

**HAMILTON COUNTY
DISTRICT SCHOOL BOARD**

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

and

Student Transportation

For the Fiscal Year Ended
June 30, 2011



BOARD MEMBERS AND SUPERINTENDENT

Hamilton County District School Board members and the Superintendent of Schools who served during the 2010-11 fiscal year are listed below:

| <u>Member</u> | <u>District No.</u> |
|--|-------------------------|
| Damon Deas, Vice Chair to 11-15-10, Chair from 11-16-10 | 1 |
| William Gary Godwin, Vice Chair from 11-16-10 | 2 |
| Jeanie Daniels | 3 |
| Joyce Law Shaw to 11-15-10 | 4 |
| Johnny Bullard from 11-16-10 | 4 |
| Don J. Fenneman, Chair to 11-15-10 | 5 |
| Sammy McCoy from 11-16-10 | 5 |

Martha W. Butler, Superintendent

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

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

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

LIST OF ABBREVIATIONS

For the Fiscal Year Ended June 30, 2011

| | |
|---------------|---|
| ELL | English Language Learner |
| ESE | Exceptional Student Education |
| ESOL | English for Speakers of Other Languages |
| F.A.C. | Florida Administrative Code |
| F.S. | Florida Statutes |
| IDEA | Individuals with Disabilities Education Act |
| OJT | On-the-Job Training |
| PK | Prekindergarten |

Hamilton County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students and Student Transportation
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For the Fiscal Year Ended June 30, 2011

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EXECUTIVE SUMMARY

Summary of Attestation Examination

Except for the material noncompliance mentioned below involving teachers, the Hamilton 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, 2011.

- Five of the 37 teachers in our sample did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, or the earning of required in-service training points in ESOL strategies.

Noncompliance related to reported FTE resulted in five findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to zero but has a potential impact on the District's weighted FTE of a negative 0.1679. Our examination procedures related to student transportation disclosed no instances of noncompliance.

Weighted adjustments to FTE are presented in our report for illustrative purposes only. The weighted adjustments to FTE do not take special program caps and allocation factors into account and are not intended to indicate the weighted FTE used to compute the dollar value of adjustments. That computation is the responsibility of the Department of Education (DOE). However, the gross dollar effect of our proposed adjustments to FTE may be estimated by multiplying the proposed net weighted adjustment to FTE by the base student allocation amount. For the Hamilton County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative \$608 (negative 0.1679 times \$3,623.76).

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

School District of Hamilton County

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

The governing body of the District is the District School Board that is composed of five elected members. The executive officer of the Board is the elected Superintendent of Schools. For the fiscal year ended June 30, 2011, the District operated six schools serving prekindergarten through twelfth grade students, reported 1,697.58 unweighted FTE for those students, and received approximately \$5.2 million in State funding through FEFP.

Florida Education Finance Program (FEFP)

Full-Time Equivalent (FTE) Students

Florida school districts receive State funding through FEFP to serve prekindergarten through twelfth grade students (adult education is not funded by FEFP). FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system the availability of programs and services appropriate to the student's educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per-student cost for equivalent educational programs due to sparsity and dispersion of student population. The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE (full-time equivalent) student. For example, one student would be reported as one FTE if the student was enrolled in six classes per day at 50 minutes per class for the full 180-day school year (i.e., six classes at 50 minutes each per day is 5 hours of class a day or 25 hours per week that 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 an ESE student who is transported from one school center to another where appropriate programs are provided, or is on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. The District received approximately \$325,000 for student transportation as part of the State funding through FEFP.



DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

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

INDEPENDENT AUDITOR'S REPORT HAMILTON COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated August 1, 2011, that the Hamilton 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, 2011. 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 material noncompliance involving 5 of the 37 teachers in our sample who did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, or the earning of required in-service training points in ESOL strategies. (See SCHEDULE D, Finding Nos. 1 through 4.)

In our opinion, except for the material noncompliance mentioned above involving teachers, the Hamilton 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, 2011.

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 SCHEDULES A, B, C, and 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 teacher certification. Other noncompliance disclosed by our examination procedures is indicative of control deficiencies¹ and is also presented herein. The findings, populations, samples, and exception totals that pertain to material and other noncompliance are presented in SCHEDULES A and 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
June 21, 2012

SCHEDULE A

Hamilton 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, 2011

Reported FTE

The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. FEFP funds ten specific programs that are grouped under the following four general program titles: Basic, ESOL, ESE, and Career Education 9-12. Unweighted FTE represents FTE prior to the application of the specific cost factor for each program. (See SCHEDULE B and NOTES A3, A4, and A6.) The District reported 1,697.58 unweighted FTE at six schools to the Department of Education for the fiscal year ended June 30, 2011.

Schools and Students

As part of our examination procedures, we sampled schools and students for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2011. (See NOTE B.) The population of schools (6) consisted of the total number of schools in the District that offered courses in FEFP-funded Programs. The population of students (1,645) consisted of the total number of students in each Program at the schools in our samples. Our Career Education 9-12 data includes only those students who participated in OJT. Our populations and samples of schools and students are summarized as follows:

| <u>Programs</u> | <u>Number of Schools</u> | | <u>Number of Students</u> | | Students with <u>Exceptions</u> | <u>Unweighted FTE</u> | | Proposed <u>Adjustments</u> |
|----------------------------|--------------------------|---------------|---------------------------|---------------|---------------------------------------|-----------------------|----------------|--------------------------------|
| | <u>Population</u> | <u>Sample</u> | <u>Population</u> | <u>Sample</u> | | <u>Population</u> | <u>Sample</u> | |
| Basic | 5 | 3 | 1,289 | 35 | 0 | 1,336.9800 | 32.1290 | 1.3126 |
| Basic with ESE Services | 4 | 4 | 216 | 15 | 0 | 232.3900 | 11.0513 | .0000 |
| ESOL | 4 | 3 | 80 | 21 | 0 | 51.7000 | 14.3797 | (1.3126) |
| ESE Support Levels 4 and 5 | 6 | 4 | 34 | 28 | 2 | 29.2000 | 23.6948 | .0000 |
| Career Education 9-12 | 2 | 1 | <u>26</u> | <u>24</u> | <u>0</u> | <u>47.3100</u> | <u>8.9559</u> | <u>.0000</u> |
| All Programs | 6 | 4 | <u>1,645</u> | <u>123</u> | <u>2</u> | <u>1,697.5800</u> | <u>90.2107</u> | <u>.0000</u> |

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Hamilton 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, 2011

Teachers

We also sampled teachers as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (88) consisted of 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 (OJT) or taught courses to ELL students. From the population of teachers, we sampled 37 and found exceptions for 5 of those teachers.

Proposed Adjustments

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

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

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
 For the Fiscal Year Ended June 30, 2011

| <u>No. Program</u> ¹ | <u>Proposed Net Adjustment</u> ² | <u>Cost Factor</u> | <u>Weighted FTE</u> ³ |
|---------------------------------|---|--------------------|----------------------------------|
| 102 Basic 4-8 | .5020 | 1.000 | .5020 |
| 103 Basic 9-12 | .8106 | 1.031 | .8357 |
| 130 ESOL | (1.3126) | 1.147 | (1.5056) |
| 254 ESE Support Level 4 | .0000 | 3.523 | .0000 |
| 255 ESE Support Level 5 | <u>.0000</u> | 4.935 | <u>.0000</u> |
| Total | <u>.0000</u> | | <u>(.1679)</u> |

¹ See NOTE A6.

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

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
PROPOSED ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2011

| <u>No. Program</u> | <u>Proposed Adjustments¹</u> | | | <u>Total</u> |
|---------------------------|--|---------------------|---------------------|---------------------|
| | <u>#0031</u> | <u>#0032</u> | <u>#0091</u> | |
| 102 Basic 4-8 | .1684 | .3336 | | .5020 |
| 103 Basic 9-12 | | .8106 | | .8106 |
| 130 ESOL | (.1684) | (1.1442) | | (1.3126) |
| 254 ESE Support Level 4 | | | .0000 | .0000 |
| 255 ESE Support Level 5 | | | <u>.0000</u> | <u>.0000</u> |
| Total | <u>.0000</u> | <u>.0000</u> | <u>.0000</u> | <u>.0000</u> |

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2011

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 the material noncompliance involving teachers, the Hamilton 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, 2011. All noncompliance disclosed by our examination procedures is discussed below and requires management’s attention and action, as recommended on page 11.

Findings

Our examination included the July and October 2010 surveys and the February and June 2011 surveys (see NOTE A5). Unless otherwise specifically stated, the Findings and proposed adjustments presented herein are for the October 2010 survey or the February 2011 survey or both. Accordingly, our Findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Central Hamilton Elementary School (#0031)

1. [Ref. 3170] One teacher taught Language Arts 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 were not notified of the teacher’s out-of-field status. We propose the following adjustment:

| | | |
|---------------|---------|-------|
| 102 Basic 4-8 | .1684 | |
| 130 ESOL | (.1684) | .0000 |
| | | .0000 |

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2011

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Findings

Hamilton County High School (#0032)

2. [Ref. 3270] 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 courses that required either certification in Math or a Reading 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:

| | | |
|----------------|----------------|-------|
| 103 Basic 9-12 | .0600 | |
| 130 ESOL | <u>(.0600)</u> | .0000 |

3. [Ref. 3271] One Science 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 rule and the teacher's in-service training timeline. We propose the following adjustment:

| | | |
|----------------|----------------|-------|
| 103 Basic 9-12 | .2502 | |
| 130 ESOL | <u>(.2502)</u> | .0000 |

4. [Ref. 3272/73] Two teachers taught Language Arts classes that included ELL students but were not properly certified to teach ELL students and were not approved by the School Board to teach such students out of field. We also noted that the parents of the ELL students were not notified of the teachers' out-of-field status. We propose the following adjustments:

| | | |
|------------------|----------------|-------|
| <u>Ref. 3272</u> | | |
| 103 Basic 9-12 | .5004 | |
| 130 ESOL | <u>(.5004)</u> | .0000 |

| | | |
|------------------|----------------|--------------|
| <u>Ref. 3273</u> | | |
| 102 Basic 4-8 | .3336 | |
| 130 ESOL | <u>(.3336)</u> | <u>.0000</u> |

.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2011

| <u>Findings</u> | Proposed Net Adjustments (Unweighted FTE) |
|--|--|
| <u>Greenwood School (#0091)</u> | |
| 5. [Ref. 9101] <u>Two ESE students were not reported in accordance with their</u> <u>Matrix of Services forms. We propose the following adjustment:</u> | |
| 254 ESE Support Level 4 | (.5000) |
| 255 ESE Support Level 5 | .5000 |
| 254 ESE Support Level 4 | .5000 |
| 255 ESE Support Level 5 | <u>(.5000)</u> |
| | <u>.0000</u> |
| | <u>.0000</u> |
| Proposed Net Adjustment | <u>.0000</u> |

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Hamilton 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, 2011

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) ESE students are reported in accordance with their *Matrix of Services* forms; (2) teachers are properly certified or, if out of field, are approved to teach out of field by the School Board; (3) teachers earn in-service training points in ESOL strategies on a timely basis as required by rule and their in-service training timelines; and (4) 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. Florida Education Finance Program Student Membership Surveys
- Rule 6A-1.04513, F.A.C. Maintaining Auditable FTE Records
- FTE General Instructions 2010-11*

Attendance

- Section 1003.23, F.S. Attendance Records and Reports
- Rules 6A-1.044(3) and (6)(c), F.A.C. Pupil Attendance Records
- Rule 6A-1.04513, F.A.C. Maintaining Auditable FTE Records
- FTE General Instructions 2010-11*
- Comprehensive Management Information System: Automated Student Attendance Recordkeeping System*

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Hamilton 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, 2011

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

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 2010-11*

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

Matrix of Services Handbook (2004 Revised Edition)

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Hamilton 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, 2011

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.

Hamilton County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2011

NOTE A – SUMMARY

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

1. School District of Hamilton County

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

For the fiscal year ended June 30, 2011, the District operated six schools serving prekindergarten through twelfth grade students, reported 1,697.58 unweighted FTE, and received approximately \$5.2 million in State funding through FEFP. The primary sources of funding for the District are funds from FEFP, local ad valorem taxes, and Federal grants and donations.

2. Florida Education Finance Program (FEFP)

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

Hamilton County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2011

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 2010-11 school year were conducted during and for the following weeks: survey one was performed for July 12 through 16, 2010; survey two was performed for October 11 through 15, 2010; survey three was performed for February 7 through 11, 2011; and survey four was performed for June 13 through 17, 2011.

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2011

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 judgmental methods for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2011. 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:

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2011

NOTE B - SAMPLING (Continued)

| <u>School Name/Description</u> | <u>Finding Number(s)</u> |
|---------------------------------------|--------------------------|
| 1. Central Hamilton Elementary School | 1 |
| 2. Hamilton County High School | 2 through 4 |
| 3. North Hamilton Elementary School | NA |
| 4. Greenwood School | 5 |



DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

G74 Claude Pepper Building
111 West Madison Street
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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 HAMILTON COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated August 1, 2011, that the Hamilton 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, 2011. 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

In our opinion, the Hamilton 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, 2011.

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 Our examination did not detect noncompliance that would be indicative of material weakness in the District's internal controls related to their reported classification or eligibility for State transportation funding. The populations, samples, and test results are presented in SCHEDULE F.

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
June 21, 2012

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.*

SCHEDULE F

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2011

Any student who is transported by the District must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or is on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. (See NOTE A1.)

As part of our examination procedures, we sampled students for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2011. (See NOTE B.) The population of vehicles (50) consisted of the total of the numbers of vehicles reported by the District for each survey. For example, a vehicle that transported students during the July and October 2010 and February and June 2011 surveys would be counted in the population as four vehicles. Similarly, the population of students (1,584) consisted of the total numbers of students reported by the District as having been transported for each survey. (See NOTE A2.) The District reported students in the following ridership categories:

| <u>Ridership Category</u> | <u>Number of Students Transported</u> |
|-----------------------------|---|
| IDEA (K-12), Weighted | 48 |
| IDEA (PK), Weighted | 18 |
| IDEA (PK), Unweighted | 2 |
| Teenage Parents and Infants | 2 |
| Two Miles or More | <u>1,514</u> |
| Total | <u>1,584</u> |

We sampled 120 of the 1,584 students reported as being transported by the District. Our examination procedures disclosed no instances of noncompliance.

The accompanying notes are an integral part of this schedule.

SCHEDULE G

Hamilton County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2011

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. The Hamilton 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, 2011.

**Students
 Transported
 Proposed Net
Adjustments**

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 2010 surveys and the February and June 2011 surveys.

Our examination procedures related to student transportation disclosed no instances of noncompliance.

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Hamilton County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2011

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 2010-11*

The accompanying notes are an integral part of this schedule.

Hamilton County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2011

NOTE A – SUMMARY

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

1. Student Eligibility

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

2. Transportation in Hamilton County

For the fiscal year ended June 30, 2011, the District received approximately \$325,000 for student transportation as part of the State funding through FEFP. The District’s transportation reporting by survey was as follows:

| <u>Survey Period</u> | <u>Number of Vehicles</u> | <u>Number of Students</u> |
|--------------------------|-------------------------------|-------------------------------|
| July 2010 | 3 | 6 |
| October 2010 | 21 | 779 |
| February 2011 | 24 | 778 |
| June 2011 | <u>2</u> | <u>21</u> |
| Total | <u>50</u> | <u>1,584</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

Hamilton County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2011

NOTE B – SAMPLING

Our examination procedures provided for the selection of samples of buses and students using judgmental methods for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2011. 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**



Hamilton County School District

4280 S.W. County Road 152
Jasper, Florida 32052
Phone: 386.792.1228 – Fax: 386.792.3681

Martha W. Butler, Superintendent

School Board Members
Damon Deas – District 1
Gary Godwin – District 2
Jeanie Daniels – District 3
Johnny Bullard – District 4
Sammy McCoy – District 5

June 21, 2012

Honorable David W. Martin, Auditor General
State of Florida
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Mr. Martin:

The following is our response to the preliminary and tentative audit finds and recommendations for the Florida Education Finance Program and Student Transportation fiscal year ended June 30, 2011.

Finding 1 - This teacher began the certification process since this reporting and has completed 60 hours to date. She will continue until completion. Notification letters will be sent to parents during the next session if ELL students are assigned.

Finding 2 - This was one of our alternative school teachers. The program that was in place during the fiscal year audited has been discontinued. Future alternative placement students will be served by in-field teachers on the same campus at the high school. Notification letters will be sent to parents during the next session if ELL students are assigned.

Finding 3 - This teacher has been reassigned to teach Agriculture. This teacher has been notified of the ESOL requirement to complete as part of his IPDP. Notification letters will be sent to parents during the next session if ELL students are assigned.

Finding 4 - These teachers have been notified of ESOL certification requirements and have been advised on a plan of completion and addition to their certificates. Notification letters will be sent to parents during the next session if ELL students are assigned.

Finding 5 - We will be taking care to monitor ESE program assignments to ensure all are classified in accordance with their matrix of services.

Sincerely,

Martha Butler
Superintendent of Schools

"Changing Lives Through Quality Education"
www.hamiltonfl.com