STATE OF FLORIDA AUDITOR GENERAL

Attestation Examination

Report No. 2017-212
June 2017

BAY COUNTY
DISTRICT SCHOOL BOARD

Florida Education Finance Program
Full-Time Equivalent Student Enrollment
and
Student Transportation

For the Fiscal Year Ended
June 30, 2016

Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2015-16 fiscal year, William V. Husfelt, III, served as Superintendent and the following individuals served as Board members:

Board Member	District No.
Jerry L. Register	1
Ginger Littleton, Vice Chair	2
Joe Wayne Walker	3
Ryan Scott Neves	4
Steven T. Moss, Chair	5

The team leader was John Ray Speaks, Jr., CPA, and the examination was supervised by Aileen B. Peterson, CPA, CPM.

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BAY COUNTY DISTRICT SCHOOL BOARD

TABLE OF CONTENTS

Page No.

SUMMARY i

INDEPENDENT AUDITOR'S REPORT ON FULL-TIME EQUIVALENT STUDENT ENROLLMENT 1

SCHEDULE A – POPULATIONS, TEST SELECTION, AND TEST RESULTS

Reported Full-Time Equivalent Student Enrollment 4

Schools and Students 4

Teachers 5

Proposed Adjustments 5

SCHEDULE B – EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FULL-TIME EQUIVALENT STUDENT ENROLLMENT 6

SCHEDULE C – PROPOSED ADJUSTMENTS BY SCHOOL 7

SCHEDULE D – FINDINGS AND PROPOSED ADJUSTMENTS

Overview 12

Findings 12

SCHEDULE E – RECOMMENDATIONS AND REGULATORY CITATIONS 28

NOTES TO SCHEDULES 31

INDEPENDENT AUDITOR'S REPORT ON STUDENT TRANSPORTATION 34

SCHEDULE F – POPULATIONS, TEST SELECTION, AND TEST RESULTS 37

SCHEDULE G – FINDINGS AND PROPOSED ADJUSTMENTS

Overview 39

Findings 39

SCHEDULE H – RECOMMENDATIONS AND REGULATORY CITATIONS 48

NOTES TO SCHEDULES 49

MANAGEMENT'S RESPONSE 50

BAY COUNTY DISTRICT SCHOOL BOARD

LIST OF ABBREVIATIONS

ASD	Autism Spectrum Disorder
CMW	Class Minutes, Weekly
DIT	Days in Term
DEUSS	Date Entered United States School
ELL	English Language Learner
ESE	Exceptional Student Education
ESOL	English for Speakers of Other Languages
FAC	Florida Administrative Code
FEFP	Florida Education Finance Program
FLVS	Florida Virtual School
FTE	Full-Time Equivalent
IDEA	Individuals with Disabilities Education Act
IEP	Individual Educational Plan
MIS	Management Information System
OJT	On-the-Job Training
PK	Prekindergarten
SBE	State Board of Education

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 not available at the time of our examination and could not be subsequently located for students in ESOL, Career Education 9-12, and student transportation, the Bay County District School Board (District) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment and student transportation as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2016. Specifically, we noted:

- State requirements governing teacher certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, or the earning of required in-service training points in ESOL strategies were not met for 20 of the 145 teachers in our test. Fourteen (10 percent) of the 145 teachers in our test taught at charter schools and 6 (30 percent) of the 20 teachers with exceptions taught at charter schools.
- Exceptions involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for 18 of the 71 students in our ESOL test and 41 of the 78 students in our Career Education 9-12 test. Eight (11 percent) of the 71 students in our ESOL test attended charter schools and 3 (17 percent) of the 18 students with exceptions attended charter schools. Similarly, 24 (31 percent) of the 78 students in our Career Education 9-12 test attended charter schools and 18 (44 percent) of the 41 students with exceptions attended charter schools.
- Exceptions involving the reported ridership classification or eligibility for State transportation funding for 34 of the 355 students in our student transportation test in addition to 10,036 students identified in our general tests.

Noncompliance related to the reported FTE student enrollment resulted in 55 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled negative 47.0134 (43.4843 applicable to District schools other than charter schools and 3.5291 applicable to charter schools) but has a potential impact on the District's weighted FTE of negative 100.2472 (90.9969 applicable to District schools other than charter schools and 9.2503 applicable to charter schools). Noncompliance related to student transportation resulted in 13 findings and a proposed net adjustment of negative 10,050 students.

The weighted adjustments to the FTE student enrollment are presented in our report for illustrative purposes only. The weighted adjustments to the 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 the FTE may be estimated by multiplying the proposed net weighted adjustment to the FTE student enrollment by the base student allocation amount. The base student allocation for the fiscal year ended June 30, 2016, was $4,154.45 per FTE. For the District, the estimated gross dollar effect of our proposed adjustments to the reported FTE student enrollment is negative $416,472 (negative 100.2472 times $4,154.45), of which $378,042 is applicable to District schools other than charter schools and $38,430 is applicable to 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 the FTE student enrollment and student transportation and the computation of their financial impact is the responsibility of the Department of Education.

THE DISTRICT

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Bay County, Florida. Those services are provided primarily to PK through 12th-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 SBE. The geographic boundaries of the District are those of Bay 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. The District had 37 schools other than charter schools, 10 charter schools, 2 cost centers, and 3 virtual education cost centers serving PK through 12th-grade students.

For the fiscal year ended June 30, 2016, State funding totaling $75.1 million was provided through the FEFP to the District for the District-reported 27,124.66 unweighted FTE as recalibrated, which included 3,927.01 unweighted FTE as recalibrated for charter schools. The primary sources of funding for the District are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

FEFP

FTE Student Enrollment

Florida school districts receive State funding through the FEFP to serve PK through 12th-grade students (adult education is not funded by the FEFP). The 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 that 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 costs for equivalent educational programs due to sparsity and dispersion of student population.

The funding provided by the FEFP is based on 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 student enrollment. For brick and mortar school students, one student would be reported as 1.0 FTE if the student was enrolled in six courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 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 reported as a fraction of an FTE. Half-credit completions will be included in determining an FTE student enrollment. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

All FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the Department of Juvenile Justice for students beyond the 180-day school year. School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The Department of Education combines all FTE student enrollment reported for the student by all school districts, including the FLVS Part-Time Program, using a common student identifier. The Department of Education then recalibrates all reported FTE student enrollment for each student to 1.0 FTE if the total reported FTE for the student exceeds 1.0 FTE. The FTE student enrollment reported for extended school year periods and the Department of Juvenile Justice FTE student enrollment reported beyond the 180-day school year is not included in the recalibration to 1.0 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 2 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 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 $5.1 million for student transportation as part of the State funding through the FEFP.

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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

Report on Full-Time Equivalent Student Enrollment

We have examined the Bay County District School Board's (District's) compliance with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment reported under the Florida Education Finance Program for the fiscal year ended June 30, 2016. 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 2015-16* issued by the Department of Education.

Management's Responsibility for Compliance

District management is responsible for the District's compliance with the aforementioned State requirements, including the design, implementation, and maintenance of internal control to prevent, or detect and correct, noncompliance due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the District's compliance with State requirements based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the classification, assignment, and verification of the full-time equivalent student enrollment reported by the District under the Florida Education Finance Program complied with State requirements in all material respects.

An examination involves performing procedures to obtain evidence about whether the District complied with State requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for

our opinion. Our examination does not provide a legal determination on the District's compliance with State requirements. The legal determination of the District's compliance with these requirements is the responsibility of the Department of Education.

Opinion

Our examination disclosed material noncompliance with State requirements relating to the classification, assignment, and verification of full-time equivalent student enrollment as reported under the Florida Education Finance Program for teachers and students in our English for Speakers of Other Languages and Career Education 9-12 tests involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located.

In our opinion, except for the material noncompliance with State requirements described in the preceding paragraph involving teachers and reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages and Career Education 9-12, the Bay County District School Board complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent student enrollment reported under the Florida Education Finance Program for the fiscal year ended June 30, 2016.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses[1] 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 that has a material effect on the District's compliance with State requirements; and abuse that has a material effect on the District's compliance with State requirements. 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.

We performed our examination to express an opinion on the District's compliance with State requirements and not for the purpose of expressing an opinion on the District's related internal control over compliance with State requirements; accordingly, we express no such opinion. Because of its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. 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 not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages and Career Education 9-12. Our examination disclosed certain findings that are required to be reported under *Government Auditing*

[1] 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.

Standards and all findings, along with the views of responsible officials, are described in *SCHEDULE D* and *MANAGEMENT'S RESPONSE*, respectively. The impact of this noncompliance with State requirements on the District's reported full-time equivalent student enrollment 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.

Purpose of this Report

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 American Institute of Certified Public Accountants require us to indicate that the purpose of this report is to provide an opinion on the District's compliance with State requirements. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
June 7, 2017

SCHEDULE A

POPULATIONS, TEST SELECTION, AND TEST RESULTS
FULL-TIME EQUIVALENT STUDENT ENROLLMENT

Reported FTE Student Enrollment

The funding provided by the FEFP is based on the numbers of individual students participating in particular educational programs. The FEFP funds ten specific programs that are grouped under the following four general program titles: Basic, ESOL, ESE, and Career Education 9-12. The unweighted FTE represents the FTE prior to the application of the specific cost factor for each program. (See *SCHEDULE B* and NOTE A3., A4., and A5.) For the fiscal year ended June 30, 2016, the Bay County District School Board (District) reported to the Department of Education 27,124.66 unweighted FTE as recalibrated, which included 3,927.01 unweighted FTE as recalibrated for charter schools, at 37 District schools other than charter schools, 10 charter schools, 2 cost centers, and 3 virtual education cost centers.

Schools and Students

As part of our examination procedures, we tested the FTE student enrollment reported to the Department of Education for schools and students for the fiscal year ended June 30, 2016. (See NOTE B.) The population of schools (52) consisted of the total number of brick and mortar schools in the District that offered courses, including charter schools, as well as the virtual education cost centers in the District that offered virtual instruction in the FEFP-funded programs. The population of students (10,699) consisted of the total number of students in each program at the schools and cost centers in our tests. Our Career Education 9-12 student test data includes only those students who participated in OJT.

We noted the following material noncompliance: exceptions involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for 18 of the 71 students in our ESOL test[2] and 41 of the 78 students in our Career Education 9-12 test.[3] Eight (11 percent) of the 71 students in our ESOL test attended charter schools and 3 (17 percent) of the 18 students with exceptions attended charter schools. Similarly, 24 (31 percent) of the 78 students in our Career Education 9-12 test attended charter schools and 18 (44 percent) of the 41 students with exceptions attended charter schools.

[2] For ESOL, the material noncompliance is composed of Findings 2, 3, 16, 20, 22, 26, 27, 38, and 47 on *SCHEDULE D*.

[3] For Career Education 9-12, the material noncompliance is composed of Findings 15, 24, 28, 29, 30, 31, 40, and 41 on *SCHEDULE D*.

Our populations and tests of schools and students are summarized as follows:

Programs	Number of Schools Population	Number of Schools Test	Number of Students at Schools Tested Population	Number of Students at Schools Tested Test	Students With Exceptions	Recalibrated Unweighted FTE Population	Recalibrated Unweighted FTE Test	Proposed Adjustments
Basic	48	15	8,353	162	3	20,769.7900	126.2656	(1.0540)
Basic with ESE Services	49	14	1,578	95	3	4,667.5600	77.8163	1.8408
ESOL	39	11	220	71	18	451.0300	53.6448	(20.1425)
ESE Support Levels 4 and 5	32	9	385	209	18	651.2500	181.6855	(18.4793)
Career Education 9-12	12	3	163	78	41	585.0300	12.7738	(9.1784)
All Programs	52	16	10,699	615	83	27,124.6600	452.1860	(47.0134)

Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (373, of which 344 are applicable to District schools other than charter schools and 29 are applicable to charter schools) consisted of the total number of teachers at schools in our test who taught courses in ESE Support Levels 4 and 5, Career Education 9-12, or taught courses to ELL students, and of the total number of teachers reported under virtual education cost centers in our test who taught courses in Basic, Basic with ESE Services, ESE Support Levels 4 and 5, Career Education 9-12, or taught courses to ELL students.

We noted the following material noncompliance: State requirements governing teacher certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, or the earning of required in-service training points in ESOL strategies were not met for 20 of the 145 teachers in our test.[4] Fourteen (10 percent) of the 145 teachers in our test taught at charter schools and 6 (30 percent) of the 20 teachers with exceptions 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 test of teacher qualifications. Our proposed adjustments generally reclassify the 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 the FTE student enrollment and the computation of their financial impact is the responsibility of the Department of Education.

[4] For teachers, the material noncompliance is composed of Findings 4, 5, 13, 17, 21, 23, 32, 34, 35, 36, 37, 45, 46, 48, and 52 on *SCHEDULE D*.

SCHEDULE B

EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FULL-TIME EQUIVALENT STUDENT ENROLLMENT

District Schools Other Than Charter Schools		Proposed Net	Cost	Weighted
No.	Program (1)	Adjustment (2)	Factor	FTE (3)
101	Basic K-3	9.7199	1.115	10.8377
102	Basic 4-8	10.4487	1.000	10.4487
103	Basic 9-12	(24.6247)	1.005	(24.7478)
111	Grades K-3 with ESE Services	3.1932	1.115	3.5604
112	Grades 4-8 with ESE Services	2.2971	1.000	2.2971
113	Grades 9-12 with ESE Services	(4.0255)	1.005	(4.0456)
130	ESOL	(16.9537)	1.180	(20.0054)
254	ESE Support Level 4	(16.8612)	3.613	(60.9195)
255	ESE Support Level 5	(.4023)	5.258	(2.1153)
300	Career Education 9-12	(6.2758)	1.005	(6.3072)
	Subtotal	(43.4843)		(90.9969)

Charter Schools		Proposed Net	Cost	Weighted
No.	Program (1)	Adjustment (2)	Factor	FTE (3)
101	Basic K-3	.3421	1.115	.3814
102	Basic 4-8	2.4622	1.000	2.4622
103	Basic 9-12	.5978	1.005	.6008
113	Grades 9-12 with ESE Services	.3760	1.005	.3779
130	ESOL	(3.1888)	1.180	(3.7628)
255	ESE Support Level 5	(1.2158)	5.258	(6.3927)
300	Career Education 9-12	(2.9026)	1.005	(2.9171)
	Subtotal	(3.5291)		(9.2503)

Total of Schools		Proposed Net	Cost	Weighted
No.	Program (1)	Adjustment (2)	Factor	FTE (3)
101	Basic K-3	10.0620	1.115	11.2191
102	Basic 4-8	12.9109	1.000	12.9109
103	Basic 9-12	(24.0269)	1.005	(24.1470)
111	Grades K-3 with ESE Services	3.1932	1.115	3.5604
112	Grades 4-8 with ESE Services	2.2971	1.000	2.2971
113	Grades 9-12 with ESE Services	(3.6495)	1.005	(3.6677)
130	ESOL	(20.1425)	1.180	(23.7682)
254	ESE Support Level 4	(16.8612)	3.613	(60.9195)
255	ESE Support Level 5	(1.6181)	5.258	(8.5080)
300	Career Education 9-12	(9.1784)	1.005	(9.2243)
	Total	(47.0134)		(100.2472)

Notes: (1) See NOTE A7.

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

(3) Weighted adjustments to the FTE are presented for illustrative purposes only. The weighted adjustments to the 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 A5.)

SCHEDULE C

PROPOSED ADJUSTMENTS BY SCHOOL
FULL-TIME EQUIVALENT STUDENT ENROLLMENT

No.	Program	Districtwide	Proposed Adjustments (1) #0081	#0161	Balance Forward
101	Basic K-3	.....	.....	.....	.0000
102	Basic 4-8	.....	. 8592	1.8230	2.6822
103	Basic 9-12	(29.6063)	.....	.....	(29.6063)
111	Grades K-3 with ESE Services	.....	.....	.....	.0000
112	Grades 4-8 with ESE Services	.....	.....	.....	.0000
113	Grades 9-12 with ESE Services	(3.5657)	.....	.....	(3.5657)
130	ESOL	(.2243)	(.8592)	(2.3230)	(3.4065)
254	ESE Support Level 4	(.2016)	.....	.....	(.2016)
255	ESE Support Level 5	(.0312)	.....	.....	(.0312)
300	Career Education 9-12	(3.1567)	.....	.....	(3.1567)
Total		(36.7858)	.0000	(.5000)	(37.2858)

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

No.	Brought Forward	Proposed Adjustments (1) #0171	#0241	#0281	#0341	Balance Forward
101	.0000	.....	.....	.....	.....	.0000
102	2.6822	.....	.....	.....	.....	2.6822
103	(29.6063)	.....	.....	.....	1.4200	(28.1863)
111	.0000	1.0000	.5556	1.6719	.....	3.2275
112	.0000	.....	2.4966	.....	.....	2.4966
113	(3.5657)	.....	.....	.0402	.....	(3.5255)
130	(3.4065)	.....	.....	.....	(1.4200)	(4.8265)
254	(.2016)	(1.0000)	(3.0522)	(1.3381)	.....	(5.5919)
255	(.0312)	.....	.....	(.4142)	(.0400)	(.4854)
300	(3.1567)	.....	.....	.....	(.5479)	(3.7046)
Total	(37.2858)	.0000	.0000	(.0402)	(.5879)	(37.9139)

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

		Proposed Adjustments (1)				
No.	Brought Forward	#0461	#0511	#0551	#0571	Balance Forward
101	.0000	5.7573	.....	.....	3.9626	9.7199
102	2.6822	2.5776	.8592	.....	4.4066	10.5256
103	(28.1863)	.....	.....	3.8784	.....	(24.3079)
111	3.2275	.4445	.....	.....	.....	3.6720
112	2.4966	.....	.....	.....	.....	2.4966
113	(3.5255)	.....	.....	(.5000)	.....	(4.0255)
130	(4.8265)	(2.5776)	(.8592)	(4.2500)	(4.4404)	(16.9537)
254	(5.5919)	(6.7018)	.....	(.5556)	(4.0119)	(16.8612)
255	(.4854)	.....	.....	.....	.0831	(.4023)
300	(3.7046)	.....	.....	(2.5712)	.....	(6.2758)
Total	(37.9139)	(.5000)	.0000	(3.9984)	.0000	(42.4123)

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

No.	Brought Forward	Proposed Adjustments (1) #0731*	#0741*	#0751*	#7001	Balance Forward
101	9.7199	.....	.....	.3421	.....	10.0620
102	10.5256	.2917	.....	2.1705	.....	12.9878
103	(24.3079)	.....	.5978	.....	.....	(23.7101)
111	3.6720	.....	.....	.....	(.4788)	3.1932
112	2.4966	.....	.....	.....	.....	2.4966
113	(4.0255)	.....	.3760	.....	.....	(3.6495)
130	(16.9537)	(.2917)	(.3845)	(2.5126)	.....	(20.1425)
254	(16.8612)	.....	.....	.....	.....	(16.8612)
255	(.4023)	.....	(1.2158)	.....	.....	(1.6181)
300	(6.2758)	.....	(2.9026)	.....	.....	(9.1784)
Total	(42.4123)	.0000	(3.5291)	.0000	(.4788)	(46.4202)

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

*Charter School

No.	Program	Brought Forward	Proposed Adjustments (1) #7004	#7006	Total
101	Basic K-3	10.0620	.....	.....	10.0620
102	Basic 4-8	12.9878	.....	(.0769)	12.9109
103	Basic 9-12	(23.7101)	(.1667)	(.1501)	(24.0269)
111	Grades K-3 with ESE Services	3.1932	.....	.....	3.1932
112	Grades 4-8 with ESE Services	2.4966	(.0204)	(.1791)	2.2971
113	Grades 9-12 with ESE Services	(3.6495)	.....	.....	(3.6495)
130	ESOL	(20.1425)	.....	.....	(20.1425)
254	ESE Support Level 4	(16.8612)	.....	.....	(16.8612)
255	ESE Support Level 5	(1.6181)	.....	.....	(1.6181)
300	Career Education 9-12	(9.1784)	.....	.....	(9.1784)
Total		(46.4202)	(.1871)	(.4061)	(47.0134)

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

SCHEDULE D

FINDINGS AND PROPOSED ADJUSTMENTS
FULL-TIME EQUIVALENT STUDENT ENROLLMENT

Overview

Management is responsible for determining that the FTE student enrollment as reported under the FEFP is in compliance with State requirements. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; SBE Rules, Chapter 6A-1, FAC; and the *FTE General Instructions 2015-16* 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 not available at the time of our examination and could not be subsequently located for students in ESOL and Career Education 9-12, the Bay County District School Board (District) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP for the fiscal year ended June 30, 2016. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action as presented in *SCHEDULE E*.

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

Our examination included the July and October 2015 reporting survey periods and the February and June 2016 reporting survey periods (See NOTE A6.). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2015 reporting survey period or the February 2016 reporting survey period or both. Accordingly, our Findings do not mention specific reporting survey periods unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Districtwide – Reporting Hourly Equivalent for 12th-grade Students (Seniors)

1. [Ref. 10101] During our examination of the District's calendars and schools' bell schedules, we noted that 5 of the 13 schools in our test that were following the *2015-16 Bay District School Calendar* did not meet the 900 hourly equivalent (specifically for 12th-grade students in high schools) prescribed by the *Florida Department of Education 2015-16 FTE General Instructions* (*General Instructions*), page 2. The *General Instructions* provided that "each school district that participates in the state appropriations for the FEFP must operate all schools for a term of 180 actual teaching days or the hourly equivalent of 180 actual teaching days as prescribed by Section 1011.60(2), Florida Statutes, or the hourly equivalent of 180 actual teaching days, as prescribed by SBE Rule 6A-1.045111, FAC." The hourly equivalent for students in grades 4 through 12 is 900 instructional hours (5 hours per day for 180 days). The District's calendar for the 2015-16 school year was scheduled for only 176 days and, therefore, did not meet the hourly equivalent of 900 instructional hours.

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

Districtwide – Reporting Hourly Equivalent for 12th-grade Students (Seniors) (Continued)

In addition to the reduced calendar of 176 days, the District calendar included early release days and provided that seniors (12th-grade students) were only scheduled to attend 167 of the 176 days of instruction. In response to our inquiries, District management stated that the instructional calendar for high school seniors was shortened so that the last day of instruction for all high school seniors coincided with the District's first high school graduation ceremony for the 2015-16 school year. However, the students' last day was May 18, 2016, and the first high school graduation occurred on May 23, 2016.

Our recalculation of the actual hourly equivalent after considering the above-noted issues disclosed that the course schedules for 1,273 students supported between 868.75 and 884.12 of the required 900 hours of annual instruction (or between .9653 and .9824 total FTE) rather than 1.0000 FTE for the 2015-16 school year, resulting in 36.7858 FTE being over reported.

Accordingly, we propose the following adjustment:

103 Basic 9-12	(29.6063)	
113 Grades 9-12 with ESE Services	(3.5657)	
130 ESOL	(.2243)	
254 ESE Support Level 4	(.2016)	
255 ESE Support Level 5	(.0312)	
300 Career Education 9-12	(3.1567)	(36.7858)
		(36.7858)

Hutchison Beach Elementary School (#0081)

2. [Ref. 8101] An ELL Committee was not convened by October 1 to consider one student's continued ESOL placement beyond 3 years from the student's DEUSS. Also, the student's *ELL Student Plan* was incomplete as the course schedule supporting the courses that would employ ESOL strategies was not made a part of the student's *ELL Student Plan* until after the October 2015 reporting survey period. We propose the following adjustment:

102 Basic 4-8	.8592	
130 ESOL	(.8592)	.0000
		.0000

Findings		Proposed Net Adjustments (Unweighted FTE)
Jinks Middle School (#0161)		
3. [Ref. 16101] One ELL student who was enrolled in the ESOL Program was not in membership during the October 2015 reporting survey period and should not have been reported for FEFP funding. Although the student moved out of the country on October 6, 2015, School staff indicated that the student's withdrawal date was recorded as of October 19, 2015, to coincide with the end of the grading period. We propose the following adjustment:		
130 ESOL	(.5000)	(.5000)
4. [Ref. 16171/72] The parents of ELL students taught by two out-of-field teachers were not notified of the teachers' out-of-field status in ESOL until October 20, 2015, which was after the October 2015 reporting survey period. We also noted that one of the teachers (Ref. 16171) had earned only 60 of the 180 in-service training points in ESOL strategies required by SBE Rule 6A-1.0503(4)(b)2., FAC, and the teacher's in-service training timeline. We propose the following adjustments:		
Ref. 16171		
102 Basic 4-8	.2533	
130 ESOL	(.2533)	.0000
Ref. 16172		
102 Basic 4-8	.0883	
130 ESOL	(.0883)	.0000
5. [Ref. 16173] One teacher taught a Basic subject area class that included ELL students but had earned only 30 of the 60 in-service training points in ESOL strategies required by SBE Rule 6A-6.0907, FAC, and the teacher's in-service training timeline. We propose the following adjustment:		
102 Basic 4-8	1.4814	
130 ESOL	(1.4814)	.0000
		(.5000)
Lynn Haven Elementary School (#0171)		
6. [Ref. 17101] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:		
111 Grades K-3 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000
		.0000

Findings	Proposed Net Adjustments (Unweighted FTE)

St. Andrew School (#0241)

7. [Ref. 24101] The course schedules for several students were incorrectly reported. The School's daily instructional schedule provided by the school supported 1,907 instructional minutes weekly and met the minimum reporting of CMW; however, the students' course schedules reported were not in agreement with the School's daily instructional schedule. The students were reported for class minutes ranging from 1725 to 1775 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the correct number of CMW according to the School's daily instructional schedule. Since most of the students were reported at only one school for the entire school year and the reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. As such, we present this disclosure finding with no proposed adjustment.

.0000

8. [Ref. 24102] Student files for three ESE students did not evidence that the *Matrix of Services* forms had been reviewed and updated when the students' new IEPs were prepared. We propose the following adjustment:

111 Grades K-3 with ESE Services	.5556	
112 Grades 4-8 with ESE Services	1.5000	
254 ESE Support Level 4	(2.0556)	.0000

9. [Ref. 24103] The *Matrix of Services* form and IEP for one ESE student who had enrolled from another State on October 14, 2015, were considered insufficient as they were not written until November 10, 2015, which was after the October 2015 reporting survey period. Accordingly, we propose the following adjustment:

112 Grades 4-8 with ESE Services	.4966	
254 ESE Support Level 4	(.4966)	.0000

10. [Ref. 24104] The *Matrix of Services* form that accompanied one ESE student's IEP was not reviewed and updated until February 16, 2016, which was after the February 2016 reporting survey period. We propose the following adjustment:

112 Grades 4-8 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
		.0000

Findings		Proposed Net Adjustments (Unweighted FTE)
Margaret K. Lewis in Millville (#0281)		
11. [Ref. 28101] The *Matrix of Services* form for one ESE student included 13 Special Consideration points in the ratings total, indicating that the student was in the Hospital and Homebound Program receiving face-to-face instruction in the home. However, the student was receiving instruction as a home-based student and not based on a medical need prescribed by a doctor's note (i.e., a *Physician's Statement* form). We also noted that this student had withdrawn from the School on October 27, 2015, was not in membership at this School during the February 2016 reporting survey period, and should not have been reported for FEFP funding. We propose the following adjustment:		
113 Grades 9-12 with ESE Services	.0402	
255 ESE Support Level 5	(.0804)	(.0402)
12. [Ref. 28102] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:		
254 ESE Support Level 4	(.5000)	
255 ESE Support Level 5	.5000	.0000
13. [Ref. 28171] 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 a course that also required the PK Disabilities Endorsement. We also noted that the parents of the students were not notified of the teacher's out-of-field status. We propose the following adjustment:		
111 Grades K-3 with ESE Services	1.6719	
254 ESE Support Level 4	(.8381)	
255 ESE Support Level 5	(.8338)	.0000
		(.0402)
Rutherford High School (#0341)		
14. [Ref. 34101] The homebound instructor's contact log for one ESE student enrolled in the Hospital and Homebound Program was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:		
255 ESE Support Level 5	(.0400)	(.0400)
15. [Ref. 34102] The timecards for five Career Education 9-12 students who participated in OJT were not available at the time of our examination and could not be subsequently located. We propose the following adjustment:		

Findings		Proposed Net Adjustments (Unweighted FTE)
Rutherford High School (#0341) (Continued)		
300 Career Education 9-12	(.5479)	(.5479)

16. [Ref. 34103] ELL Committees for three students were either not convened by October 1 (two students) or within 30 school days prior to the student's DEUSS anniversary date (one student) to consider the students' continued ESOL placements beyond 3 years from the students' DEUSS. We also noted that the English language proficiency for one of the students was not assessed within 30 school days prior to the student's DEUSS anniversary date. We propose the following adjustment:

103 Basic 9-12	1.2780	
130 ESOL	(1.2780)	.0000

17. [Ref. 34171] One teacher taught Basic subject area classes that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by SBE Rule 6A-6.0907, FAC, and the teacher's in-service training timeline. We propose the following adjustment:

103 Basic 9-12	.1420	
130 ESOL	(.1420)	.0000
		(.5879)

Deer Point Elementary School (#0461)

18. [Ref. 46101] One ESE student was not in attendance during the reporting survey period and should not have been reported for FEFP funding. We propose the following adjustment:

254 ESE Support Level 4	(.5000)	(.5000)

19. [Ref. 46102] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:

111 Grades K-3 with ESE Services	.4445	
254 ESE Support Level 4	(.4445)	.0000

20. [Ref. 46103] The *ELL Student Plan*s for three students enrolled in the ESOL Program were incomplete as the *Plans* did not include relevant instructional programs and courses that were to employ ESOL strategies. We propose the following adjustment:

102 Basic 4-8	2.5776	
130 ESOL	(2.5776)	.0000

Findings	Proposed Net Adjustments (Unweighted FTE)

Deer Point Elementary School (#0461) (Continued)

21. [Ref. 46171] 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 also required the ASD Endorsement. We also noted that the parents of the students were not notified of the teacher's out-of-field status. We propose the following adjustment:

101	Basic K-3	5.7573	
254	ESE Support Level 4	(5.7573)	.0000
			(.5000)

Tommy Smith Elementary School (#0511)

22. [Ref. 51101] An ELL Committee was not convened by October 1 to consider one student's continued ESOL placement beyond 3 years from the student's DEUSS. We propose the following adjustment:

102	Basic 4-8	.8592	
130	ESOL	(.8592)	.0000
			.0000

J.R. Arnold High School (#0551)

23. [Ref. 55172] The parents of one ELL student taught by one out-of-field teacher were not notified of the teacher's out-of-field status in ESOL until October 20, 2015, which was after the October 2015 reporting survey period. Since the student involved is cited in Finding 27 (Ref. 55105/06), we present this disclosure finding with no proposed adjustment.

.0000

24. [Ref. 55101] School staff utilized Focus School Software (Focus), a customized Web-based system for student information for recording attendance. However, it was disclosed that the School's Registrar did not verify that teachers who only taught PK students recorded attendance. The Registrar was able to obtain the *Teacher Completion Reports* generated from Focus to determine whether teachers had taken a daily attendance and to follow up with those teachers that did not take attendance. Additionally, the PK teachers were not required to review, sign, and return to the School's Registrar the *Attendance Verification Reports* that also were generated *(Finding Continues on Next Page)*

J.R. Arnold High School (#0551) (Continued)

from Focus and were intended to provide teachers with the capability to review and verify the attendance data recorded in Focus. The Registrar acknowledged that the PK classes were considered a separate entity from the High School and the student information was not reviewed and verified for accuracy.

Despite the exceptions noted above, we were able to validate that the students were in attendance with the exception of two students in our ESE Support Levels 4 and 5 test. In addition, we noted that one student in our Career Education 9-12 test was not in attendance. Thus, School records did not demonstrate that the students were in attendance during the February 2016 reporting survey period and these students should not have been reported for FEFP funding. We propose the following adjustment:

103 Basic 9-12	(.3716)	
254 ESE Support Level 4	(1.0556)	
300 Career Education 9-12	(.0608)	(1.4880)

25. [Ref. 55103] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:

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

26. [Ref. 55104] The file for one ELL student in the ESOL Program was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

103 Basic 9-12	.2812	
130 ESOL	(.2812)	.0000

27. [Ref. 55105/06] ELL Committees for five students were either not convened by October 1 (four students) or within 30 school days prior to the student's DEUSS anniversary date (one student) to consider the students' continued ESOL placements beyond 3 years from the students' DEUSS. We also noted that two of the students' files did not contain *ELL Student Plan*s covering the reporting survey periods. We propose the following adjustments:

Ref. 55105		
103 Basic 9-12	1.7579	
130 ESOL	(1.7579)	.0000

Findings		Proposed Net Adjustments (Unweighted FTE)
J.R. Arnold High School (#0551) (Continued)		
Ref. 55106		
103 Basic 9-12	.7188	
130 ESOL	(.7188)	.0000

28. [Ref. 55107] The timecards for eight Career Education 9-12 students who participated in OJT were not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

300 Career Education 9-12	(1.4060)	(1.4060)

29. [Ref. 55108] The timecards for four Career Education 9-12 students who participated in OJT indicated that the students were not employed during the February 2016 reporting survey period. We propose the following adjustment:

300 Career Education 9-12	(.4014)	(.4014)

30. [Ref. 55109] The timecards for four Career Education 9-12 students who participated in OJT were not signed by the students' employers. We propose the following adjustment:

300 Career Education 9-12	(.4921)	(.4921)

31. [Ref. 55110] One Career Education 9-12 student who participated in OJT was babysitting a relative at home and was not actively and gainfully employed during the February 2016 reporting survey period. We propose the following adjustment:

300 Career Education 9-12	(.2109)	(.2109)

32. [Ref. 55171/73] Two teachers taught Basic subject area classes that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by SBE Rule 6A-6.0907, FAC, and the teachers' in-service training timelines. We also noted that one of the teachers (Ref. 55171) was hired on a temporary certificate but did not complete the Florida General Knowledge requirements within 1 calendar year from the date of employment. We propose the following adjustments:

Ref. 55171		
103 Basic 9-12	1.0624	
130 ESOL	(1.0624)	.0000
Ref. 55173		
103 Basic 9-12	.4297	
130 ESOL	(.4297)	.0000
		(3.9984)

Findings		Proposed Net Adjustments (Unweighted FTE)

Breakfast Point Academy (#0571)

33. [Ref. 57101] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:

254 ESE Support Level 4	(.4444)	
255 ESE Support Level 5	.4444	.0000

34. [Ref. 57171] One teacher taught a Basic subject area class that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by SBE Rule 6A-6.0907, FAC, and the teacher's in-service training timeline. We propose the following adjustment:

102 Basic 4-8	2.3351	
130 ESOL	(2.3351)	.0000

35. [Ref. 57172/74] The parents of ELL students taught by two out-of-field teachers were not notified of the teachers' out-of-field status in ESOL until October 20, 2015, which was after the October 2015 reporting survey period. We also noted that the teachers had earned none of the 60 (Ref. 57172) or 120 (Ref. 57174) in-service training points in ESOL strategies required by SBE Rule 6A-1.0503(4)(b)2., FAC, and the teachers' in-service training timelines. We propose the following adjustments:

Ref. 57172		
101 Basic K-3	.8592	
130 ESOL	(.8592)	.0000
Ref. 57174		
102 Basic 4-8	1.2461	
130 ESOL	(1.2461)	.0000

36. [Ref. 57173] 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 a course that also required the ASD Endorsement. We also noted that the parents of the students were not notified of the teacher's out-of-field status. We propose the following adjustment:

101 Basic K-3	3.1034	
102 Basic 4-8	.8254	
254 ESE Support Level 4	(3.5675)	
255 ESE Support Level 5	(.3613)	.0000
		.0000

Findings	Proposed Net Adjustments (Unweighted FTE)

North Bay Haven Charter Academy Middle School (#0731)

37. [Ref. 73171/72] The parents of one ELL student taught by two out-of-field teachers were not notified of the teachers' out-of-field status in Reading (Ref. 73171) and Physics (Ref. 73172). We also noted that the student's parents were not notified of one of the teacher's (Ref. 73171) out-of-field status in ESOL until October 20, 2015, which was after the October 2015 reporting survey period. Since the student involved is cited in Finding 38, (Ref. 73101), we present this disclosure finding with no proposed adjustment.

.0000

38. [Ref. 73101] One ELL student was beyond the maximum 6-year period allowed for State funding of ESOL. We propose the following adjustment:

102 Basic 4-8	.2917	
130 ESOL	(.2917)	.0000
		.0000

North Bay Haven Career Academy (#0741) Charter School

39. [Ref. 74101] The course schedules for several students were incorrectly reported. The School's bell schedule supported 1,600 instructional minutes per week and met the minimum reporting of CMW; however, the students' course schedules were not reported in agreement with the School's bell schedule. The students were reported for class minutes ranging from 1,625 to 2,425 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the correct number of CMW according to the School's bell schedule. Since most of the students were reported within the District for the entire school year and their reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. As such, we present this disclosure finding with no proposed adjustment.

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40. [Ref. 74102] The course schedules were incorrectly reported for 25 students who participated in OJT (8 students were in our Career Education 9-12 test). The students were reported for attending course number 8827120 (Marketing Applications), which is not an OJT course, when actually the students had been released from school to work at their designated off-campus OJT job sites. Further, School Management stated that the Marketing Applications course was not taught on-campus; rather the students complete

(Finding Continues on Next Page)

the required assignments for the course from an online textbook at home, and periodically submit these assignments to the Career Education Teacher for grading. The inference of the School's reporting is that the students' attendance occurred at the School and not at home where the instruction actually occurred. Since the Marketing Applications coursework was not taught on campus and the reporting of student FTE for a non-OJT course is based on the number of instructional CMW (seat time), the Marketing Applications course should not have been reported for FEFP funding. We propose the following adjustment:

113 Grades 9-12 with ESE Services	(.1241)	
300 Career Education 9-12	(1.5600)	(1.6841)

41. [Ref. 74103/04/05] We noted the following exceptions involving ten Career Education 9-12 students who participated in OJT:

a. Four students were not employed during the October 2015 and February 2016 reporting survey periods (Ref. 74103).

b. Five students' timecards were not signed by the students' employers (Ref. 74104).

c. One student's timecard was signed by the student's employer prior to the start of the reporting survey period (Ref. 74105).

We also noted that five of the students were also incorrectly reported for course number 8827120 (Marketing Applications) (in addition to those students discussed in Finding 40 [Ref. 74102]). We propose the following adjustments:

Ref. 74103		
300 Career Education 9-12	(.4693)	(.4693)
Ref. 74104		
300 Career Education 9-12	(.7649)	(.7649)
Ref. 74105		
300 Career Education 9-12	(.1084)	(.1084)

42. [Ref. 74106] One ESE student enrolled in the Hospital and Homebound Program was reported for more homebound instruction than was provided. We propose the following adjustment:

255 ESE Support Level 5	(.2138)	(.2138)

Findings			Proposed Net Adjustments (Unweighted FTE)
North Bay Haven Career Academy (#0741) Charter School (Continued)			
43. [Ref. 74107] One ESE student was incorrectly reported in Program No. 255 (ESE Support Level 5) based on the student's placement in the Hospital and Homebound Program. The student was provided only on-campus instruction and should have been reported in Program No. 113 (Grades 9-12 with ESE Services) for such instruction. We propose the following adjustment:			
	113 Grades 9-12 with ESE Services	.5001	
	255 ESE Support Level 5	(.5001)	.0000
44. [Ref. 74108] One ESE student was 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 both homebound instruction and on-campus instruction and the student's file did not contain a *Matrix of Services* form that covered the on-campus services to be provided. We also noted that the student was reported for more on-campus instruction than was provided. We propose the following adjustment:			
	103 Basic 9-12	.2133	
	255 ESE Support Level 5	(.5019)	(.2886)
45. [Ref. 74171] One teacher taught a Basic subject area class that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by SBE Rule 6A-6.0907, FAC, and the teacher's in-service training timeline. We propose the following adjustment:			
	103 Basic 9-12	.2614	
	130 ESOL	(.2614)	.0000
46. [Ref. 74172] One teacher was not properly certified and was not approved by the Charter School Board to teach out of field. The teacher held certification in English but taught a course that required certification in Reading. We also noted that the parents of the students were not notified of the teacher's out-of-field status in Reading. We propose the following adjustments:			
	103 Basic 9-12	.1231	
	130 ESOL	(.1231)	.0000
			(3.5291)

Findings		Proposed Net Adjustments (Unweighted FTE)
North Bay Haven Charter Academy Elementary School (#0751)		
47. [Ref. 75101] ELL Committees were not convened by October 1 to consider two students' continued ESOL placements beyond 3 years from the students' DEUSS. We also noted that the students' files did not contain *ELL Student Plan*s covering the October 2015 reporting survey period. We propose the following adjustment:		
102 Basic 4-8	.8682	
130 ESOL	(.8682)	.0000
48. [Ref. 75171/72] The parents of ELL students taught by two out-of-field teachers were either not notified of the teachers' out-of-field status in ESOL (Ref. 75172) or were notified on October 22, 2015, which was after the October 2015 reporting survey period (Ref. 75171). We also noted that one of the teachers (Ref. 75171) had earned none of the 60 in-service training points in ESOL strategies required by SBE Rule 6A-1.0503(4)(b)2., FAC, and the teacher's in-service training timeline. We propose the following adjustments:		
Ref. 75171		
102 Basic 4-8	1.3023	
130 ESOL	(1.3023)	.0000
Ref. 75172		
101 Basic K-3	.3421	
130 ESOL	(.3421)	.0000
		.0000
Bay Virtual Instruction Program (#7001)		
49. [Ref. 700101] The course schedule for one Basic with ESE Services virtual education student was incorrectly reported for .9618 FTE in the June 2016 reporting survey period. The student had only enrolled and received passing grades for the first semester of the 2015-16 school year; consequently, the student should have only been reported for .4830 FTE in the June 2016 reporting survey period. We propose the following adjustment:		
111 Grades K-3 with ESE Services	(.4788)	(.4788)
		(.4788)

Findings		Proposed Net Adjustments (Unweighted FTE)
Bay Virtual Franchise (#7004)		
50. [Ref. 700401] The course schedule for one Basic virtual education student (not in our test) was incorrectly reported. We made an inquiry with the Bay Virtual Franchise contact person who indicated that in an effort to assist a student who was enrolled at the FLVS, an administrator temporarily added a course to the student's Bay District virtual course schedule to assist the student in applying for a scholarship; however, the course was not subsequently removed from the student's Bay District virtual course schedule. Consequently, the student was erroneously reported for FEFP funding by the District. Thus, we propose the following adjustment:		
103 Basic 9-12	(.1667)	(.1667)
51. [Ref. 700402] The FTE for the individual courses in one Basic with ESE Services virtual education student's schedule was incorrectly reported. We recalculated the reported FTE for each of the courses in the student's schedule and determined that the total semester FTE was overstated. We propose the following adjustment:		
112 Grades 4-8 with ESE Services	(.0204)	(.0204)
		(.1871)
Bay Virtual Instruction (Course Offerings) (#7006)		
52. [Ref. 700671] One virtual education teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher held certification in Health but taught a course that required Cardiopulmonary Resuscitation certification. We also noted that the parents of the student were not notified of the teacher's out-of-field status. Since the student's course was reported for only Basic funding, we present this disclosure finding with no proposed adjustment.		
		.0000
53. [Ref. 700601] Two virtual education students in our Basic test did not meet the eligibility requirements to participate in a Virtual Instruction Program. We propose the following adjustment:		
102 Basic 4-8	(.0769)	
103 Basic 9-12	(.0834)	(.1603)

Findings		Proposed Net Adjustments (Unweighted FTE)
Bay Virtual Instruction (Course Offerings) (#7006) (Continued)		
54. [Ref. 700602] One of the courses in the schedule for one Basic virtual education student was incorrectly reported in the June 2016 reporting survey period. Course number 1206310 (Geometry) was reported; however, the student was not enrolled in that course until July 1, 2016. Consequently, the course should not have been reported during the 2015-16 school year. We propose the following adjustment:		
103 Basic 9-12	(.0667)	(.0667)
55. [Ref. 700603] The course schedule for one Basic with ESE Services virtual education student was incorrectly reported for .5961 FTE. The student had only enrolled and received passing grades for the second semester of the 2015-16 school year; consequently, the student should have only been reported for .4170 FTE. We propose the following adjustment:		
112 Grades 4-8 with ESE Services	(.1791)	(.1791)
		(.4061)
Proposed Net Adjustment		**(47.0134)**

SCHEDULE E

RECOMMENDATIONS AND REGULATORY CITATIONS
FULL-TIME EQUIVALENT STUDENT ENROLLMENT

RECOMMENDATIONS

We recommend that Bay County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) students are reported for the instructional time actually provided, students' course schedules reported agree with the schools' bell schedules, and scheduled instructional time for all seniors (12th-grade students) take into account the District's term length as noted in the District calendar, any special release days for seniors, early release days for all students, and specific CMW in the high schools' bell schedules to meet the requirements of Section 1011.60(2), Florida Statutes, and SBE Rule 6A-1.045111, FAC; (2) only students who are in membership and in attendance at least 1 day during the 11-day reporting survey period are reported for FEFP funding; (3) *Matrix of Services* forms and *ELL Student Plans* are complete, timely prepared, and are retained in the students' files; (4) *ELL Student Plans* include the instructional programs and courses that are to employ ESOL strategies; (5) the English language proficiency of students being considered for continuation of their ESOL placements (beyond the 3-year base period) is assessed by October 1 if students' DEUSS falls within the first 2 weeks of the school year or within 30 school days prior to the students' DEUSS anniversary dates, and ELL Committees are timely convened subsequent to these assessments; (6) ELL students are not reported beyond the maximum 6-year period allowed for State funding of ESOL; (7) students are reported in the proper funding categories for the correct amount of FTE and adequate documentation is retained to support that reporting, particularly with regard to students in ESE Programs; (8) ESE students are reported in accordance with the students' *Matrix of Services* forms; (9) there is evidence of review of the *Matrix of Services* forms to ensure that the forms accurately and currently reflect the IEP services in effect during the reporting survey period; (10) students enrolled in a Hospital and Homebound Program are reported for the Program's services based on the itinerant teachers' (homebound instructors') contact logs and time scheduled on the students' IEPs, and supported by medical need as evidenced in a *Physician's Statement* form; (11) students in Career Education 9-12 who participate in OJT are gainfully employed, reported in accordance with timecards that are accurately completed, signed, are reported in properly defined OJT courses, and all supporting documentation is retained in readily-accessible files; (12) students' course schedules who are enrolled in virtual education programs are reported for the accurate FTE associated with courses that the students are enrolled in and have successfully completed; (13) students meet eligibility requirements prior to enrollment in virtual instruction programs; (14) teachers are appropriately certified or, if teaching out of field, are timely approved by the District or Charter School Board to teach out of field; (15) teachers with temporary certificates pass the General Knowledge test within the required timeline; (16) teachers of ELL students earn the number of in-service training points required by SBE Rules 6A-6.0907 and 6A-1.0503(4)(b)2., FAC, and the teachers' in-service training timelines; (17) parents are appropriately notified of teachers' out-of-field status; (18) attendance for PK students is properly monitored to ensure that all attendance is recorded by the teachers; and (19) students' files are retained and available for audit purposes.

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 relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP.

REGULATORY CITATIONS

Reporting

Section 1007.271(21), Florida Statutes, *Dual Enrollment Programs*
Section 1011.60, Florida Statutes, *Minimum Requirements of the Florida Education Finance Program*
Section 1011.61, Florida Statutes, *Definitions*
Section 1011.62, Florida Statutes, *Funds for Operation of Schools*
SBE Rule 6A-1.0451, FAC, *Florida Education Finance Program Student Membership Surveys*
SBE Rule 6A-1.045111, FAC, *Hourly Equivalent to 180-Day School Year*
SBE Rule 6A-1.04513, FAC, *Maintaining Auditable FTE Records*
FTE General Instructions 2015-16

Attendance

Section 1003.23, Florida Statutes, *Attendance Records and Reports*
SBE Rule 6A-1.044(3) and (6)(c), FAC, *Pupil Attendance Records*
SBE Rule 6A-1.04513, FAC, *Maintaining Auditable FTE Records*
FTE General Instructions 2015-16
Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook

ESOL

Section 1003.56, Florida Statutes, *English Language Instruction for Limited English Proficient Students*
Section 1011.62(1)(g), Florida Statutes, *Education for Speakers of Other Languages*
SBE Rule 6A-6.0901, FAC, *Definitions Which Apply to Programs for English Language Learners*
SBE Rule 6A-6.0902, FAC, *Requirements for Identification, Eligibility, and Programmatic Assessments of English Language Learners*
SBE Rule 6A-6.09021, FAC, *Annual English Language Proficiency Assessment for English Language Learners (ELLs)*
SBE Rule 6A-6.09022, FAC, *Extension of Services in English for Speakers of Other Languages (ESOL) Program*
SBE Rule 6A-6.0903, FAC, *Requirements for Exiting English Language Learners from the English for Speakers of Other Languages Program*
SBE Rule 6A-6.09031, FAC, *Post Reclassification of English Language Learners (ELLs)*
SBE Rule 6A-6.0904, FAC, *Equal Access to Appropriate Instruction for English Language Learners*

Career Education On-The-Job Attendance

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

Career Education On-The-Job Funding Hours

FTE General Instructions 2015-16

Exceptional Education

Section 1003.57, Florida Statutes, *Exceptional Students Instruction*
Section 1011.62, Florida Statutes, *Funds for Operation of Schools*
Section 1011.62(1)(e), Florida Statutes, *Funding Model for Exceptional Student Education Programs*
SBE Rule 6A-6.03028, FAC, *Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities*
SBE Rule 6A-6.03029, FAC, *Development of Individualized Family Support Plans for Children with Disabilities Ages Birth Through Five Years*
SBE Rule 6A-6.0312, FAC, *Course Modifications for Exceptional Students*
SBE Rule 6A-6.0331, FAC, *General Education Intervention Procedures, Evaluation, Determination of Eligibility, Reevaluation and the Provision of Exceptional Student Education Services*
SBE Rule 6A-6.0334, FAC, *Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students*
SBE Rule 6A-6.03411, FAC, *Definitions, ESE Policies and Procedures, and ESE Administrators*
SBE Rule 6A-6.0361, FAC, *Contractual Agreements with Nonpublic Schools and Residential Facilities*
Matrix of Services Handbook (2015 Edition)

Teacher Certification

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

Virtual Education

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

Charter Schools

Section 1002.33, Florida Statutes, *Charter Schools*

NOTES TO SCHEDULES

NOTE A – SUMMARY FULL-TIME EQUIVALENT STUDENT ENROLLMENT

A summary discussion of the significant features of the Bay County District School Board (District), the FEFP, the FTE, and related areas is provided below.

1. The District

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Bay County, Florida. Those services are provided primarily to PK through 12th-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 SBE. The geographic boundaries of the District are those of Bay 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. The District had 37 schools other than charter schools, 10 charter schools, 2 cost centers, and 3 virtual education cost centers serving PK through 12th-grade students.

For the fiscal year ended June 30, 2016, State funding totaling $75.1 million was provided through the FEFP to the District for the District-reported 27,124.66 unweighted FTE as recalibrated, which included 3,927.01 unweighted FTE as recalibrated for charter schools. The primary sources of funding for the District are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

2. FEFP

Florida school districts receive State funding through the FEFP to serve PK through 12th-grade students (adult education is not funded by the FEFP). The 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 that 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.

3. FTE Student Enrollment

The funding provided by the FEFP is based on 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 student enrollment. For example, for PK through 3rd grade, 1.0 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 4 through 12, 1.0 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 1.0 FTE if the student was enrolled in six courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 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 reported as a fraction of an FTE. Half-credit completions will be included in determining an FTE student enrollment. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

4. Recalibration of FTE to 1.0

All FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the Department of Juvenile Justice for students beyond the 180-day school year. School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The Department of Education combines all FTE student enrollment reported for the student by all school districts, including the FLVS Part-Time Program, using a common student identifier. The Department of Education then recalibrates all reported FTE student enrollment for each student to 1.0 FTE, if the total reported FTE for the student exceeds 1.0 FTE. The FTE student enrollment reported for extended school year periods and the Department of Juvenile Justice FTE student enrollment reported beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

5. 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 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.

6. FTE Reporting Survey Periods

The FTE is determined and reported during the school year by means of four FTE membership survey periods that are conducted under the direction of district and school management. Each survey period is a testing of the FTE membership for a period of 1 week. The survey periods for the 2015-16 school year were conducted during and for the following weeks: survey period one was performed for July 6 through 10, 2015; survey period two was performed for October 12 through 16, 2015; survey period three was performed for February 8 through 12, 2016; and survey period four was performed for June 13 through 17, 2016.

7. Educational Programs

The 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: (1) Basic, (2) ESOL, (3) ESE, and (4) Career Education 9-12.

8. Statutes and Rules

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

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

NOTE B – TESTING FTE STUDENT ENROLLMENT

Our examination procedures for testing provided for the selection of schools, students, and teachers using judgmental methods for testing the FTE student enrollment as reported under the FEFP to the Department of Education for the fiscal year ended June 30, 2016. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP. The following schools were selected for testing:

	School	Findings
1.	Districtwide – Reporting Hourly Equivalent for 12th-grade Students (Seniors)	1
2.	Hutchinson Beach Elementary School	2
3.	Jinks Middle School	3 through 5
4.	Lynn Haven Elementary School	6
5.	St. Andrew School	7 through 10
6.	Margaret K. Lewis in Millville	11 through 13
7.	Rutherford High School	14 through 17
8.	Deer Point Elementary School	18 through 21
9.	Tommy Smith Elementary School	22
10.	J.R. Arnold High School	23 through 32
11.	Breakfast Point Academy	33 through 36
12.	North Bay Haven Charter Academy Middle School*	37 and 38
13.	North Bay Haven Career Academy*	39 through 46
14.	North Bay Haven Charter Academy Elementary School*	47 and 48
15.	Bay Virtual Instruction Program	49
16.	Bay Virtual Franchise	50 and 51
17.	Bay Virtual Instruction (Course Offerings)	52 through 55

* Charter School

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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

Report on Student Transportation

We have examined the Bay County District School Board's (District's) compliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the Florida Education Finance Program for the fiscal year ended June 30, 2016. 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 2015-16* issued by the Department of Education.

Management's Responsibility for Compliance

District management is responsible for the District's compliance with the aforementioned State requirements, including the design, implementation, and maintenance of internal control to prevent, or detect and correct, noncompliance due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the District's compliance with State requirements based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the classification, assignment, and verification of student transportation reported by the District under the Florida Education Finance Program complied with State requirements in all material respects.

An examination involves performing procedures to obtain evidence about whether the District complied with State requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for

our opinion. Our examination does not provide a legal determination on the District's compliance with State requirements. The legal determination of the District's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

Opinion

Our examination disclosed material noncompliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the Florida Education Finance Program involving the students' reported ridership classification or eligibility for State transportation funding.

In our opinion, except for the material noncompliance with State requirements described in the preceding paragraph involving the students' reported ridership classification or eligibility for State transportation funding, the Bay County District School Board complied, in all material respects, with State requirements relating to the classification, assignment, and verification of student transportation as reported under the Florida Education Finance Program for the fiscal year ended June 30, 2016.

Other Reporting Required by *Government Auditing Standards*

In accordance with attestation standards established by *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses[5] 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 that has a material effect on the District's compliance with State requirements; and abuse that has a material effect on the District's compliance with State requirements. 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.

We performed our examination to express an opinion on the District's compliance with State requirements and not for the purpose of expressing an opinion on the District's related internal control over compliance with State requirements; accordingly, we express no such opinion. Because of its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to students' reported ridership classification or eligibility for State transportation funding. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and all findings, along with the views of responsible officials, are described in *SCHEDULE G* and *MANAGEMENT'S RESPONSE*, respectively. The impact of this noncompliance with State requirements on the District's reported student transportation is presented in *SCHEDULES F* and *G*.

[5] 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.

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

Purpose of this Report

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 American Institute of Certified Public Accountants require us to indicate that the purpose of this report is to provide an opinion on the District's compliance with State requirements. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
June 7, 2017

SCHEDULE F

POPULATIONS, TEST SELECTION, AND TEST RESULTS
STUDENT TRANSPORTATION

Any student who is transported by the Bay County District School Board (District) must meet one or more of the following conditions in order to be eligible for State transportation funding: live 2 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(2), Florida Statutes. (See NOTE A1.)

As part of our examination procedures, we tested student transportation as reported to the Department of Education for the fiscal year ended June 30, 2016. (See NOTE B.) The population of vehicles (322) consisted of the total number of vehicles (buses, vans, or passenger cars) reported by the District for all reporting survey periods. For example, a vehicle that transported students during the July and October 2015 and February and June 2016 reporting survey periods would be counted in the population as four vehicles. Similarly, the population of students (24,318) consisted of the total number of students reported by the District as having been transported for all reporting survey periods. (See NOTE A2.) The District reported students in the following ridership categories:

Ridership Category	Number of Students Transported
Hazardous Walking	2,044
IDEA – PK through Grade 12, Weighted	839
All Other FEFP Eligible Students	21,435
Total	24,318

Students with exceptions are students with exceptions affecting their ridership category. Students cited only for incorrect reporting of DIT, if any, are not included in our error-rate determination.

We noted the following material noncompliance: exceptions involving the reported ridership classification or eligibility for State transportation funding for 34 of 355 students in our student transportation test.[6]

[6] For student transportation, the material noncompliance is composed of Findings 8, 9, 10, 11, and 12 on *SCHEDULE G*.

Our examination results are summarized below:

Description	Buses Proposed Net Adjustment	Students With Exceptions	Students Proposed Net Adjustment
We noted that the reported number of buses in operation was overstated.	(38)	-	-
Our tests included 355 of the 24,318 students reported as being transported by the District.	-	34	(30)
In conjunction with our general tests of student transportation we identified certain issues related to 10,036 additional students.	-	10,036	(10,020)
Total	(38)	10,070	(10,050)

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.

SCHEDULE G

FINDINGS AND PROPOSED ADJUSTMENTS
STUDENT TRANSPORTATION

Overview

Management is responsible for determining that student transportation as reported under the FEFP is in compliance with State requirements. These requirements are found primarily in Chapter 1006, Part I, E. and Section 1011.68, Florida Statutes; SBE Rules, Chapter 6A-3, FAC; and the *Student Transportation General Instructions 2015-16* issued by the Department of Education. Except for the material noncompliance involving the students' reported ridership classification or eligibility for State transportation funding, the Bay County District School Board (District) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of student transportation as reported under the FEFP for the fiscal year ended June 30, 2016. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action as presented in *SCHEDULE H*.

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 period. Our detailed tests involved verification of the specific ridership categories reported for students in our tests from the July and October 2015 reporting survey periods and the February and June 2016 reporting survey periods. Adjusted students who were in more than one reporting survey period are accounted for by reporting survey period. For example, a student included in our tests twice (i.e., once for the October 2015 reporting survey period and once for the February 2016 reporting survey period) will be presented in our Findings as two test students.	
1. [Ref. 52] Errors in the District's reporting process resulted in incorrect reporting of student ridership during the October 2015 and February 2016 reporting survey periods. The procedures used to report student transportation during the 2015-16 school year involved Transportation staff inputting student ridership data from the *Bus Attendance Worksheets* into the District's VersaTrans School Bus Routing and Planning Software System (VersaTrans). This data, through the use of batch files was subsequently uploaded to Focus and utilized to report student ridership for State transportation funding. However, the District's MIS staff was required to format the student transportation data that was input into VersaTrans prior to uploading it to Focus. In response to our inquiries, Transportation management stated that the student transportation records were either	

(Finding Continues on Next Page)

Findings	Students Transported Proposed Net Adjustments
not successfully uploaded from VersaTrans to Focus prior to the District's submission of the student ridership to the Department of Education or the students' transportation ridership categories were not updated to include the correct fundable ridership categories. Upon review, District staff determined that these errors resulted in 1,717 eligible students not being reported for State transportation funding during the October 2015 (1,002 students) and February 2016 (715 students) reporting survey periods. We reviewed the ridership records for 173 of the 1,717 students to determine whether the students met the FEFP requirements for State transportation funding. We noted the following for 21 of the students: a. Four students lived less than 2 miles from their assigned schools and were not otherwise eligible for State transportation funding. b. Four PK students were not IDEA and were not otherwise eligible for State transportation funding. c. Thirteen students were either not listed on the bus drivers' *Bus Attendance Worksheets* or were not marked by the bus drivers as having ridden the buses during the October 2015 reporting survey period. The final impact and resolution of this finding and any applicable adjustment in State transportation funding for the District's underreporting during the 2015-16 school year rests with the Department of Education. The exceptions we noted above and other student transportation-related issues discussed in the findings below should also be taken in consideration when determining any applicable adjustment.	0
2. [Ref. 51] Errors in the District's reporting process resulted in incorrect reporting of student ridership during the October 2015 and February 2016 reporting survey periods. In response to our inquiries, Transportation staff stated that prior to each FTE survey reporting period the VersaTrans software applies a designation to all students assigned to bus routes identifying them as "rides" regardless of whether or not the student actually rides the bus. The procedures for verifying or "vetting" the completed *Bus Attendance Worksheets* require the Transportation staff to replace the "rides" designation with a "no-ride" designation for all students listed on the *Bus Attendance Worksheets* but were not marked as having ridden the bus during the reporting survey period. Transportation staff then creates a "no-ride" batch file update from VersaTrans that is used by the *(Finding Continues on Next Page)*	

Findings	Students Transported Proposed Net Adjustments

District's MIS staff to remove the students who did not ride the bus during the reporting survey period to update Focus. However, Transportation management stated that during the 2015-16 school year, students indicated with a "no-ride" designation in VersaTrans were not removed from Focus prior to submission to the Department of Education for State transportation funding.

We requested that Transportation staff compare the *Bus Attendance Worksheets* covering the October 2015 and February 2016 reporting survey periods to the student transportation records that were reported for State transportation funding during the respective reporting survey periods. Based on the District's comparison, the District provided us a spreadsheet containing what the District believes should have been reported. The results of the spreadsheet and other supporting documentation provided to us disclosed that the student ridership for 9,089 students was incorrectly reported (9,067 incorrectly for State transportation funding and 22 for ridership classification) as follows:

a. For 8,041 students (3,966 students reported in the October 2015 reporting survey period and 4,075 students reported in the February 2016 reporting survey period), the students were not marked on the *Bus Attendance Worksheets* as having ridden the bus and should not have been reported for State transportation funding.

b. For 1,026 students (262 students reported in the October 2015 reporting survey period and 764 students reported in the February 2016 reporting survey period), the students lived less than 2 miles from their assigned schools and were not otherwise eligible for State transportation funding.

c. For 9 students (2 in the October 2015 reporting survey period and 7 in the February 2016 reporting survey period), the students were incorrectly reported in the IDEA – PK through Grade 12, Weighted ridership category. For 8 students, the students' IEPs did not indicate that the students met at least one of the five criteria required for reporting in this ridership category. For the other student, the student's IEP indicated that the student was to be transported to an out-of-district school; however, the student was enrolled and transported to a Bay County District School. We determined that all 9 students were otherwise eligible to be reported in the All Other FEFP Eligible Student ridership category.

d. For 13 students (4 in the October 2015 reporting survey period and 9 in the February 2016 reporting survey periods), the students were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students' IEPs indicated that the students met at least one of the five criteria required for reporting in the IDEA – PK through Grade 12, Weighted ridership

(Finding Continues on Next Page)

Findings		Students Transported Proposed Net Adjustments
category and were otherwise eligible to be reported in the IDEA – PK through Grade 12, Weighted ridership category.		

We propose the following adjustments:

a. October 2015 Survey		
88 Days in Term		
Hazardous Walking	(381)	
IDEA - PK through Grade 12, Weighted	(18)	
All Other FEFP Eligible Students	(3,567)	
February 2016 Survey		
88 Days in Term		
Hazardous Walking	(271)	
IDEA - PK through Grade 12, Weighted	(34)	
All Other FEFP Eligible Students	(3,770)	(8,041)
b. October 2015 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(1)	
88 Days in Term		
All Other FEFP Eligible Students	(261)	
February 2016 Survey		
88 Days in Term		
All Other FEFP Eligible Students	(764)	(1,026)
c. October 2015 Survey		
88 Days in Term		
IDEA - PK through Grade 12, Weighted	(2)	
All Other FEFP Eligible Students	2	
February 2016 Survey		
88 Days in Term		
IDEA - PK through Grade 12, Weighted	(7)	
All Other FEFP Eligible Students	7	0
d. October 2015 Survey		
88 Days in Term		
IDEA - PK through Grade 12, Weighted	4	
All Other FEFP Eligible Students	(4)	
February 2016 Survey		
88 Days in Term		
IDEA - PK through Grade 12, Weighted	9	
All Other FEFP Eligible Students	(9)	0

Findings

Students Transported Proposed Net Adjustments

Using the above-referenced District's spreadsheet and other supporting documentation provided, we conducted our general and detailed tests of the remaining student ridership that the District represented as eligible for student transportation reporting and who were reported for State transportation funding. The results of our tests are discussed below.

3. [Ref. 53] Our general tests disclosed exceptions with the number of buses in operation and the reported ridership of 682 students as follows:

a. Thirty route numbers were incorrectly reported as bus numbers resulting in an overstatement of the number of buses in operation during the February 2016 reporting survey period. Of the 83 students reported on these buses, we were able to validate that 14 of students were transported on other buses, 68 of the students were not marked on the *Bus Attendance Worksheets* as having ridden the bus and cited in Finding 2 (Ref. 51), and the bus report related to 1 student was not available at the time of our examination and could not be subsequently located; consequently, we were unable to validate the reported ridership of this student.

b. The bus drivers' reports for 8 buses (5 in the October 2015 and 3 in the February 2016 reporting survey periods) were not available at the time of our examination and could not be subsequently located; consequently, the ridership of the 657 students reported on those buses could not be verified. In response to our inquiries, Transportation staff indicated that in updating the information in VersaTrans, adjustments were not made for students assigned to buses for which there were no bus drivers' reports.

c. The bus driver's report for 1 bus in the February 2016 reporting survey period was incomplete as the supporting documentation for one of the routes assigned to the bus was not available at the time of our examination and could not be subsequently located; consequently, the ridership of the 24 students reported on that route for this bus could not be verified.

We propose the following adjustments:

a. February 2016 Survey			
Number of Buses in Operation	(30)		
88 Days in Term			
All Other FEFP Eligible Students		(1)	(1)
b. October 2015 Survey			
Number of Buses in Operation	(5)		
88 Days in Term			
Hazardous Walking		(35)	
All Other FEFP Eligible Students		(387)	

Findings			Students Transported Proposed Net Adjustments
February 2016 Survey			
Number of Buses in Operation	(3)		
	(38)		
88 Days in Term			
Hazardous Walking		(60)	
All Other FEFP Eligible Students		(175)	(657)
c. February 2016 Survey			
88 Days in Term			
All Other FEFP Eligible Students		(24)	(24)

4. [Ref. 54] Our general tests disclosed that the bus drivers' reports for 20 buses (19 buses in the July 2015 reporting survey period and 1 in the June 2016 reporting survey period) were not available at the time of our examination and could not be subsequently located; consequently, the ridership of the 184 students reported on those buses could not be verified. We propose the following adjustments:

July 2015 Survey		
23 Days in Term		
IDEA - PK through Grade 12, Weighted	(91)	
All Other FEFP Eligible Students	(11)	
22 Days in Term		
All Other FEFP Eligible Students	(81)	
June 2016 Survey		
4 Days in Term		
IDEA - PK through Grade 12, Weighted	(1)	(184)

5. [Ref. 56] The number of DIT for 162 students was incorrectly reported. The number of DIT for 136 students in the October 2015 reporting survey period were reported for 88 DIT but should have been reported for 90 DIT and the number of DIT for 26 students in the June 2016 reporting survey period were reported for 29 DIT but should have been reported for 20 DIT in accordance with the schools' instructional calendars. We propose the following adjustments:

October 2015 Survey	
90 Days in Term	
All Other FEFP Eligible Students	136
88 Days in Term	
All Other FEFP Eligible Students	(136)

Findings		Students Transported Proposed Net Adjustments
June 2016 Survey		
29 Days in Term		
All Other FEFP Eligible Students	(26)	
20 Days in Term		
All Other FEFP Eligible Students	26	0

6. [Ref. 57] Our general tests disclosed that 82 PK students who were reported in the All Other FEFP Eligible Student ridership category were not IDEA students and were not otherwise eligible for State transportation funding. We propose the following adjustments:

October 2015 Survey		
88 Days in Term		
All Other FEFP Eligible Students	(35)	
February 2016 Survey		
88 Days in Term		
All Other FEFP Eligible Students	(47)	(82)

7. [Ref. 58] Our general tests disclosed that one PK student was incorrectly reported in the Hazardous Walking ridership category and was not otherwise eligible for State transportation funding. We propose the following adjustment:

October 2015 Survey		
88 Days in Term		
Hazardous Walking	(1)	(1)

8. [Ref. 59] Our general tests disclosed that 18 students (2 students were in our test) were incorrectly reported in the IDEA - PK through Grade 12, Weighted ridership category. The students were transported in District-owned passenger vans and as such, were not eligible to be reported in a weighted ridership category. We determined that the students were otherwise eligible to be reported in the All Other FEFP Eligible Students ridership category. We propose the following adjustment:

October 2015 Survey		
88 Days in Term		
IDEA - PK through Grade 12, Weighted	(6)	
All Other FEFP Eligible Students	6	
February 2016 Survey		
88 Days in Term		
IDEA - PK through Grade 12, Weighted	(12)	
All Other FEFP Eligible Students	12	0

Findings		Students Transported Proposed Net Adjustments

9. [Ref. 60] Two students in our test were incorrectly reported in the IDEA – PK through Grade 12, Weighted ridership category. The students' IEPs did not indicate that the students met at least one of the five criteria required for reporting in a weighted ridership category. We determined that although these two students were eligible to be reported in the All Other FEFP Eligible Student ridership category, one of the students was not listed on the bus driver's report covering the February 2016 reporting survey period and was not otherwise eligible for State transportation funding. Accordingly, we propose the following adjustment:

February 2016 Survey		
88 Days in Term		
IDEA - PK through Grade 12, Weighted	(2)	
All Other FEFP Eligible Students	1	(1)

10. [Ref. 61] Ten students (nine students were in our test) were incorrectly reported in the Hazardous Walking ridership category. The students' individual routes to school did not require the students to walk in a designated hazardous condition area (eight students) or the students lived more than 2 miles from school (two students) and, although the two students were otherwise eligible to be reported in the All Other FEFP Eligible Students ridership category, one of the students was not listed on the bus driver's report as being transported in the February 2016 reporting survey period. Accordingly, we propose the following adjustments:

October 2015 Survey		
88 Days in Term		
Hazardous Walking	(4)	
All Other FEFP Eligible Students	1	
February 2016 Survey		
88 Days in Term		
Hazardous Walking	(6)	(9)

11. [Ref. 62] Nine students (eight students were in our test) were incorrectly reported in the All Other FEFP Eligible Student ridership category. The students lived less than 2 miles from school and were not otherwise eligible to be reported for State transportation funding. We also noted that one of the students was not listed on the bus driver's report as being transported in the October 2015 reporting survey period. We propose the following adjustments:

October 2015 Survey		
88 Days in Term		
All Other FEFP Eligible Students	(4)	

Findings		Students Transported Proposed Net Adjustments
February 2016 Survey		
88 Days in Term		
All Other FEFP Eligible Students	(1)	
June 2016 Survey		
29 Days in Term		
All Other FEFP Eligible Students	(4)	(9)

12. [Ref. 63] Thirteen students in our test were either not marked on the bus drivers' reports as having ridden the bus during the reporting survey period (4 students) or were not listed on the bus drivers' reports as having been transported during the reporting survey period (9 students). We propose the following adjustments:

October 2015 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(1)	
88 Days in Term		
IDEA - PK through Grade 12, Weighted	(5)	
All Other FEFP Eligible Students	(3)	
February 2016 Survey		
88 Days in Term		
IDEA - PK through Grade 12, Weighted	(4)	(13)

13. [Ref. 64] Our general tests disclosed that two students were not enrolled in school during the October 2015 reporting survey period; consequently, the students were not eligible for State transportation funding. We propose the following adjustment:

October 2015 Survey		
88 Days in Term		
All Other FEFP Eligible Students	(2)	(2)
Proposed Net Adjustment		**(10,050)**

SCHEDULE H

RECOMMENDATIONS AND REGULATORY CITATIONS
STUDENT TRANSPORTATION

RECOMMENDATIONS

We recommend that Bay County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) Transportation and MIS management review the applicable transportation databases for completeness and accuracy to ensure that all students are reported in the correct ridership categories, all students have matching demographics to support the students' proper enrollment and eligibility for State transportation funding, and proper documentation is on file to support that reporting; (2) the number of buses used to transport students and the number of DIT are accurately reported; (3) bus driver reports are accurately completed and retained in readily-accessible files; (4) only those students who are documented as enrolled in school during the survey period and recorded on bus drivers' reports as having been transported by the District at least 1 day during the reporting survey period are reported for State transportation funding; (5) students reported in IDEA – PK through Grade 12, Weighted ridership category are documented as meeting one of the five criteria required for reporting in a weighted ridership category as noted on the students' IEPs; (6) only students who live less than 2 miles from their assigned school and cross a designated hazardous walking location are reported in the Hazardous Walking ridership category; (7) proper documentation is maintained to support the eligibility of students reported on other modes of transportation than buses, such as District-owned passenger vans; and (8) the distance from home to school is verified as being 2 miles or more prior to reporting students in the All Other FEFP Eligible Students 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 relating to the classification, assignment, and verification of student transportation as reported under the FEFP.

REGULATORY CITATIONS

Section 1002.33, Florida Statutes, *Charter Schools*
Chapter 1006, Part I, E., Florida Statutes, *Transportation of Public K-12 Students*
Section 1011.68, Florida Statutes, *Funds for Student Transportation*
SBE Rules, Chapter 6A-3, FAC, *Transportation*
Student Transportation General Instructions 2015-16

NOTES TO SCHEDULES

NOTE A - SUMMARY
STUDENT TRANSPORTATION

A summary discussion of the significant features of student transportation and related areas is provided below.

1. Student Eligibility

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 2 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(2), Florida Statutes.

2. Transportation in Bay County

For the fiscal year ended June 30, 2016, the District received $5.1 million for student transportation as part of the State funding through the FEFP. The District's student transportation reported by survey period was as follows:

Survey Period	Number of Vehicles	Number of Students
July 2015	19	183
October 2015	136	12,060
February 2016	165	12,044
June 2016	2	31
Totals	322	24,318

3. Statutes and Rules

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

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

NOTE B – TESTING
STUDENT TRANSPORTATION

Our examination procedures for testing provided for the selection of students using judgmental methods for testing student transportation as reported to the Department of Education for the fiscal year ended June 30, 2016. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the FEFP.

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Ryan Neves
District 4

Steve Moss
District 5

June 7, 2017

Ms. Sherrill F. Norman, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

SUBJECT: REVISED - 2015-2016 FTE Student Enrollment and Student Transportation Audit Report for Bay District Schools

Dear Ms. Norman:

In response to the 2015-2016 FEFP Audit Summary of Findings pertaining to FTE (Schedule D), we have discussed the findings with our school/department leaders and have sent a copy of the findings to each principal and/or supervisor to review and begin work to correct these deficiencies as soon as possible for our District records. I have listed below a summary of findings and corrective actions for Audit Findings for the school year ending on June 30, 2016:

CORRECTIVE ACTION FOR FLORIDA EDUCATION FINANCE PROGRAM FULL-TIME EQUIVALENT STUDENT ENROLLMENT

1. **[Ref. 10101] Districtwide – Reporting Hourly Equivalent for 12th grade Students (Seniors)**

   Instructional course schedules and corresponding instructional minutes will be reviewed and monitored in the FOCUS student system by principals and District personnel for accurate reporting of time including non-instructional minutes relating to lunch, recess, transition times, early release days, etc.

   Bay District School Board Policy 2.126 defines the school day as the portion of the day in which school is actually in session and the net times specified herein shall consist only of the time during which instruction in an approved course of study is provided.

   All students under the jurisdiction of the Board will remain in session for a full school day during each scheduled day unless a part-day session has been authorized by the Board. The school calendar is submitted annually for adoption by the Board pursuant to Board Policy 1.301.

   All students are expected to be in attendance until the final day of school as published on the school calendar.

Immediate action has been taken to correct instructional minutes to meet all State Statute requirements. For 2016-2017, course schedules have been adjusted in the student system to reflect all non-instructional minutes and early release days.

For school year 2017-2018, additional time has been approved and added to the school day to meet all instructional minute requirements.

2. [Ref. 8101] Hutchison Beach Elementary School (#0081)

Although the ELL teacher is no longer employed at this school, the school will continue to provide training and monitoring regarding ELL documentation to teachers working in this area as part of its Corrective Action Plan.

3. [Ref. 16101] Jinks Middle School (#0161)

Corrective Action has been taken that includes training for data clerk and guidance counselors to make certain withdrawal dates are same as student withdrawing and not the end of a grading period.

4. [Ref. 16171/72] Jinks Middle School (#0161)

Corrective Action includes: working closely with MIS and Human Resources regarding the Out of Field for ESOL Report; and documenting that the Out-of-Field Letter is sent and a copy is placed in the Cum folder. Letters will be dated correctly.

5. [Ref. 16173] Jinks Middle School (#0161)

Corrective Action includes: the District sending letters to the teacher and principal notifying them of the Out-of-Field Placement and training requirements; sending additional letters provided by HR to be signed by the teacher and principal; and sending Email notification for Content Area teachers with ELL students of the required 60 hours. Courses will continue to be offered Free of Charge through the District's Beacon Learning Center.

6. [Ref. 17101] Lynn Haven Elementary School (#0171)

The Exceptional Student Education (ESE) Department of Bay District Schools will provide training to ESE Resource Teachers on correct reporting and review of the DOE Matrix of Services Forms. The ESE Resource Teachers will then train the ESE classroom teachers at their assigned schools on the same topics by the end of May, 2017.

7. [Ref. 24101] St. Andrew School (#0241)
8. [Ref. 24102] St. Andrew School (#0241)
9. [Ref. 24103] St. Andrew School (#0241)
10. [Ref. 24104] St. Andrew School (#0241)

The Exceptional Student Education (ESE) Department of Bay District Schools will provide training to ESE Resource Teachers on correct reporting and review of the DOE Matrix of Services Forms. The ESE Resource Teachers will then train the ESE classroom teachers at their assigned schools on the same topics by the end of May, 2017.

11. [Ref. 28101] Margaret K. Lewis in Millville (#0281)

The Exceptional Student Education (ESE) Department of Bay District Schools will provide training to ESE Resource Teachers on accurate reporting/ documentation of hospital/homebound instructional minutes. The ESE Resource Teachers will then train the ESE classroom teachers at their assigned schools on the same topics by the end of May, 2017.

In addition to the above, clerks at each school will be trained in inputting data on homebound instructional minutes and the importance of retaining homebound instructors' contact logs. Such training will occur at the regularly scheduled April 2017 clerical meeting.

Finally, the instruction packet for Hospital/Homebound teachers will be reviewed and revised to provide direction to Hospital/Homebound teachers on following the students' IEPs and the importance of maintaining documentation of the instructional services provided.

12. [Ref. 28102] Margaret K. Lewis in Millville (#0281)

The Exceptional Student Education (ESE) Department of Bay District Schools will provide training to ESE Resource Teachers on correct reporting and review of the DOE Matrix of Services Forms. The ESE Resource Teachers will then train the ESE classroom teachers at their assigned schools on the same topics by the end of May, 2017.

13. [Ref. 28171] Margaret K. Lewis in Millville (#0281)

Student Information System (SIS) parameters have been modified to identify assigned teachers requiring the specific PreK & ASD endorsements and those teachers requiring the specific ASD endorsement by correlating a student's ASD exceptionalities with a teacher's certification and caseload. A compliance letter has been created to document initiative of instructor to meet the certification requirement. This letter will be completed at the school site level and a copy will be kept on file at the district level.

Procedures will be discussed with the HR Department on the hiring of certified teachers; the documentation (a copy) of the Out-of-Field letters will be placed in the student's Cum file. Letters will be dated correctly before FTE count week.

14. [Ref. 34101] Rutherford High School (#0341)

In addition to ESE classroom teachers being trained on accurate reporting/ documentation, clerks at each school will be trained in inputting data on homebound instructional minutes and the importance of retaining homebound instructors' contact logs. Such training occurred at the regularly scheduled April 2017 clerical meeting.

15. [Ref. 34102] Rutherford High School (#0341)

The supervising teacher for Career Education OJT students will develop an organized plan to record the receipt of timecards documenting that students worked during the reporting surveys and that all timecards are signed by the

student and the student's employer. The teacher will submit the plan to the administrator that is conducting the teacher's evaluation, and the administrator will monitor the plan. The timecards are to be kept in a secure location.

16. [Ref. 34103] Rutherford High School (#0341)

Ongoing training will be provided: at Guidance Counselor Meetings, as well as Email reminders of procedures found in State Board Rule, PowerPoint Presentations at Principals' Meetings, Reviews of student cum folders, and monitoring of FOCUS data for anniversary, testing, and exit dates.

17. [Ref. 34171] Rutherford High School (#0341)

Corrective Action includes: the District sending letters to the teacher and principal notifying them of the Out-of-Field Placement and training requirements; sending additional letters provided by HR to be signed by the teacher and principal; and sending Email notification for Content Area teachers with ELL students of the required 60 hours. Courses will continue to be offered Free of Charge through the District's Beacon Learning Center.

18. [Ref. 46101] Deer Point Elementary School (#0461)

Training and review for principals and data clerks will be provided at data clerk and principal meetings, with a specific focus on the 11 day FTE window for Survey 2 and Survey 3.

Training will be provided to data clerks regarding accurate record keeping in production as well as survey sites. Corrections will be made in alignment so that accurate records are maintained at all times for reporting purposes in Surveys 2 and 3.

19. [Ref. 46102] Deer Point Elementary School (#0461)

The Exceptional Student Education (ESE) Department of Bay District Schools will provide training to ESE Resource Teachers on correct reporting and review of the DOE Matrix of Services Forms. The ESE Resource Teachers will then train the ESE classroom teachers at their assigned schools on the same topics by the end of May, 2017.

20. [Ref. 46103] Deer Point Elementary School (#0461)

Ongoing training will be provided at Guidance Counselor Meetings as well as email reminders of procedures found in State Board Rule. Review of student cum folders.

21. [Ref. 46171] Deer Point Elementary School (#0461)

Student Information System (SIS) parameters have been modified to identify assigned teachers requiring the specific PreK & ASD endorsements and those teachers requiring the specific ASD endorsement by correlating a student's ASD exceptionalities with a teacher's certification and caseload. A compliance letter has been created to document initiative of instructor to meet the certification

requirement. This letter will be completed at the school site level and a copy will be kept on file at the district level.

Procedures will be discussed with the HR Department on the hiring of certified teachers; the documentation (a copy) of the Out-of-Field letters will be placed in the student's Cum file. Letters will be dated correctly before FTE count week.

22. [Ref. 51101] Tommy Smith Elementary School (#0511)

Ongoing training will be provided at Guidance Counselor Meetings as well as email reminders of procedures found in State Board Rule. Review of student cum folders.

23. [Ref. 55172] J.R. Arnold High School (#0551)

Work closely with MIS and Human Resources regarding Out of Field for ESOL Report. Document that the Out-of-Field Letter is sent and a copy placed in the Cum folder. Letters will be dated correctly.

24. [Ref.55101] J.R. Arnold High School (#0551)

Procedures have been amended and staff assigned to perform periodic supervisory review to insure compliance for the 2016-2017 school year and beyond. Training and review for principals and data clerks will be provided at data clerk and principal meetings, with a specific focus on the 11 day FTE window for Survey 2 and Survey 3.

A video training for teachers, highlighting the importance of accurate attendance taking practices during the Survey windows and every day will be created and used for training at schools.

Training will be provided to data clerks regarding accurate record keeping in production as well as survey sites. Corrections will be made in alignment so that accurate records are maintained at all times for reporting purposes in Surveys 2 and 3.

25. [Ref. 55103] J.R. Arnold High School (#0551)

Procedures have been amended and staff assigned to perform periodic supervisory review to insure compliance for the 2016-2017 school year and beyond.

The Exceptional Student Education (ESE) Department of Bay District Schools will provide training to ESE Resource Teachers on correct reporting and review of the DOE Matrix of Services Forms. The ESE Resource Teachers will then train the ESE classroom teachers at their assigned schools on the same topics by the end of May, 2017.

26. [Ref. 55104] J.R. Arnold High School (#0551)

27. [Ref. 55105/06] J.R. Arnold High School (#0551)

Corrective Action will include ongoing training at Guidance Counselor Meetings; as well as email reminders of procedures found in State Board Rule; and Review of student cum folders.

28. [Ref. 55107] J.R. Arnold High School (#0551)
29. [Ref. 55108] J.R. Arnold High School (#0551)
30. [Ref. 55109] J.R. Arnold High School (#0551)
31. [Ref. 55110] J.R. Arnold High School (#0551)

The supervising teacher for Career Education OJT students will develop an organized plan to record the receipt of timecards documenting that students worked during the reporting surveys and that all timecards are signed by the student and the student's employer. The teacher will submit the plan to the administrator that is conducting the teacher's evaluation, and the administrator will monitor the plan. The timecards are to be kept in a secure location.

32. [Ref. 55171/73] J.R. Arnold High School (#0551)

The District has developed a process for monitoring those new hires that are required to pass the General Knowledge exam within one year of their employment, due to their initial temporary certification status. New hires who already hold a temporary certificate will be asked to provide proof of passing GK scores upon initial interview. In order to assist new hires in successfully meeting the GK requirement, the District offers test preparation sessions.

Letters will be sent to the Teacher and Principal notifying them of the Out-of-Field Placement and training requirements.

Email notification for Content Area teachers with ELL Students of the required 60 hours. Courses offered Free of Charge through Beacon Learning Center.

Additional letter provided by HR to be signed by teacher and Principal.

33. [Ref. 57101] Breakfast Point Academy (#0571)

The Exceptional Student Education (ESE) Department of Bay District Schools will provide training to ESE Resource Teachers on correct reporting and review of the DOE Matrix of Services Forms. The ESE Resource Teachers will then train the ESE classroom teachers at their assigned schools on the same topics by the end of May, 2017.

34. [Ref. 57171] Breakfast Point Academy (#0571)
35. [Ref. 57172/74] Breakfast Point Academy (#0571)

Corrective Action includes: the District sending letters to the teacher and principal notifying them of the Out-of-Field Placement and training requirements; sending additional letters provided by HR to be signed by the teacher and principal; and sending Email notification for Content Area teachers with ELL students of the required 60 hours. Courses will continue to be offered Free of Charge through the District's Beacon Learning Center.

Work closely with MIS and Human Resources regarding Out of Field for ESOL Report.

36. [Ref. 57173] Breakfast Point Academy (#0571)

Student Information System (SIS) parameters have been modified to identify assigned teachers requiring the specific PreK & ASD endorsements and those teachers requiring the specific ASD endorsement by correlating a student's ASD exceptionalities with a teacher's certification and caseload. A compliance letter has been created to document initiative of instructor to meet the certification requirement. This letter will be completed at the school site level and a copy will be kept on file at the district level.

Procedures will be discussed with the HR Department on the hiring of certified teachers; the documentation (a copy) of the Out-of-Field letters will be placed in the student's Cum file. Letters will be dated correctly before FTE count week.

Additional ELL Corrective Actions:

- Share audit findings with Principals (February 6, 2017).
- Share audit findings with Guidance Counselors (January 4, 2017).
- Require teachers to earn the ESOL inservice credit hours for their area of certification within the timeline as a condition of employment (Collaboration with ESOL/HR to create new document citing ESOL requirements for teachers).
- Student Services staff (Parent Liaison, Data Clerk, clerical staff, and Instructional Specialist) will be trained to conduct an internal audit of student ELL folders throughout the year in schools. They will also continue to monitor data in FOCUS and send reminders to school staff to correct errors.
- ELL Student Monitoring Flowchart will be added to each green ESOL folder in the student cum. This has been optional in the past, but will be required to ensure all documents, testing, and data entries are made correctly and in a timely manner.

37. [Ref. 73171/72] North Bay Haven Charter Academy Middle School (#0731)

Response from Charter: Statement of Corrective Action:

One teacher informed that ESOL training to work toward endorsement must begin immediately. Parental notification will be executed in accordance with HB7029.

Teacher has been informed that ESOL training to work toward endorsement must begin immediately. Parental notification will be executed in accordance with HB7029.

38. [Ref. 73101] North Bay Haven Charter Academy Middle School (#0731)

Response from Charter School: "After being notified of this, the problem has been fixed."

39. [Ref. 74101] North Bay Haven Career Academy (#0741) Charter School

Response from Charter School:

" *Our school schedule and minutes reflected in the student schedule are matched now. In the 2016-2017school year, the block classes were 83 minutes per block and in the 2017-2018 school year they are being increased to 90 minutes with the school year at 177 days on the calendar."*

40. [Ref. 74102]) North Bay Haven Career Academy (#0741) Charter School

Response from Charter School: "After being notified of this, the problem has been fixed."

41. [Ref. 74103/04/05] North Bay Haven Career Academy (#0741) Charter School

Response from Charter School: "After being notified of this, the problem has been fixed."

42. [Ref. 74106] North Bay Haven Career Academy (#0741) Charter School

Response from Charter School: "After being notified of this, the problem has been fixed."

43. [Ref. 74107] North Bay Haven Career Academy (#0741) Charter School

Response from Charter School: "After being notified of this, the problem has been fixed."

44. [Ref. 74108] North Bay Haven Career Academy (#0741) Charter School

Response from Charter School: "After being notified of this, the problem has been fixed."

45. [Ref. 74171] North Bay Haven Career Academy (#0741) Charter School

Response from Charter School: Teacher has been informed that ESOL training to work toward endorsement must begin immediately. Parental notification will be executed in accordance with HB7029.

46. [Ref. 74172] North Bay Haven Career Academy (#0741) Charter School

Response from Charter: Statement of Corrective Action:
This teacher is no longer working for our organization.

47. [Ref. 75101] North Bay Haven Charter Academy Elementary School (#0751)

Response from Charter School: "After being notified of this, the problem has been fixed."

48. [Ref. 75171/72] North Bay Haven Charter Academy Elementary School (#0751)

Response from Charter School: Teacher has been informed that ESOL training to work toward endorsement must begin immediately. Parental notification will be executed in accordance with HB7029.

Response from Charter School:
Teacher has been informed that ESOL training to work toward endorsement must begin immediately. Parental notification will be executed in accordance with HB7029.

49. [Ref. 700101] Bay Virtual Instruction Program (#7001)

Training was provided by MIS to the data clerk on calculations for semester credits.

50. [Ref. 700401] Bay Virtual Franchise (#7004)

Corrective action will include additional training for data clerks and guidance counselors

51. [Ref. 700402] Bay Virtual Franchise (#7004)

Training was provided to the data clerk by MIS staff on calculations during survey periods.

52. [Ref. 700671] Bay Virtual Instruction (Course Offerings) (#7006)

Procedures will be discussed with the HR Department on the hiring of certified teachers; the documentation (a copy) of the Out-of-Field letters will be placed in the student's Cum file. Letters will be dated correctly before FTE count week.

53. [Ref. 700601] Bay Virtual Instruction (Course Offerings) (#7006)

School Guidance Staff will be trained to check student eligibility prior to referring them to virtual school for Summer Credit Recovery. In addition, procedures will be developed to make sure that all students are eligible to attend and receive credit in virtual school.

54. [Ref. 700602] Bay Virtual Instruction (Course Offerings) (#7006)

The virtual school staff will adjust procedures for future course offerings to ensure that courses are taken and reported in the correct semester to provide correct record keeping, to ensure credits are earned, and to ensure that FTE is earned in the correct reporting cycle.

55. [Ref. 700603] Bay Virtual Instruction (Course Offerings) (#7006)

Virtual school staff will work with MIS staff to receive training on reporting FTE earned by students attending more than one school during the school year.

CORRECTIVE ACTION FOR FLORIDA EDUCATION FINANCE PROGRAM FULL-TIME EQUIVALENT STUDENT TRANSPORTATION

Additional Actions:

Bay District Schools has already begun corrective action in the Transportation Department. Several staffing changes have been completed this year. The Transportation Director has been replaced and two additional personnel added to oversee and ensure accuracy and fidelity in Transportation FTE reporting. Additionally, the Transportation Specialist has been named new FEFP Coordinator to oversee Transportation FTE reporting and submission. Also, the Transportation Department together with the Management and Information Systems (MIS) Department now meet every Wednesday four weeks prior to and after survey periods to ensure accuracy of data submitted to FDOE. Finally, internal procedures were developed outlining proper steps and identifying miscues which resulted in erroneous data submission. The

following are key components implemented to improve FEFP reporting in the Transportation Department:

- Drivers' reports will be collected and copied, and the original copy will be maintained by the Transportation Specialist in a secured location. Additionally, drivers will sign attesting to the accuracy of data on each report by route.
- Drivers will maintain attendance records throughout the school year, rather than limiting this task to FTE count weeks.
- Student ridership data will be entered categorically (N,M,L,G,F) into the VersaTrans' data base prior to transmitting files into the MIS database.
- Transportation staff will enter data in the FOCUS software production site to eliminate errors prior to submission of data to MIS. After submission, FTE corrections will continue to be made in survey and production sites.
- Edit reports will be produced by MIS to identify inaccuracies in FTE reporting. Continuous collaboration will occur with the Transportation staff and MIS to identify and correct miscues in data submissions.
- Transportation staff will produce a duplication list for each report and requested deletion of categorical duplicates; i.e., students listed in two funding categories because of prior year data not deleted by VersaTrans.

1. **(Ref. 52)**

   Staff charged with categorical "vetting of ridership" have been trained to vigorously vet students within the Hazardous Walking Ridership Category and students living more than two miles which qualify for All Other Funding Category (M) in order to meet the level of scrutiny provided through audits for qualification or disqualification for FEFP funding.

   Transportation and ESE management have initiated protocols to properly identify qualified students in this category by examination of the IEP and its qualifying components.

   We have doubled the number of qualified vetting staff to improve the fidelity of reporting across the board. Drivers will sign attesting to the accuracy of data for student ridership. Additionally, the Transportation Specialist will oversee collection and security of drivers' reports.

2. **(Ref. 51)**

   The corrective action required to prevent this reporting error in the future reporting has been identified and implemented whereby a "no-bus" list provided to MIS in order to remove these students from eligibility prior to submission.

   As a corrective action, both Transportation and ESE departments will collaborate to ensure physical demarcation of at least one of the five qualifying criteria on the IEP both during the program initiation phase and the transportation staging phase prior to initiating the service. A training protocol has been developed whereby staff from both departments are aware of and ensure proper notification and identification of students is this category and the required documentation supporting the qualifying transportation designation.

3. **(Ref. 53)**

The corrective action includes both Transportation and MIS departments collaborating on each submission of data between FOCUS and VersaTrans software to correct this anomaly.

Drivers will sign documents attesting to the accuracy of data collected for student ridership. Additionally, the Transportation Specialist will oversee collection and security of driver's reports.

4. **(Ref. 54)**

As a corrective action, we have initiated a protocol whereby these records are recorded by driver name and bus number, stored in a secured location, and may only be accessed by authorized personnel who sign for the record. The security and whereabouts of these records will no longer be haphazardly documented, but will be the sole responsibility of the Transportation Specialist.

5. **(Ref. 56)**

Corrective action will be to match and verify days reported match the District Instructional Calendar days. A staff member will be assigned to accomplish this task.

6. **(Ref. 57)**

Corrective action includes retraining of FEFP survey staff with regard to the specific qualifications for membership in this category pursuant to 1011.68 F.S., FAC 6A-6.03026, and the Student Transportation General Instructions which clearly stipulate exclusion except under certain and defined circumstances.

7. **(Ref. 58)**

As previously stated, the corrective action plan already initiated is the increase in the number of staff qualified to vet these records. The implication is a decreased workload for vetting staff with the expectation of increased fidelity in reporting.

8. **(Ref. 59)**

As a corrective action, the District will no longer claim students transported in District-owned passenger vans in the "Weighted Ridership" category.

9. **(Ref. 60)**

Transportation staff has initiated a protocol whereby all ESE student riders' IEPs are reviewed for qualifying and appropriate designations prior to being recorded in this category. This is a cooperative initiative placed into action in partnership with ESE management which included a retraining of line staff responsible for the designations. During this process, we learned that although it was the intention of line staff to submit the student for the transportation qualification, the IEP had not been correctly documented. Through training, all staff involved have developed a better understanding of the necessary and required documentation.

10. (Ref. 61)

As a corrective action, Transportation has updated the "Hazardous Walking" manual to reflect the auditor's interpretation that the section of Highway 22 includes only the intersection.

11. (Ref. 62)

As a corrective action, these students will be identified so that we may determine the malfunction in our software filters.

12. (Ref. 63)

As a corrective action, we will train and increase the number of qualified staff responsible for vetting (previously two, now four). This will, in theory, reduce the number of records reviewed by each staff member with the expectation of increased fidelity in the vetting process.

13. (Ref. 64)

As a corrective action, Transportation has worked with MIS to develop congruency between the two software domains through nightly updates. When a student experiences a change in his/her academic programming, the flag should signify the need for a manual update during nightly audits (marked as requiring an edit).

Please contact me if you have any additional questions or concerns.

Sincerely,

Sandra D. Davis
Deputy Superintendent