REPORT NO. 2015-041
NOVEMBER 2014

JACKSON COUNTY
DISTRICT SCHOOL BOARD

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

and

Student Transportation

For the Fiscal Year Ended
June 30, 2013

STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

BOARD MEMBERS AND SUPERINTENDENTS

Jackson County District School Board members and the Superintendents of Schools who served during the 2012-13 fiscal year are listed below:

Member	District No.
Dr. Terry E. Nichols, Vice Chair from 11-20-12	1
Kenneth R. Griffin, Vice Chair to 11-19-12, Chair from 11-20-12	2
Betty B. Duffee, Member to 11-19-12	3
Stacey B. Goodson, Member from 11-20-12	3
Chris M. Johnson, Chair to 11-19-12	4
Charlotte M. Gardner	5

Lee W. Miller, Superintendent to 11-19-12
Steve R. Benton, Sr., Superintendent from 11-20-12

The examination team leader was John R. Speaks, Jr., and the examination was supervised by Aileen B. Peterson, CPA, CPM. Please address inquiries regarding this report to J. David Hughes, CPA, Audit Manager, by e-mail at davidhughes@aud.state.fl.us or by telephone at (850) 412-2971.

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) 412-2722; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students and Student Transportation
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2013

CTE	Career and Technical Education
ELL	English Language Learner
EP	Educational Plan
ESE	Exceptional Student Education
ESOL	English for Speakers of Other Languages
FAC	Florida Administrative Code
FES	Fluent English Speaker
FS	Florida Statutes
IDEA	Individuals with Disabilities Education Act
IEP	Individual Educational Plan
OJT	On-the-Job Training
PK	Prekindergarten

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students and Student Transportation

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EXECUTIVE SUMMARY

SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below involving teachers and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in ESOL, Career Education 9-12 (OJT), and student transportation, the Jackson 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, 2013:

- **Of the 57 teachers in our sample, 8 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, the earning of college credits towards certification in the out-of-field subject areas, or the earning of required in-service training points in ESOL strategies. The District did not report any charter schools; therefore, none of the 57 teachers sampled taught at charter schools.**
- **Ten of the 19 students in our ESOL sample and 4 of the 30 students in our Career Education 9-12 (OJT) sample had exceptions involving reporting errors or records that were not properly or accurately prepared or were missing and could not be located. The District did not report any charter schools; therefore, none of the exceptions noted included students who attended charter schools.**
- **Forty-two of the 240 students in our student transportation sample had exceptions involving their reported ridership classification or eligibility for State transportation funding.**

Noncompliance related to reported FTE resulted in 20 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative .4264 but has a potential impact on the District's weighted FTE of a negative 21.7161 (negative 21.7161 applicable to District schools other than charter schools). Noncompliance related to student transportation resulted in 5 findings and a proposed net adjustment of a negative 99 students.

Weighted adjustments to FTE are presented in our report for illustrative purposes only. The weighted adjustments to FTE 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 adjustments. That computation is the responsibility of the Department of Education. However, the gross dollar effect of our proposed adjustments to FTE may be estimated by multiplying the proposed net weighted adjustment to FTE by the base student allocation amount. For the Jackson County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative $77,808 (negative 21.7161 times $3,582.98), of which all is applicable to District schools other than charter schools.

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

The ultimate resolution of our proposed adjustments to FTE and student transportation and the computation of their financial impact is the responsibility of the Department of Education.

SCHOOL DISTRICT OF JACKSON COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Jackson 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 Jackson County.

The governing body of the District is the District School Board that 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, 2013, State funding through FEFP was provided to the District for 16 District schools other than charter schools, 2 District cost centers, and 1 virtual education cost center serving prekindergarten through twelfth grade students. The District reported 6,602.76 unweighted FTE for those students, and received approximately $26 million in State funding through FEFP.

FLORIDA EDUCATION FINANCE PROGRAM (FEFP)

Full-Time Equivalent (FTE) Students

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, including charter schools, 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 brick and mortar school students, 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 that equals one FTE). For virtual education students, one student would be reported as one FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be a fraction of an FTE. Half-credit completions will be included in determining an FTE. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

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 Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. Additionally, Section 1002.33(20)(c), Florida Statutes, provides that the governing board of the charter school may provide transportation through an agreement or contract with the district school board, a private provider, or parents. The charter school and the sponsor shall cooperate in making arrangements that ensure that transportation is not a barrier to equal access for all students residing within a reasonable distance of the charter school as determined in its charter. The District received approximately $1.63 million for student transportation as part of the State funding through FEFP.

DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL
STATE OF FLORIDA

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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
JACKSON COUNTY DISTRICT SCHOOL BOARD
FLORIDA EDUCATION FINANCE PROGRAM (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined the Jackson County District School Board's compliance 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, 2013. 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 2012-13* 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.

Our examination procedures disclosed the following material noncompliance:

1. Teachers

   Of the 57 teachers in our sample, 8 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, the earning of college credits towards certification in the out-of-field subject areas, or the earning of required in-service training points in ESOL strategies.[1] The District did not report any charter schools; therefore, none of the 57 teachers sampled taught at charter schools.

2. Students

   Ten of the 19 students in our ESOL sample[2] and 4 of the 30 students in our Career Education 9-12 (OJT) sample[3] had exceptions involving reporting errors or records that were not properly or accurately prepared or were missing and could not be located. The District did not report any charter schools; therefore, none of the exceptions noted included students who attended charter schools.

In our opinion, except for the material noncompliance mentioned above involving teachers and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in ESOL and Career Education 9-12 (OJT), the Jackson 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, 2013.

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[1] *For teachers, see SCHEDULE D, Finding Nos. 4, 5, 11, 14, and 18.*

[2] *For ESOL, see SCHEDULE D, Finding Nos. 6, 9, 15, 16, and 17.*

[3] *For Career Education 9-12 (OJT), see SCHEDULE D, Finding Nos. 3 and 7.*

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the District's compliance with State requirements and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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 teacher certification and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in ESOL and Career Education 9-12 (OJT). Our examination disclosed certain other findings that are required to be reported under *Government Auditing Standards* and those findings, along with the views of responsible officials, are described in SCHEDULE A and EXHIBIT A, respectively. The impact of this noncompliance on the District's reported FTE is presented in SCHEDULES A, B, C, and D.

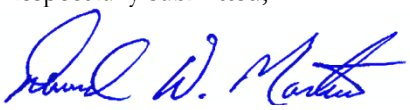
The District's written response to this examination has not been subjected to our examination procedures and, accordingly, we express no opinion on it.

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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 deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis.*

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
Tallahassee, Florida
October 15, 2014

SCHEDULE A

Jackson 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, 2013

REPORTED FTE

The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. FEFP funds ten specific programs that are grouped under the following four general program titles: Basic, ESOL, ESE, and Career Education 9-12 (OJT). Unweighted FTE represents FTE prior to the application of the specific cost factor for each program. (See SCHEDULE B and NOTES A3, A4, and A6.) The District reported 6,602.76 unweighted FTE at 16 District schools other than charter schools, 2 District cost centers, and 1 virtual education cost center to the Department of Education for the fiscal year ended June 30, 2013.

SCHOOLS AND STUDENTS

As part of our examination procedures, we sampled schools and students for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2013. (See NOTE B.) The population of schools (19) consisted of the total number of brick and mortar schools in the District that offered courses as well as the designated District virtual education cost centers in the District that offered virtual instruction in FEFP-funded programs. The population of students (3,415) consisted of the total number of students in each program at the schools and virtual education cost centers in our samples. Our Career Education 9-12 data includes only those students who participated in OJT. Our populations and samples of schools and students are summarized as follows:

	Number of Schools		Number of Students at Schools Sampled		Students with	Unweighted FTE		Proposed
Programs	Population	Sample	Population	Sample	Exceptions	Population	Sample	Adjustments
Basic	16	9	2,645	82	1	5,311.5400	70.2672	15.2716
Basic with ESE Services	18	10	585	41	2	978.5000	34.8979	.5000
ESOL	12	6	29	19	10	41.0900	14.9471	(7.7734)
ESE Support Levels 4 and 5	6	4	120	71	7	101.2600	57.4300	(8.3084)
Career Education 9-12	6	2	36	30	4	170.3700	5.8078	(.1162)
All Programs	19	11	3,415	243	24	6,602.7600	183.3500	(.4264)

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Jackson 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, 2013

TEACHERS

We also sampled teachers as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (115) consisted of the total number of teachers at schools in our sample who taught courses in ESE Support Levels 4 and 5 or taught courses to ELL students and of the total number of teachers reported under virtual education cost centers in our sample who taught courses in Basic, Basic with ESE Services, ESE Support Levels 4 and 5, or taught courses to ELL students. From the population of teachers, we sampled 57 and found exceptions for 8 of those teachers. The District did not report any charter schools; therefore, none of the 57 teachers sampled taught at charter schools.

PROPOSED ADJUSTMENTS

Our proposed adjustments present the net effects of noncompliance disclosed by our examination procedures, including those related to our tests of teacher certification. Our proposed 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. (See SCHEDULES B, C, and D.)

The ultimate resolution of our proposed adjustments to FTE and the computation of their financial impact is the responsibility of the Department of Education.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
For the Fiscal Year Ended June 30, 2013

No.	Program[1]	Proposed Net Adjustment[2]	Cost Factor	Weighted FTE[3]
101	Basic K-3	7.2300	1.117	8.0759
102	Basic 4-8	3.8235	1.000	3.8235
103	Basic 9-12	4.2181	1.020	4.3025
111	Grades K-3 with ESE Services	.5000	1.117	.5585
112	Grades 4-8 with ESE Services	.5000	1.000	.5000
113	Grades 9-12 with ESE Services	(.5000)	1.020	(.5100)
130	ESOL	(7.7734)	1.167	(9.0716)
254	ESE Support Level 4	(8.3084)	3.524	(29.2788)
255	ESE Support Level 5	.0000	5.044	.0000
300	Career Education 9-12	(.1162)	.999	(.1161)
Total		(.4264)		(21.7161)*

**** The District did not report any charter schools. Thus, there was no effect on the District's weighted FTE.***

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[1] *See NOTE A6.*

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

[3] *Weighted adjustments to FTE are presented for illustrative purposes only. The weighted adjustments to FTE 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 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

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
PROPOSED ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2013

	Proposed Adjustments[1]			
No. Program	**#0021**	**#0121**	**#0141**	**Balance Forward**
101 Basic K-3	.....	1.5000	.....	1.5000
102 Basic 4-8	.....	.4336	.....	.4336
103 Basic 9-12	.5083	(.2502)	1.0000	1.2581
111 Grades K-3 with ESE Services	.....	.....	.....	.0000
112 Grades 4-8 with ESE Services	.....	.....	.....	.0000
113 Grades 9-12 with ESE Services	.....	.....	(1.0000)	(1.0000)
130 ESOL	(.5083)	(1.9336)	.....	(2.4419)
254 ESE Support Level 4	.....	.....	.....	.0000
255 ESE Support Level 5	.....	.....	.....	.0000
300 Career Education 9-12	(.1162)	.....	.....	(.1162)
Total	(.1162)	(.2502)	.0000	(.3664)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
PROPOSED ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2013

		Proposed Adjustments[1]				
No.	**Brought Forward**	**#0171**	**#0202**	**#0212**	**#0271**	**Balance Forward**
101	1.5000	1.0000	.....	1.5350	1.5000	5.5350
102	.4336	.....	.....	1.3134	.....	1.7470
103	1.2581	.....	.1800	2.7800	.....	4.2181
111	.0000	.....	.....	.5000	.....	.5000
112	.0000	.....	.....	1.5000	.....	1.5000
113	(1.0000)	.....	.....	.5000	.....	(.5000)
130	(2.4419)	(1.0000)	.....	.....	(1.5000)	(4.9419)
254	.0000	.....	(.1800)	(8.1284)	.....	(8.3084)
255	.0000	.....	.0000	.....	.....	.0000
300	(.1162)	.....	.....	.....	.....	(.1162)
Total	(.3664)	.0000	.0000	.0000	.0000	(.3664)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
PROPOSED ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2013

No.	Program	Brought Forward	Proposed Adjustments[1] #0301	#7001	Total
101	Basic K-3	5.5350	1.6950	.....	7.2300
102	Basic 4-8	1.7470	1.1365	.9400	3.8235
103	Basic 9-12	4.2181	.....	.....	4.2181
111	Grades K-3 with ESE Services	.5000	.....	.....	.5000
112	Grades 4-8 with ESE Services	1.5000	.....	(1.0000)	.5000
113	Grades 9-12 with ESE Services	(.5000)	.....	.....	(.5000)
130	ESOL	(4.9419)	(2.8315)	.....	(7.7734)
254	ESE Support Level 4	(8.3084)	.....	.....	(8.3084)
255	ESE Support Level 5	.0000	.....	.....	.0000
300	Career Education 9-12	(.1162)	.....	.....	(.1162)
Total		(.3664)	.0000	(.0600)	(.4264)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

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 2012-13* issued by the Department of Education. Except for the material noncompliance involving teachers and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in ESOL and Career Education 9-12 (OJT), the Jackson 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, 2013. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 19.

Findings	**Proposed Net Adjustments (Unweighted FTE)**

Our examination included the July and October 2012 surveys and the February and June 2013 surveys (see NOTE A5). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2012 survey or the February 2013 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 - Automated Student Attendance

1. [Ref. 1] Contrary to the Department of Education's *Comprehensive Management Information System Automated Student Attendance Recordkeeping System Handbook*, the District did not retain a daily log from the automated student attendance recordkeeping system that included sufficient information to ascertain when and by whom attendance data was entered, changed, or deleted. It was determined that District personnel were unable to access these logs from the server because the vendor contract expired as of the end of the 2011-12 school year. *(Finding Continues on Next Page.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Proposed Net Adjustments (Unweighted FTE)**
District-Wide - Automated Student Attendance (Continued)		
We were able to otherwise follow our normal examination procedures regarding attendance verification and, as such, we are presenting this disclosure Finding with no proposed adjustment.		.0000
District-Wide - Articulation Agreement		
2. [Ref. 2] The District's annual articulation agreement with Chipola College for dual-enrolled students had expired prior to the 2012-13 school year and was not kept current, contrary to Section 1007.271(21), FS. We are presenting this disclosure Finding with no proposed adjustment.		.0000
Marianna High School (#0021)		
3. [Ref. 2101] The timecards for two Career Education 9-12 (OJT) students were missing and could not be located. We propose the following adjustment:		
300 Career Education 9-12	(.1162)	(.1162)
4. [Ref. 2171/72] The parents of ELL students taught by two out-of-field teachers were not notified of the teachers' out-of-field status. We propose the following adjustments:		
Ref. 2171		
103 Basic 9-12	.1834	
130 ESOL	(.1834)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Proposed Net Adjustments (Unweighted FTE)**
Marianna High School (#0021) (Continued)		
Ref. 2172		
103 Basic 9-12	.3249	
130 ESOL	(.3249)	.0000
		(.1162)
Malone School (#0121)		
5. [Ref. 12172] The parents of one student taught by one out-of-field teacher were not notified of the teacher's out-of-field status in Social Science. Since the student was proposed for adjustment in Finding No. 6 (Ref. 12101), we are presenting this disclosure Finding with no proposed adjustment.		.0000
6. [Ref. 12101] The *ELL Student Plans* for three ELL students enrolled in the ESOL Program were incomplete as they did not include the students' instructional schedules indicating the courses and programs that would employ ESOL strategies. We also noted the following exceptions for two of the three students: (a) the ELL Committee for one student did not adequately document the student's need for extended ESOL placement, and (b) an English Language assessment was not completed for one student to support the student's extended ESOL placement for a fifth year. We propose the following adjustment:		
101 Basic K-3	1.5000	
102 Basic 4-8	.4336	
130 ESOL	(1.9336)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Proposed Net Adjustments (Unweighted FTE)**
Malone School (#0121) (Continued)		
7. [Ref. 12102] Two Career Education 9-12 (OJT) students were incorrectly reported for an on-campus course that occurred during the same time frame that the students were working at their designated OJT job site as supported by the students' timecards. We propose the following adjustment:		
103 Basic 9-12	(.2502)	(.2502)
		(.2502)
Sneads High School (#0141)		
8. [Ref. 14101] The EP for one Gifted ESE student was not signed; consequently, the student's EP was not authorized. We propose the following adjustment:		
103 Basic 9-12	1.0000	
113 Grades 9-12 with ESE Services	(1.0000)	.0000
		.0000
Sneads Elementary School (#0171)		
9. [Ref. 17101] The *ELL Student Plans* for two ELL students were incomplete as they did not include the students' instructional schedules indicating the courses and programs that would employ ESOL strategies. We propose the following adjustment:		
101 Basic K-3	1.0000	
130 ESOL	(1.0000)	.0000
		.0000
Hope School (#0202)		
10. [Ref. 20201] Two ESE students were not reported in accordance with the students' *Matrix of Services* forms. We propose the following adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Proposed Net Adjustments (Unweighted FTE)**
Hope School (#0202) (Continued)		
254 ESE Support Level 4	.5000	
255 ESE Support Level 5	(.5000)	
254 ESE Support Level 4	(.5000)	
255 ESE Support Level 5	.5000	.0000

11. [Ref. 20271] One teacher was approved by the School Board to teach out-of-field in ESE in a prior school year and had not earned any of the college credits towards that prior out-of-field subject area, contrary to rule and the teacher's college education timeline. We also noted that the letter used to notify the parents of the teacher's out-of-field status was not dated and we were otherwise unable to determine whether the notification was made timely (i.e., prior to the October 2012 and February 2013 reporting survey periods). We propose the following adjustment:

103 Basic 9-12	.1800	
254 ESE Support Level 4	(.1800)	.0000
		.0000

Jackson Alternative School (#0212)

12. [Ref. 21201] Two ESE students were not reported in accordance with the students' *Matrix of Services* forms. We also noted that the *Matrix of Services* form for one of these students did not reflect the individual services for two of the five domains. We propose the following adjustment:

112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Proposed Net Adjustments (Unweighted FTE)**
Jackson Alternative School (#0212) (Continued)		
13. [Ref. 21202] There was no evidence that the *Matrix of Services* forms for three students were reviewed and updated when the students' new IEPs were prepared. We propose the following adjustment:		
111 Grades K-3 with ESE Services	.5000	
112 Grades 4-8 with ESE Services	.5000	
113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	(1.5000)	.0000
14. [Ref. 21271/72/73] Three teachers were approved by the School Board to teach out-of-field in several subject areas in prior school years and had not earned any of the college credits towards those prior school years out-of-field subject areas, contrary to rule and the teachers' college education timelines. We propose the following adjustments:		
Ref. 21271		
103 Basic 9-12	.8250	
254 ESE Support Level 4	(.8250)	.0000
Ref. 21272		
101 Basic K-3	1.5350	
102 Basic 4-8	1.0800	
254 ESE Support Level 4	(2.6150)	.0000
Ref. 21273		
102 Basic 4-8	.2334	
103 Basic 9-12	1.9550	
254 ESE Support Level 4	(2.1884)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Proposed Net Adjustments (Unweighted FTE)**
Cottondale Elementary School (#0271)		
15. [Ref. 27101] ELL Committees were not convened within 30 school days of the students' ESOL anniversary dates to consider two ELL students' extended ESOL placements for a fourth or fifth year. We also noted that the *ELL Student Plan* for one of these students was incomplete as it did not include the student's instructional schedule indicating the courses and programs that would employ ESOL strategies. We propose the following adjustment:		
101 Basic K-3	1.5000	
130 ESOL	(1.5000)	.0000
		.0000
Graceville Elementary School (#0301)		
16. [Ref. 30101] The ELL Committee for one ELL student who was FES and a competent English reader and writer did not consider at least two of the five ESOL placement criteria specified in State Board of Education Rule 6A-6.0902(2)(a)3., FAC, prior to recommending the student's continued ESOL placement. We propose the following adjustment:		
102 Basic 4-8	.8766	
130 ESOL	(.8766)	.0000
17. [Ref. 30102] The files for two ELL students did not contain *ELL Student Plans* that covered the 2012-13 school year. We also noted that there was no evidence to indicate that the parents of one of these students were notified of their child's placement in the ESOL Program. We propose the following adjustment:		
101 Basic K-3	1.6950	
130 ESOL	(1.6950)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Proposed Net Adjustments (Unweighted FTE)**
Graceville Elementary School (#0301) (Continued)		
18. [Ref. 30171] One teacher taught a class that included one ELL student but had earned only 12 of the 120 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We propose the following adjustment:		
102 Basic 4-8	.2599	
130 ESOL	(.2599)	.0000
		.0000
Jackson Virtual Instruction Program (#7001)		
19. [Ref. 700101] One virtual education student did not receive a passing grade for one semester course reported in the June 2013 reporting survey period. We propose the following adjustment:		
102 Basic 4-8	(.0600)	(.0600)
20. [Ref. 700102] The file for one ESE virtual education student in the Gifted ESE Program did not contain an EP that was valid during the February 2013 reporting survey period. We noted that the student's file included an EP covering the October 2012 reporting survey period; however, District personnel informed us that Gifted educational services were not provided. We propose the following adjustment:		
102 Basic 4-8	1.0000	
112 Grades 4-8 with ESE Services	(1.0000)	.0000
		(.0600)
Proposed Net Adjustment		(.4264)

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Jackson 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, 2013

RECOMMENDATIONS

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) the District develop written procedures to ensure compliance with the Department of Education's *Comprehensive Management Information System Automated Student Attendance Recordkeeping Handbook*, in particular, with regard to maintaining an audit trail identifying all additions, changes, and deletions made to student attendance records; (2) the District develop written procedures to ensure that all contracts and agreements are up to date, particularly with regards to dual enrollment-related articulation agreements with local colleges and universities; (3) *ELL Student Plans* are printed and maintained in students' files; (4) *ELL Student Plans* include course schedules supporting the courses and programs that would employ ESOL strategies; (5) students' English language proficiencies are assessed and ELL Committees are convened timely within 30 school days prior to the students' ESOL anniversary dates to consider the students' extended ESOL placements beyond the three-year base period; (6) students assessed English proficient are either exited from the ESOL Program or referred to an ELL Committee to determine continued ESOL placement and that the ELL Committee consider at least two of the five required ESOL placement criteria specified in State Board of Education Rule 6A-6.0902(2)(a)3., FAC; (7) parents are timely notified of their child's ESOL placement; (8) ESE students are reported in accordance with their *Matrix of Services* forms; (9) evidence is maintained to support that the *Matrix of Services* forms are accurately prepared and have been reviewed and updated when students' IEPs are prepared; (10) EPs are timely and accurately prepared or properly amended to reflect the services being provided to ESE students, document the participation of all required participants, and, are retained in readily-accessible files; (11) students in Career Education 9-12 (OJT) are reported in accordance with timecards that are retained in readily-accessible files; (12) the District develop written procedures for virtual education students to determine eligibility and accurately report the students in accordance to the *FTE General Instructions 2012-13* and only report the students for State FEFP funding that have successfully completed courses as indicated by the awarding of a passing grade, credit, or promotion to the next grade level; (13) teachers are properly certified or, if out of field, are approved to teach out-of-field by the School Board; (14) out-of-field teachers earn appropriate college credit or in-service training points as required by rule and the teachers' college education or in-service training timelines; and (15) parents are appropriately notified of teachers' out-of-field status.

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Jackson 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, 2013

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 1007.271(21), FS ..... Dual Enrollment Programs

Section 1011.60, FS ..... Minimum Requirements of the Florida Education Finance Program

Section 1011.61, FS ..... Definitions

Section 1011.62, FS ..... Funds for Operation of Schools

Rule 6A-1.0451, FAC ..... Florida Education Finance Program Student Membership Surveys

Rule 6A-1.04513, FAC ..... Maintaining Auditable FTE Records

FTE General Instructions 2012-13

Attendance

Section 1003.23, FS ..... Attendance Records and Reports

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

Rule 6A-1.04513, FAC ..... Maintaining Auditable FTE Records

FTE General Instructions 2012-13

Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook

English for Speakers of Other Languages (ESOL)

Section 1003.56, FS ..... English Language Instruction for Limited English Proficient Students

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

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

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

Rule 6A-6.09021, FAC ..... Annual English Language Proficiency Assessment for English Language Learners (ELLs)

Rule 6A-6.09022, FAC ..... Extension of Services in English for Speakers of Other Languages (ESOL) Program

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Jackson 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, 2013

REGULATORY CITATIONS (Continued)

English for Speakers of Other Languages (ESOL)

Rule 6A-6.0903, FAC ..... Requirements for Exiting English Language Learners from the English for Speakers of Other Languages Program

Rule 6A-6.09031, FAC ..... Post Reclassification of English Language Learners (ELLs)

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

Career Education On-the-Job Attendance

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

Career Education On-the-Job Funding Hours

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

FTE General Instructions 2012-13

Exceptional Education

Section 1003.57, FS ..... Exceptional Students Instruction

Section 1011.62, FS ..... Funds for Operation of Schools

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

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

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

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

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

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

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

Rule 6A-6.0361, FAC ..... Contractual Agreement with Nonpublic Schools and Residential Facilities

Matrix of Services Handbook (2012 Revised Edition)

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Jackson 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, 2013

REGULATORY CITATIONS (Continued)

Teacher Certification

Section 1012.42(2), FS	Teacher Teaching Out-of-Field; Notification Requirements
Section 1012.55, FS	Positions for Which Certificates Required
Rule 6A-1.0502, FAC	Non-certificated Instructional Personnel
Rule 6A-1.0503, FAC	Definition of Qualified Instructional Personnel
Rule 6A-4.001, FAC	Instructional Personnel Certification
Rule 6A-6.0907, FAC	Inservice Requirements for Personnel of Limited English Proficient Students

Virtual Education

Section 1002.321, FS	Digital Learning
Section 1002.37, FS	The Florida Virtual School
Section 1002.45, FS	Virtual Instruction Programs
Section 1002.455, FS	Student Eligibility for K-12 Virtual Instruction
Section 1003.498, FS	School District Virtual Course Offerings

Charter Schools

Section 1002.33, FS	Charter Schools

The accompanying notes are an integral part of this schedule.

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

NOTE A – SUMMARY

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

1. School District of Jackson County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Jackson 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 Jackson County.

For the fiscal year ended June 30, 2013, State funding through FEFP was provided to the District for 16 District schools other than charter schools, 2 District cost centers, and 1 virtual education cost center serving prekindergarten through twelfth grade students. The District reported 6,602.76 unweighted FTE, and received approximately $26 million in State funding through FEFP. 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, including charter schools, 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.

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

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. For brick and mortar school students, 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 that equals one FTE). For virtual education students, one student would be reported as one FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be a fraction of an FTE. Half-credit completions will be included in determining an FTE. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

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 2012-13 school year were conducted during and for the following weeks: survey one was performed for July 9 through 13, 2012; survey two was performed for October 8 through 12, 2012; survey three was performed for February 11 through 15, 2013; and survey four was performed for June 17 through 21, 2013.

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

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

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of schools, students, and teachers using judgmental methods for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2013. 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:

Jackson County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

NOTE B – SAMPLING (Continued)

School Name/Description	Finding Number(s)
District-Wide – Automated Student Attendance	1
District-Wide – Articulation Agreement	2
1. Marianna High School	3 and 4
2. Jackson County Early Childhood Center	NA
3. Malone School	5 through 7
4. Sneads High School	8
5. Sneads Elementary School	9
6. Hope School	10 and 11
7. Jackson Alternative School	12 through 14
8. Cottondale Elementary School	15
9. Graceville Elementary School	16 through 18
10. Jackson Virtual Instruction Program	19 and 20
11. District-Wide Hospital and Homebound Program	NA

DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL
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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
JACKSON COUNTY DISTRICT SCHOOL BOARD
FLORIDA EDUCATION FINANCE PROGRAM (FEFP)
STUDENT TRANSPORTATION

We have examined the Jackson County District School Board's compliance with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2013. 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 2012-13* 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.

Our examination procedures disclosed material noncompliance with the District's reported student ridership data as follows: 42 of the 240 students in our sample had exceptions involving their reported ridership classification or eligibility for State transportation funding. (See SCHEDULE G, Finding Nos. 3, 4, and 5.)

In our opinion, except for the material noncompliance mentioned above involving their reported ridership classification or eligibility for State transportation funding, the Jackson County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of students transported under the FEFP for the fiscal year ended June 30, 2013.

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report all deficiencies considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the District's compliance with State requirements and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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 their reported ridership classification or eligibility for State transportation funding. Our examination disclosed certain other findings that are required to be reported under *Government Auditing Standards* and those findings, along with the views of responsible officials, are described in SCHEDULE G and EXHIBIT A, respectively. The impact of this noncompliance on the District's reported number of transported students is presented in SCHEDULES F and G.

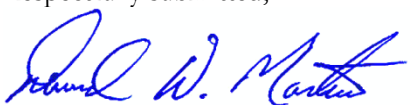
The District's written response to this examination has not been subjected to our examination procedures, and accordingly, we express no opinion on it.

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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 deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis.*

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
Tallahassee, Florida
October 15, 2014

SCHEDULE F

Jackson County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2013

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 Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. (See NOTE A1.)

As part of our examination procedures, we sampled students for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2013. (See NOTE B.) The population of vehicles (169) consisted of the total of the numbers of vehicles (buses, vans, or passenger cars) reported by the District for each survey. For example, a vehicle that transported students during the July and October 2012 and February and June 2013 surveys would be counted in the population as four vehicles. Similarly, the population of students (7,268) consisted of the total numbers of students reported by the District as having been transported for each survey. (See NOTE A2.) The District reported students in the following ridership categories:

Ridership Category	Number of Students Transported
IDEA (K-12), Weighted	305
IDEA (K-12), Unweighted	241
IDEA (PK), Weighted	52
Teenage Parents and Infants	5
Two Miles or More	6,555
Center to Center (IDEA), Unweighted	66
Center to Center (CTE and Dual Enrollment)	44
Total	7,268

Students with exceptions are students with exceptions affecting their ridership category. Students cited only for incorrect reporting of days in term, if any, are not included.

The accompanying notes are an integral part of this schedule.

SCHEDULE F (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2013

Our examination results are summarized below:

	Students	
Description	With Exceptions	Proposed Net Adjustment
We sampled 240 of the 7,268 students reported as being transported by the District.	42	(5)
We also noted certain issues in conjunction with our general tests of student transportation that resulted in the addition of 96 students.	96	(94)
Total	138	(99)

Our proposed net adjustment presents the net effect of noncompliance disclosed by our examination procedures. (See SCHEDULE G.)

The ultimate resolution of our proposed net adjustment and the computation of its financial impact is the responsibility of the Department of Education.

The accompanying notes are an integral part of this schedule.

SCHEDULE G

Jackson County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

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 2012-13* issued by the Department of Education. Except for the material noncompliance involving their reported ridership classification or eligibility for State transportation funding, the Jackson 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, 2013. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 35.

Findings	**Students Transported Proposed Net 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 2012 surveys and the February and June 2013 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 2012 survey and once for the February 2013 survey) will be presented in our Findings as two sample students.

1. [Ref. 51] Our general tests of student transportation disclosed that 26 PK students were incorrectly reported in the Two Miles or More ridership category. We determined that 2 of these students were eligible for reporting in the IDEA (PK), Unweighted ridership category. The remaining 24 students were not IDEA, were not enrolled in a Teenage Parent and Infant Program, and were not otherwise eligible for State transportation funding. We propose the following adjustments:

October 2012 Survey	
90 Days in Term	
Two Miles or More	(9)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Students Transported Proposed Net Adjustments**
February 2013 Survey		
90 Days in Term		
IDEA (PK), Unweighted	2	
Two Miles or More	(17)	(24)

2. [Ref. 52] The number of days in term for 29 students reported in the Center to Center (CTE and Dual Enrollment) ridership category was incorrectly reported. The students were reported for 54 days in term; however, the course schedule indicated the students should have been reported for 36 days in term. We propose the following adjustment:

February 2013 Survey		
54 Days in Term		
Center to Center (CTE and Dual Enrollment)	(29)	
36 Days in Term		
Center to Center (CTE and Dual Enrollment)	29	0

3. [Ref. 53] Thirty-six students in our sample were incorrectly reported in the IDEA (K-12), Unweighted ridership category. The students lived more than two miles from school and should have been reported in the Two Miles or More ridership category. We propose the following adjustments:

October 2012 Survey		
90 Days in Term		
IDEA (K-12), Unweighted	(16)	
Two Miles or More	16	
February 2013 Survey		
90 Days in Term		
IDEA (K-12), Unweighted	(20)	
Two Miles or More	20	0

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Jackson County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
For the Fiscal Year Ended June 30, 2013

Findings		**Students Transported Proposed Net Adjustments**
4. [Ref. 54] The IEP for one student in our sample in the IDEA (K-12), Weighted ridership category did not indicate that the student met at least one of the five criteria required for IDEA-Weighted classification. We did note that the student lived more than two miles from school and was eligible to be reported in the Two Miles or More ridership category. We propose the following adjustment:		
February 2013 Survey		
90 Days in Term		
IDEA (K-12), Weighted	(1)	
Two Miles or More	1	0
5. [Ref. 55] Seventy-five students (5 students were in our sample) lived less than two miles from their assigned schools and were not otherwise eligible for State transportation funding. We propose the following adjustments:		
October 2012 Survey		
90 Days in Term		
Two Miles or More	(50)	
February 2013 Survey		
90 Days in Term		
Two Miles or More	(25)	(75)
Proposed Net Adjustment		(99)

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Jackson County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2013

RECOMMENDATIONS

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) transportation personnel review their database for completeness and accuracy to ensure that students are reported in ridership categories that are appropriate for the students' grade level; (2) students are reported in the correct ridership category and for the correct number of days in term and have appropriate documentation on file to support that reporting; (3) students reported in an IDEA-Unweighted ridership category do not already meet requirements for reporting in the Two Miles or More ridership category which takes priority; (4) students reported in IDEA-Weighted classifications are appropriately documented as meeting one of the five criteria required for such classification as noted on the students' IEPs; and (5) the distance from home to school is verified prior to students being reported in the Two Miles or More ridership category.

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 1002.33, FS .....Charter Schools
Chapter 1006, Part I, E., FS .....Transportation of Public K-12 Students
Section 1011.68, FS .....Funds for Student Transportation
Chapter 6A-3, FAC .....Transportation
Student Transportation General Instructions 2012-13

The accompanying notes are an integral part of this schedule.

Jackson County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

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 be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes.

2. Transportation in Jackson County

For the fiscal year ended June 30, 2013, the District received approximately $1.63 million for student transportation as part of the State funding through FEFP. The District's transportation reporting by survey was as follows:

Survey Period	Number of Vehicles	Number of Students
July 2012	0	0
October 2012	81	3,602
February 2013	81	3,640
June 2013	7	26
Total	169	7,268

3. Statutes and Rules

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

Chapter 1002.33, FS..... Charter Schools
Chapter 1006, Part I, E., FS ..... Transportation of Public K-12 Students
Section 1011.68, FS ..... Funds for Student Transportation
Chapter 6A-3, FAC ..... Transportation

Jackson County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

NOTE B – SAMPLING

Our examination procedures provided for the selection of samples of buses and students using judgmental methods for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2013. 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

THE SCHOOL BOARD OF JACKSON COUNTY

Steve R. Benton Sr.
Superintendent of Schools

2903 Jefferson Street
P. O. Box 5958
Marianna, Florida 32447
Telephone 850-482-1200
Fax 850-482-1299

October 15, 2014

Auditor General, Mr. David W. Martin, CPA
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Mr. Martin,

The Jackson County School Board is in receipt of the draft copy of *the Independent Auditor's Report: Jackson County District School Board Full-Time Equivalent (FTE) Students Report* and the *Independent Auditor's Report: Jackson County District School Board Student Transportation.* It is the express desire of the Jackson County School Board to comply with all state Statutes and mandates in regards to accurately reporting the District's Full-Time Equivalent (FTE) data. All diligence is used to ensure that the data reported is reported accurately. It was a pleasure to have your office review our data reporting process, and we offer the following responses to your draft findings.

In the FTE Students Report, your examination procedures disclosed instances of material noncompliance in two categories: teachers and students. Eight of the 57 teachers in our sample did not meet State requirements governing certification; School Board approval of out-of-field assignments; notification of parents regarding out-of-field teachers; the earning of college credit for certification; procedures for Virtual Education reporting; and accurate completion of documentation and forms. In each of the findings (finding Nos. 1, 5, 8, 10, 11, 12, 13, 14, 19 and 20), the Jackson County School Board agrees with the finding. To prevent the same issue from re-occurring, the Jackson County School Board will use due diligence in checking personnel records of teachers hired to ensure that they possess the necessary certification required to meet state requirements. Teachers that are presently lacking in-field requirements will be encouraged to attend district funded professional development to secure the necessary classes for in-field certification. Principals will be reminded of the requirements to accurately notify parents and School Board of teachers who are out-of-field. The District will retain a log from automated student attendance recordkeeping system for auditing purposes. The District will review procedures for accurately reporting virtual students. Jackson County School Board will make every effort to complete required paperwork and documentation in an accurate manner. Jackson County School Board also accepts the finding (finding No 2) concerning the Articulation Agreement with Chipola College. In response, the District will have the correct documentation on file each year with the college.

Terry E. Nichols District 1 | **Kenneth R. Griffin** District 2 | **Stacey B. Goodson** District 3 | **Chris M. Johnson** District 4 | **Charlotte M. Gardner** District 5

An Equal Opportunity Employer

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Page 2
Auditor General

In each of the findings (finding Nos. 4, 6, 9, 15, 16, 17, and 18), the Jackson County School Board agrees. In regards to students, the district will enforce the ESOL staffing form with training for counselors to ensure all reporting and documentation is completed in a timely and correct manner.

Jackson County School District agrees with findings 3 and 7. The district will review procedures for collecting documentation needed for OJT students (timecards).

For the *Jackson County District School Board Student Transportation Report*, The Jackson County School Board accepts the findings (Findings 1-5) as presented in the report. Our corrective action will include exercising more care, providing effective in-service to bus drivers, and taking corrective action, as appropriate, to ensure that: (1) transportation personnel review data for accuracy to ensure that transported students are reported in the correct rider-ship category and for the correct number of days-in-term; (2) the distance from home to school for students classified in the Two Miles or More rider-ship category is verified prior to reporting; and (3) only ESE students, who are properly classified and documented as disabled, are reported in IDEA rider-ship categories, pursuant to the authorization of their IEPs.

Again, be assured that the Jackson County School Board will work hard to ensure that all recommendations in your draft report are corrected. Our staff is dedicated to providing quality education to all students residing in Jackson County.

Sincerely,

Steve R. Benton, Sr.
Superintendent of Schools
Jackson County School District