of the significant features of student transportation and related areas follows:

1. Student Eligibility

Any student who is transported by bus must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes.

2. Transportation in Marion County

For the fiscal year ended June 30, 2010, the District received approximately $9.8 million in State transportation funding. The District's transportation reporting by survey was as follows:

Survey Period	No. of Vehicles	No. of Students
July 2009	34	222
October 2009	317	21,406
February 2010	296	21,461
June 2010	55	296
Total	702	43,385

3. Statutes and Rules

The following statutes and rules are of significance to the District's administration of student transportation:

Chapter 1006, Part I, E., F.S. .....Transportation of Public K-12 Students
Section 1011.68, F.S. .....Funds for Student Transportation
Chapter 6A-3, F.A.C. .....Transportation

Marion County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of buses and students, using statistical and judgmental methods, for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2010. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements governing students transported.

EXHIBIT A
MANAGEMENT'S RESPONSE

Marion County Public Schools
Where Every Child Can Learn

www.marion.k12.fl.us
512 SE Third Street • Ocala FL 34471-2212
PO Box 670 • Ocala FL 34478-0670
(352) 671-7700 • Fax (352) 671-7788
FRS (800) 955-8770 (voice) • (800) 955-8771 (TTY)

May 5, 2011

Office of the Auditor General
Mr. David W. Martin, CPA, Auditor General
Room 476A
Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Attn: Nancy M. Reeder, Section 241

Subject: Report on the examination of full-time equivalent (FTE) students and student transportation, as reported by the Marion County District School Board for the fiscal year ended June 30, 2010

Dear Mr. Martin:

The following is our district's response to the findings of the draft copy of the audit for fiscal year ended June 30, 2010 of full-time equivalent (FTE) students and student transportation. The report was reviewed and is accepted.

The specific items indentified as non-compliant exceptions in the both the FTE/FEFP findings and Student Transportation findings will be shared with key stakeholders for each area with the goal of identifying appropriate plans of action to resolve these finding. We will, then, begin to work to toward meeting compliance of all requirements in future audits.

If you have any questions or concerns, please contact Vickye Vaughns-Geathers, Supervisor-Management Information Services at (352)-671-7700.

Sincerely,

James M. Yancey, Jr.
Superintendent of Schools

JMY/vvg

James M. Yancey, Jr. Superintendent | Judi Zanetti District 1 | Jacqueline Porter District 2 | Bobby L. James District 3 | Angie Boynton District 4 | Ronald B. Crawford District 5

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SAVE-A-FRIEND Hotline 1-877-7FRIEND

Be There