

**WALTON COUNTY
DISTRICT SCHOOL BOARD**

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

and

Student Transportation

For the Fiscal Year Ended
June 30, 2010



BOARD MEMBERS AND SUPERINTENDENT

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

	<u>District No.</u>
<i>Mildred T. Wilkerson, Vice Chair</i>	1
<i>William E. Laird</i>	2
<i>Sbaron N. Roberts</i>	3
<i>Mark D. Davis, Chair</i>	4
<i>Darrell J. Barnhill</i>	5

Carlene H. Anderson, Superintendent

The examination team leader was Alice Pounds, CPA, and the examination was supervised by J. David Hughes, CPA. Please address inquiries regarding this report to Joseph L. Williams, CPA, Audit Manager, via e-mail at joewilliams@aud.state.fl.us or by telephone at (850) 414-9941.

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

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

ELL – English Language Learner

ESE – Exceptional Student Education

ESOL – English for Speakers of Other Languages

IDEA – Individuals with Disabilities Education Act

IEP – Individual Educational Plan

OJT – On-the-Job Training

PK – Prekindergarten

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

Summary of Attestation Examination

Except for the material noncompliance mentioned below involving teachers and student transportation, the Walton County District School Board complied, in all material respects, with State requirements regarding the determination and reporting of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and the number of students transported for the fiscal year ended June 30, 2010.

- Of the 67 teachers in our sample, 9 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, notification of parents regarding out-of-field teachers, or the earning of required in-service training points in ESOL strategies.
- Of the 155 students in our student transportation sample, 93 had exceptions involving their reported ridership category or eligibility for State transportation funding.

Noncompliance related to FTE resulted in 14 findings. The resulting audit adjustments to the District's reported, unweighted FTE totaled to a negative .4992 FTE but have a potential impact on the District's weighted FTE of a negative 1.0241 FTE. Noncompliance related to student transportation resulted in 5 findings and a net audit adjustment of a negative 86 students.

Weighted FTE adjustments are presented in our report for illustrative purposes only. They do not take special program caps and allocation factors into account and are not intended to indicate the weighted FTE used to compute the dollar value of audit adjustments, which is the responsibility of the Department of Education (DOE). However, the gross dollar effect of our FTE audit adjustments may be estimated by multiplying the net weighted FTE audit adjustment by the base student allocation amount. For the Walton County District School Board, the estimated gross dollar effect of our FTE audit adjustments is a negative \$3,718 (negative 1.0241 times \$3,630.62).

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

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

School District of Walton County

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

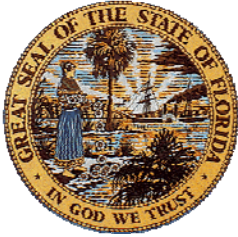
The governing body of the District is the District School Board, which is composed of five elected members. The executive officer of the Board is the elected Superintendent of Schools. For the fiscal year ended June 30, 2010, the District operated 20 schools serving prekindergarten through twelfth grade students, reported 7,091.21 unweighted FTE for those students, and received approximately \$1.55 million in State funding for those FTE.

Florida Education Finance Program (FEFP)

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

Student Transportation

Any student who is transported by the District must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Career Education 9-12 or ESE student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes. The District received approximately \$1.78 million in State transportation funding.



DAVID W. MARTIN, CPA
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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 WALTON COUNTY DISTRICT SCHOOL BOARD FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated September 14, 2010, that the Walton County District School Board complied with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2010. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the *FTE General Instructions* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

Compliance

Our examination procedures disclosed the following material noncompliance: of the 67 teachers in our sample, 9 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, notification of parents regarding out-of-field teachers, or the earning of required in-service training points in ESOL strategies. (See SCHEDULE D, Finding Nos. 3, 4, 5, 6, 8, 9, 12, 13, and 14.)

In our opinion, except for the material noncompliance mentioned above involving teachers, the Walton County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2010.

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

Internal Control Over Compliance

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

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

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

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

Respectfully submitted,



David W. Martin, CPA
January 19, 2011

SCHEDULE A

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

<u>Description¹</u>	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Students (w/Exceptions)</u>	<u>% of Population (Sample)</u>	<u>Number of Unweighted FTE²</u>	<u>% of Population (Sample)</u>
1. Basic						
Population ³	20	100.00%	4,263	100.00%	5,728.9500	100.00%
Sample Size ⁴	9	45.00%	97	2.28%	83.0908	1.45%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	7.2770	-
2. Basic with ESE Services						
Population ³	19	100.00%	735	100.00%	1,006.3400	100.00%
Sample Size ⁴	9	47.37%	44	5.99%	35.6718	3.54%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	.0000	-
3. ESOL						
Population ³	13	100.00%	131	100.00%	133.9300	100.00%
Sample Size ⁴	8	61.54%	51	38.93%	38.4279	28.69%
Students w/Exceptions	-	-	(2)	(3.92%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(7.2770)	-
4. ESE Support Levels 4 and 5						
Population ³	12	100.00%	19	100.00%	10.6300	100.00%
Sample Size ⁴	8	66.67%	19	100.00%	8.2800	77.89%
Students w/Exceptions	-	-	(3)	(15.79%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	.0000	-
5. Career Education 9-12						
Population ³	7	100.00%	14	100.00%	211.3600	100.00%
Sample Size ⁴	2	28.57%	11	78.57%	2.4944	1.18%
Students w/Exceptions	-	-	(3)	(27.27%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(.4992)	-

All Programs						
Population ³	20	100.00%	5,162	100.00%	7,091.2100	100.00%
Sample Size ⁴	9	45.00%	222	4.30%	167.9649	2.37%
Students w/Exceptions	-	-	(8)	(3.60%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(.4992)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

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

<u>Description</u> ¹	<u>Number of Schools</u>	<u>% of Population</u>	<u>Number of Teachers (w/Exceptions)</u>	<u>% of Population (Sample)</u>
<u>Teachers</u>				
Population ³	20	100.00%	156	100.00%
Sample Size ⁴	9	45.00%	67	42.95%
Teachers w/Exceptions	-	-	(9)	(13.43%)

¹ See NOTE A6.

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

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

⁴ See NOTE B.

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

The accompanying notes are an integral part of this schedule.

SCHEDULE B

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

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
101 Basic K-3	3.1668	1.074	3.4011
102 Basic 4-8	1.4418	1.000	1.4418
103 Basic 9-12	2.6684	1.033	2.7565
130 ESOL	(7.2770)	1.124	(8.1793)
254 ESE Support Level 4	(.0600)	3.520	(.2112)
255 ESE Support Level 5	.0600	4.854	.2912
300 Career Education 9-12	<u>(.4992)</u>	1.050	<u>(.5242)</u>
Total	<u>(.4992)</u>		<u>(1.0241)</u>

¹ See NOTE A6.

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

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C

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

<u>No. Program</u>	<u>District- Wide</u>	<u>Audit Adjustments¹</u>		<u>Balance Forward</u>
		<u>#0141</u>	<u>#0151</u>	
101 Basic K-3	.....	.....	2.5000	2.5000
102 Basic 4-8	.....	.....	1.2000	1.2000
103 Basic 9-12	.5004	.9174	.....	1.4178
130 ESOL	(.5004)	(.9174)	(3.7000)	(5.1178)
254 ESE Support Level 4	.....	.....	.....	.0000
255 ESE Support Level 5	.....	.....	.....	.0000
300 Career Education 9-12	.....	<u>(.4992)</u>	.....	<u>(.4992)</u>
Total	<u>.0000</u>	<u>(.4992)</u>	<u>.0000</u>	<u>(.4992)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

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

Program No.	Brought Forward	<u>Audit Adjustments</u>¹				Total
		<u>#0201</u>	<u>#0261</u>	<u>#0271</u>	<u>#0291</u>	
101	2.5000	.....	.....	.....	.6668	3.1668
102	1.2000	.1668	.0750	.....	.....	1.4418
103	1.4178	.....	.....	1.2506	.....	2.6684
130	(5.1178)	(.1668)	(.0750)	(1.2506)	(.6668)	(7.2770)
254	.0000	(.0600)	.....	.....	.....	(.0600)
255	.0000	.0000	.....	.0600	.....	.0600
300	<u>(.4992)</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>(.4992)</u>
Total	<u>(.4992)</u>	<u>(.0600)</u>	<u>.0000</u>	<u>.0600</u>	<u>.0000</u>	<u>(.4992)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

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

Overview

Management is responsible for determining and reporting the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) in compliance with State requirements. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the *FTE General Instructions* issued by the Department of Education. Except for material noncompliance involving teachers, the Walton County District School Board complied, in all material respects, with State requirements governing the determination and reporting of FTE for the fiscal year ended June 30, 2010. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 14.

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

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

District-Wide -- Ineligible Courses Reported in ESOL

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

103 Basic 9-12	.5004	
130 ESOL	(.5004)	<u>.0000</u>
		<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

<u>Findings</u>	Net Audit Adjustments (Unweighted FTE)	
<u>Freeport Senior High School (#0141)</u>		
2. [Ref. 14101] <u>The timecards for three Career Education 9-12 (OJT) students were missing and could not be located. We made the following audit adjustment:</u>		
300 Career Education 9-12	(.4992)	(.4992)
3. [Ref. 14171] <u>One out-of-field ESOL teacher had earned only 60 of the 120 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We made the following audit adjustment:</u>		
103 Basic 9-12	.9174	
130 ESOL	(.9174)	.0000
		(.4992)
<u>Van R. Butler Elementary School (#0151)</u>		
4. [Ref. 15171] <u>One teacher taught classes that included ELL students but was not properly certified to teach ELL students and was not approved by the School Board to teach such students out of field. We also noted that the parents of the ELL students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:</u>		
102 Basic 4-8	1.2000	
130 ESOL	(1.2000)	.0000
5. [Ref. 15172] <u>One out-of-field ESOL teacher had earned only 90 of the 120 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We made the following audit adjustment:</u>		
101 Basic K-3	.5000	
130 ESOL	(.5000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Van R. Butler Elementary School (#0151) (Continued)

6. [Ref. 15173] One teacher taught classes that included ELL students but was not properly certified to teach ELL students and was not approved by the School Board to teach such students out of field. We made the following audit adjustment:

101 Basic K-3	2.0000	
130 ESOL	<u>(2.0000)</u>	<u>.0000</u>
		<u>.0000</u>

Walton Middle School (#0201)

7. [Ref. 20101] We noted the following exceptions for two students in the Hospital and Homebound program: (a) one student should not have been reported in the February 2010 survey because he was not provided home-based instruction during the survey week, and (b) one student should have been reported in program No. 255 (ESE Support Level 5) but was reported incorrectly in program No. 254 (ESE Support Level 4). We made the following audit adjustment:

254 ESE Support Level 4	(.0600)	
255 ESE Support Level 5	.0600	
255 ESE Support Level 5	<u>(.0600)</u>	<u>(.0600)</u>

8. [Ref. 20171] One teacher who taught Basic subject area classes that included ELL students had earned none of the 60 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We made the following audit adjustment:

102 Basic 4-8	.1668	
130 ESOL	<u>(.1668)</u>	<u>.0000</u>
		<u>(.0600)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Mossy Head Elementary (#0261)

9. [Ref. 26171] One teacher taught classes that included ELL students but was not properly certified to teach ELL students and was not approved by the School Board to teach such students out of field. We made the following audit adjustment:

102 Basic 4-8	.0750	
130 ESOL	<u>(.0750)</u>	<u>.0000</u>
		<u>.0000</u>

Walton Senior High School (#0271)

10. [Ref. 27101] The reported FTE for one Hospital and Homebound student was understated. The student was reported for 90 instructional minutes (or .0300 FTE) in both the October 2009 and February 2010 surveys but was provided 180 instructional minutes (or .0600 FTE). We made the following audit adjustment:

255 ESE Support Level 5	<u>.0600</u>	.0600
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11. [Ref. 27102] We noted the following exceptions involving two students in ESOL: (a) the file for one student did not contain documentation justifying the student's continued ESOL placement for a sixth year, and (b) one student was beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:

103 Basic 9-12	.8336	
130 ESOL	<u>(.8336)</u>	.0000

12. [Ref. 27171] One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher was certified in Chemistry but taught a course that required certification in Biology. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

<u>Findings</u>	<u>Net Audit Adjustments (Unweighted FTE)</u>
<u>Walton Senior High School (#0271)</u> (Continued)	
103 Basic 9-12	.1668
130 ESOL	(.1668)
	.0000
<p>13. [Ref. 27172] <u>One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher was certified in Elementary Education but taught a course that required certification in English. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:</u></p>	
103 Basic 9-12	.2502
130 ESOL	(.2502)
	.0000
	<u>.0600</u>
<u>Freeport Elementary School (#0291)</u>	
<p>14. [Ref. 29171] <u>One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher was certified in Early Childhood Education but taught a course that required certification in Elementary Education. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:</u></p>	
101 Basic K-3	.6668
130 ESOL	(.6668)
	.0000
	<u>.0000</u>
	<u>(.4992)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

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

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) only courses that are eligible for ESOL reporting are reported in ESOL; (2) students are reported in the proper funding categories for the correct FTE and have adequate documentation to support that reporting, particularly with regard to students in ESOL and ESE Support Levels 4 and 5; (3) the supporting timecards for students in Career Education 9-12 (OJT) are properly completed and retained in readily accessible files; (4) teachers are either properly certified or, if out of field, are approved by the School Board to teach out of field; (5) ESOL teachers earn the number of in-service training points in ESOL strategies required by rule and the teachers' in-service training timelines; and (6) parents are notified when their children are assigned to classes taught by out-of-field teachers.

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

Regulatory Citations

Reporting

- Section 1011.60, F.S.Minimum Requirements of the Florida Education Finance Program
- Section 1011.61, F.S.Definitions
- Section 1011.62, F.S.Funds for Operation of Schools
- Rule 6A-1.0451, F.A.C.FEFP Student Membership Surveys
- Rule 6A-1.04513, F.A.C.Maintaining Auditable FTE Records
- FTE General Instructions 2009-10

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

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

Regulatory Citations (Continued)English for Speakers of Other Languages (ESOL)

- Section 1003.56, F.S. English Language Instruction for Limited English Proficient Students
- Section 1011.62(1)(g), F.S. Education for Speakers of Other Languages
- Rule 6A-6.0901, F.A.C. Definitions Which Apply to Programs for English Language Learners
- Rule 6A-6.0902, F.A.C. Requirements for Identification, Eligibility, Programmatic and Annual Assessments of English Language Learners
- Rule 6A-6.0903, F.A.C. Requirement for Classification, Reclassification, and Post Reclassification of English Language Learners
- Rule 6A-6.0904, F.A.C. Equal Access to Appropriate Instruction for English Language Learners

Career Education On-the-Job Attendance

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

Exceptional Education

- Section 1003.57, F.S. Exceptional Students Instruction
- Section 1011.62, F.S. Funds for Operation of Schools
- Section 1011.62(1)(e), F.S. Funding Model for Exceptional Student Education Programs
- Rule 6A-6.03028, F.A.C. Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities
- Rule 6A-6.03029, F.A.C. Development of Family Support Plans for Children with Disabilities Ages Birth Through Five Years
- Rule 6A-6.0312, F.A.C. Course Modifications for Exceptional Students
- Rule 6A-6.0331, F.A.C. General Education Intervention Procedures, Identification, Evaluation, Reevaluation and the Initial Provision of Exceptional Education Services
- Rule 6A-6.0334, F.A.C. Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students
- Rule 6A-6.03411, F.A.C. Definitions, ESE Policies and Procedures, and ESE Administrators

Career Education On-the-Job Funding Hours

- Rule 6A-6.055(3), F.A.C. Definitions of Terms Used in Vocational Education and Adult Programs
- FTE General Instructions 2009-10

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

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

Regulatory Citations (Continued)

Teacher Certification

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

The accompanying notes are an integral part of this schedule.

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

NOTE A - SUMMARY

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

1. School District of Walton County

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

For the fiscal year ended June 30, 2010, the District operated 20 schools serving prekindergarten through twelfth grade students, reported 7,091.21 unweighted FTE, and received approximately \$1.55 million in State funding for those FTE. The primary sources of funding for the District are funds from FEFP, local ad valorem taxes, and Federal grants and donations.

2. Florida Education Finance Program (FEFP)

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

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

NOTE A - SUMMARY (Continued)

3. Full-Time Equivalent (FTE) Students

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

4. Calculation of FEFP Funds

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

5. FTE Surveys

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

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

NOTE A - SUMMARY (Continued)

6. Educational Programs

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

7. Statutes and Rules

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

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

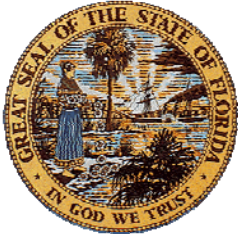
NOTE B - SAMPLING

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

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

NOTE B - SAMPLING (Continued)

<u>School Name/Description</u>	<u>Finding Number(s)</u>
District-Wide -- Ineligible Courses Reported in ESOL	1
1. West Defuniak Elementary School	NA
2. Freeport Senior High School	2 and 3
3. Van R. Butler Elementary School	4 through 6
4. Walton Middle School	7 and 8
5. Mossy Head Elementary School	9
6. Walton Senior High School	10 through 13
7. Maude Saunders Elementary School	NA
8. Freeport Elementary School	14
9. Walton Career Development Center	NA



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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 WALTON COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated September 14, 2010, that the Walton County District School Board complied with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2010. These requirements are found primarily in Chapter 1006, Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

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

Compliance

Our examination procedures disclosed material noncompliance with the District's reported student ridership data as follows: 93 of the 155 students in our sample had exceptions involving their reported ridership category or eligibility for State transportation funding. (See SCHEDULE G, Finding Nos. 2, 3, 4, and 5.)

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

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

Internal Control Over Compliance

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

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

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

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

Respectfully submitted,



David W. Martin, CPA
January 19, 2011

SCHEDULE F

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

<u>Description</u>	<u>Number of Vehicles</u>	<u>% of Population</u>	<u>No. of Students Transported</u>	<u>% of Population (Sample)</u>
Population ¹	194	100.00%	8,710	100.00%
Sample ²	-	-	155	1.78%
With Exceptions ³	-	-	93	(60.00%)
Net Audit Adjustments	-	-	(86)	(55.48%)

¹ The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2010. The District reported 8,710 students in the following ridership categories: 104 in IDEA (K-12), Weighted; 19 in IDEA (PK), Weighted; 34 in IDEA (PK), Unweighted; 6 in Teenage Parents and Infants; and 8,547 in Two Miles or More. The District also reported operating a total of 194 vehicles (192 buses and 2 passenger cars). (IDEA stands for Individuals with Disabilities Education Act.)

² See NOTE B.

³ Students with exceptions are students with exceptions affecting their ridership classification. Students cited only for incorrect reporting of days-in-term in Finding No. 1 are not included.

The accompanying notes are an integral part of this schedule.

SCHEDULE G

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

Overview

Management is responsible for determining and reporting the number of students transported in compliance with State requirements. These requirements are found primarily in Chapter 1006, Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. Except for material noncompliance involving the classification and reporting of transported students, the Walton County District School Board complied, in all material respects, with State requirements governing the determination and reporting of students transported for the fiscal year ended June 30, 2010. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 29.

Findings

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

1. [Ref. 51] Our general tests disclosed the following exceptions: (a) the reported number of buses-in-operation was overstated by two buses in the February 2010 survey and one bus in the June 2010 survey, and (b) the number of days-in-term for 35 students in the July 2009 survey was incorrectly reported as a 15-day term (they should have been reported for a 13-day term). We made the following audit adjustments:

February 2010 Survey

Number of Buses Operated (2) --

June 2010 Survey

Number of Buses Operated (1) --

(3) --

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustments</u>
<u>July 2009 Survey</u>		
<u>15 Days-in-Term</u>		
IDEA (K-12), Weighted	(2)	
Two Miles or More	(33)	
<u>13 Days-in-Term</u>		
IDEA (K-12), Weighted	2	
Two Miles or More	<u>33</u>	0

2. [Ref. 52] Four sample students were not transported at least one day of the 11-day survey window for the survey in which they were reported. We also noted that three of these students lived less than two miles from school but were reported incorrectly in Two Miles or More. We made the following audit adjustments:

<u>July 2009 Survey</u>		
<u>13 Days-in-Term</u>		
Two Miles or More (<i>Sample Student</i>)	(1)	
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Student</i>)	(1)	
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	<u>(2)</u>	(4)

3. [Ref. 53] The IEPs for five sample students in IDEA-weighted categories did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification. Two of these students were eligible for Two Miles or More and three were eligible for IDEA (PK), Unweighted. We made the following audit adjustments:

<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Weighted (<i>Sample Students</i>)	(2)	
IDEA (PK), Weighted (<i>Sample Students</i>)	(2)	
IDEA (PK), Unweighted (<i>Sample Students</i>)	2	
Two Miles or More (<i>Sample Students</i>)	2	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustments</u>
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Weighted (<i>Sample Student</i>)	(1)	
IDEA (PK), Unweighted (<i>Sample Student</i>)	<u>1</u>	0
4. [Ref. 54] <u>One sample student in the October 2009 and February 2010 surveys was reported incorrectly in Teenage Parents and Infants. The student was not enrolled in a Teenage Parent program. We noted, however, that the student was eligible for Two Miles or More. We made the following audit adjustments:</u>		
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
Teen Parent (<i>Sample Student</i>)	(1)	
Two Miles or More (<i>Sample Student</i>)	<u>1</u>	
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
Teen Parent (<i>Sample Student</i>)	(1)	
Two Miles or More (<i>Sample Student</i>)	<u>1</u>	0
5. [Ref. 55] <u>Eighty-two sample students were incorrectly reported in Two Miles or More. The students lived less than two miles from school. We made the following audit adjustments:</u>		
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	(38)	
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	(44)	(82)
Net Audit Adjustments		<u>(86)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>		<u>Students Transported Net Audit Adjustments</u>
Net Audit Adjustments		<u>(86)</u>
<u>Summary</u>		
Number of Buses in Operation	<u>(3)</u>	--
Sample Students w/Exceptions	<u>93</u>	--
Sample Students - Net Audit Adjustments	--	<u>(86)</u>
Net Audit Adjustments		<u>(86)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE H

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

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) the number of buses in operation and the number of days-in-term are correctly reported; (2) only students who are transported at least one time during an 11-day survey window are reported with a survey's results; (3) students are reported in the proper ridership categories and have appropriate documentation to support that reporting; (4) only ESE students whose need for special transportation services has been properly documented on their IEPs are reported in IDEA-weighted ridership categories; and (5) the distance from home to school is verified prior to students being reported in Two Miles or More.

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

Regulatory Citations

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

The accompanying notes are an integral part of this schedule.

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

NOTE A - SUMMARY

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

1. Student Eligibility

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

2. Transportation in Walton County

For the fiscal year ended June 30, 2010, the District received approximately \$1.78 million in State transportation funding. The District’s transportation reporting by survey was as follows:

<u>Survey Period</u>	<u>No. of Vehicles</u>	<u>No. of Students</u>
July 2009	5	35
October 2009	93	4,298
February 2010	94	4,374
June 2010	<u>2</u>	<u>3</u>
Total	<u>194</u>	<u>8,710</u>

3. Statutes and Rules

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

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

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

NOTE B - SAMPLING

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

EXHIBIT A
MANAGEMENT'S RESPONSE

Carlene H. Anderson
Superintendent of Schools



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January 14, 2011

David W. Martin, CPA
Auditor General
Room 412C; Claude Pepper Bldg.
111 West Madison Street
Tallahassee, Florida 32399-1450

RE: Walton County School District Florida Education Finance Program (FEFP), Full-Time Equivalent (FTE) Students and Student Transportation

Dear Mr. Martin,

In connection with your examination of our District's compliance with State requirements governing the determination and reporting of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and student transportation, which we understand was made for the purpose of rendering an opinion concerning the District's compliance with the aforementioned requirements for the fiscal year ended June 30, 2010, we make the following representations:

Full-Time Equivalent (FTE Students)

1. Courses ineligible for ESOL funding (Ref. 149). The district was cited for claiming ESOL weighted funding for ineligible courses. The district's ESOL Coordinator will schedule a data management training with guidance counselors and data control specialists to ensure no courses are improperly coded. The coordinator will also review FTE reports prior to submission to ensure all courses reported for ESOL weighted funding are designated for the program by the Florida Department of Education.
2. Out-of-field ESOL teachers and inservice training (Ref. 14171, 15172, 20171). The district was cited for failure to ensure teachers who are teaching ELL students have earned the required inservice training points in ESOL strategies required by rule and inservice training timelines. The district's ESOL Coordinator will review all schools' data and forward a report to school principals indicating teachers who are not in compliance with the consent decree. Teachers will indicate on their Individual Professional Development Plans (IPDPs) a need to complete the required ESOL inservice hours. The district coordinator will monitor the registration and completion of courses. A report will be generated prior to the end of school year 2010-11 listing all teachers who have not met the required inservice hours. The report will be disseminated to principals and the Superintendent of Schools.

"Making All Decisions in the Best Interest of Students"

Mildred Wilkerson
District 1

Faye Leddon
District 2

Sharon Roberts
District 3

Mark D. Davis
District 4

Dennis Wallace
District 5

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Page 2
Walton County

3. Out-of-field ESOL teachers not approved by the School Board (Ref. 15171,15173, 26171). The district's ESOL Coordinator will closely monitor the reporting of out-of-field teachers who are submitted to the board. MIS reports will be generated prior to the FTE reporting window and a list of teachers who are out-of-field in ESOL will be created. The list will be provided to the Human Resources Department to ensure no teachers are omitted.

4. ESOL parents not notified of out-of-field teacher status (15171,) The district's ESOL Coordinator will schedule a meeting with guidance counselors and review all reporting requirements. All guidance counselors will be required to attend. In addition the coordinator will create a listing of all out-of-field teachers in ESOL and follow-up with guidance counselors at the beginning of each semester to ensure letters are placed in the students' files. The coordinator will develop a FTE audit review checklist and require each guidance counselor to attach the checklist on each student's ESOL folder.

5. ESOL placement documentation (Ref. 27102). The district's ESOL Coordinator will schedule a meeting with guidance counselors for the review of placement documentation and the maximum six-year eligibility period. All guidance counselors will be required to attend the training. Prior to each FTE period, the coordinator will review a MIS report listing ELL students' entry dates. If any student is reported for ESOL funding who is beyond year six, the school will be contacted. The coordinator will develop a FTE audit review checklist and require each guidance counselor to attach the checklist on each student's ESOL folder.

6. Career Education 9-12 (OJT) timecards (Ref. 14101). To ensure the supporting time cards for students in Career Education 9-12 (OJT) are properly completed and retained in readily accessible files, the school principal has assigned the school Guidance Counselor responsibility for checking and documenting weekly that all timecards are in readily accessible files in the Career Education Program Coordinator's office at the school.

7. ESE support Level 4 and 5 (Ref. 20101(a)). The district ESE Coordinator will direct the Homebound Instructor to provide written verification of service during FTE week to school's data control specialist to ensure correct reporting. Documentation is maintained by the instructor noting the dates and times of service for homebound students. A copy of this documentation will be provided to the data control specialist at each school by the instructor; the data control specialist will sign an acknowledgement of receipt.

8. ESE support Level 4 and 5 (Ref. 20101(b)). The district ESE Coordinator will advise all staffing specialists of the error of reporting a homebound student as a 254 rather than the correct value of 255. All staffing specialists will provide a copy of any 254 or 255 matrix to the administrator for Exceptional Student Education for verification of accuracy.

9. ESE Support Level 4 and 5 (Ref. 27101). The district ESE Coordinator will direct the Homebound instructor to provide written verification of service during FTE week to school's data control specialist to ensure correct reporting. Documentation is maintained by the instructor noting the dates and times of service for homebound students. A copy of this documentation will be provided to the data control specialist at each school by the instructor; the data control specialist will sign an acknowledgement of receipt.

10. Out-of-Field Teachers and Parent Notification (Ref. 27171, 27172, 29171). The Human Resources Director will notify principals to:
 - a. Hire properly certified teachers for all courses

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- b. Ensure teacher certification is accurately coded
- c. Accurately code teacher certification when a not-highly qualified or out-of-field teacher is hired due to special circumstances
- d. After reviewing the master schedule, Guidance Counselors will submit a list of teachers who are teaching out of field to the principal
- e. After review and verification, Principals will submit for school board approval the name(s) of not-highly qualified or out-of-field teacher(s) within the appropriate timeframe
- f. Ensure parents of students taught by a not-highly qualified or out-of-field teacher are notified of the teacher's status in the appropriate timeframe.

Student Transportation

1. Correctly report buses in operation and the number of days-in-term (Ref. 51). Transportation staff will report the correct number of buses in operation and the correct days-in-term during survey times by properly coding buses and vans in the MIS student system and by retaining a detailed copy of summer program schedules, such as the Pre-Kindergarten Program, the Summer Reading Program, and the Extended School Year for ESE students.
2. Correctly report students who are transported at least one time during an 11-day survey window with a survey's results (Ref. 52). Transportation staff will ensure that students who are transported at least one time during an 11-day survey window are properly reported with a survey's results. Transportation staff will do so by assisting bus drivers in compiling and verifying lists of students.
3. Correctly report students in the proper ridership categories with appropriate supporting documentation (Ref. 53). Transportation staff will verify and will maintain supporting documentation for proper coding of student ridership categories.
4. Correctly report ESE Students whose need for special transportation services has been properly documented on their IEPs in IDEA-weighted ridership categories (Ref. 54). Transportation staff will closely coordinate with the ESE Department to ensure that students are properly coded consistent with their IEPs.
5. Ensure that the distance from home to school is verified prior to students being reported in Two Miles or More (Ref. 55). Transportation staff will use the District's school bus routing software to verify students who live two miles or more from school.

Sincerely,



Carlene H. Anderson
Superintendent of Schools