

**PUTNAM COUNTY
DISTRICT SCHOOL BOARD**

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

and

Student Transportation

For the Fiscal Year Ended
June 30, 2012



BOARD MEMBERS AND SUPERINTENDENT

Putnam County District School Board members and the Superintendent of Schools who served during the 2011-12 fiscal year are listed below:

Member	District No.
Nichole M. Cummings	1
Lisa Parsons	2
Terry Wright, Vice Chair	3
Kathleen Jorgensen	4
C. L. Overturf, Jr., Chair	5

Thomas D. Townsend, Superintendent

The examination team leader was Jennifer Taylor, CPA, 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.

Putnam 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, 2012

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

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

SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below involving teachers and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in ESE Support Levels 4 and 5, Career Education 9-12 (OJT), and student transportation, the Putnam 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, 2012:

- Thirteen of the 77 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.
- Seven of the 37 students in our ESE Support Levels 4 and 5 sample and 10 of the 30 students in our Career Education 9-12 (OJT) sample had exceptions involving reporting errors or records that were not properly or accurately prepared or were missing and could not be located.
- Eighty-two of the 258 students in our student transportation sample had exceptions involving their reported ridership classification or eligibility for State transportation funding.

Noncompliance related to reported FTE resulted in 23 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative 1.5909 but has a potential impact on the District's weighted FTE of a negative 6.3633. Noncompliance related to student transportation resulted in 8 findings and a proposed net adjustment of a negative 97 students.

Weighted adjustments to FTE are presented in our report for illustrative purposes only. The weighted adjustments to FTE do not take special program caps and allocation factors into account and are not intended to indicate the weighted FTE used to compute the dollar value of adjustments. That computation is the responsibility of the Department of Education. However, the gross dollar effect of our proposed adjustments to FTE may be estimated by multiplying the proposed net weighted adjustment to FTE by the base student allocation amount. For the Putnam County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative \$22,139 (negative 6.3633 times \$3,479.22).

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

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

SCHOOL DISTRICT OF PUTNAM COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Putnam 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 Putnam 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, 2012, the District operated 20 schools serving prekindergarten through twelfth grade students, reported 10,774.62 unweighted FTE for those students, and received approximately \$33.1 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 be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. The District received approximately \$2.5 million for student transportation as part of the State funding through FEFP.



DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450



PHONE: 850-488-5534
FAX: 850-488-6975

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

INDEPENDENT AUDITOR'S REPORT PUTNAM 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 July 1, 2012, that the Putnam 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, 2012. 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 2011-12* 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:

1. Teachers

Thirteen of the 77 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.¹

2. Students

Seven of the 37 students in our ESE Support Levels 4 and 5 sample² and 10 of the 30 students in our Career Education 9-12 (OJT) sample³ had exceptions involving reporting errors or records that were not properly or accurately prepared or were missing and could not be located.

In our opinion, except for the material noncompliance mentioned above involving teachers and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in ESE Support Levels 4 and 5 and Career Education 9-12 (OJT), the Putnam 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, 2012.

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.

¹For teachers, see SCHEDULE D, Finding Nos. 1, 2, 3, 7, 12, 13, 14, 15, 19, 20, and 21.

²For ESE Support Levels 4 and 5, see SCHEDULE D, Finding Nos. 4, 8, 9, 22, and 23.

³For Career Education 9-12 (OJT), see SCHEDULE D, Finding Nos. 5, 6, 17, and 18.

INTERNAL CONTROL OVER COMPLIANCE

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report significant deficiencies in internal control detected during our examination and identify those considered to be material weaknesses. The purpose of our examination was to express an opinion on the District's compliance with State requirements and did not include expressing an opinion on the District's related internal controls. Accordingly, we express no such opinion. Due to its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.⁴ However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to teacher certification and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in ESE Support Levels 4 and 5 and Career Education 9-12 (OJT). Other noncompliance disclosed by our examination procedures is indicative of control deficiencies⁴ 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.

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
March 26, 2013

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

SCHEDULE A

Putnam 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, 2012

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 10,774.62 unweighted FTE at 20 schools to the Department of Education for the fiscal year ended June 30, 2012.

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, 2012. (See NOTE B.) The population of schools (20) consisted of the total number of schools in the District that offered courses in FEFP-funded programs. The population of students (5,569) 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>		<u>Students with Exceptions</u>	<u>Unweighted FTE</u>		<u>Proposed Adjustments</u>
	<u>Population</u>	<u>Sample</u>	<u>Population</u>	<u>Sample</u>		<u>Population</u>	<u>Sample</u>	
Basic	20	8	3,881	82	0	7,772.4900	64.8415	12.0708
Basic with ESE Services	20	8	1,164	58	0	2,258.1100	49.9926	(.5000)
ESOL	16	6	444	87	8	455.9500	71.8821	(11.5038)
ESE Support Levels 4 and 5	11	6	44	37	7	36.0300	25.8151	(.1971)
Career Education 9-12	5	2	<u>36</u>	<u>30</u>	<u>10</u>	<u>252.0400</u>	<u>6.9457</u>	<u>(1.4608)</u>
All Programs	20	8	<u>5,569</u>	<u>294</u>	<u>25</u>	<u>10,774.6200</u>	<u>219.4770</u>	<u>(1.5909)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Putnam 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, 2012

TEACHERS

We also sampled teachers as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (191) 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 or taught courses to ELL students. From the population of teachers, we sampled 77 and found exceptions for 13 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.)

Section 2 of the General Appropriations Act for the 2011-12 fiscal year (Chapter 2011-69, Laws of Florida) established the cost factors for that fiscal year as shown on SCHEDULE B. Generally, the cost factors are greater than or equal to 1.000, with Basic education cost factors being the lowest. However, for the 2011-12 fiscal year, the cost factor for Career Education 9-12 was 0.999. Chapter 2012-133, Laws of Florida, in part, amended Section 1011.62(13)(b), Florida Statutes, to add language providing that, beginning with the 2011-12 fiscal year, an audit adjustment may not result in the reclassification of special program FTE to basic program FTE if the special program cost factor is less than the basic program cost factor. Accordingly, for instances of noncompliance involving teachers not being properly certified and teaching Career Education 9-12 students out of field or parents of the students not being notified of the teachers' out-of-field status, we have presented disclosure Findings with no proposed adjustments. (See SCHEDULE D, Finding Nos. 3 and 15.)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Putnam 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, 2012

<u>No. Program</u> ¹	<u>Proposed Net Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
101 Basic K-3	1.1302	1.102	1.2455
102 Basic 4-8	10.1735	1.000	10.1735
103 Basic 9-12	.7671	1.019	.7817
111 Grades K-3 with ESE Services	(.5000)	1.102	(.5510)
130 ESOL	(11.5038)	1.161	(13.3559)
254 ESE Support Level 4	1.5000	3.550	5.3250
255 ESE Support Level 5	(1.6971)	5.022	(8.5228)
300 Career Education 9-12	<u>(1.4608)</u>	.999	<u>(1.4593)</u>
Total	<u>(1.5909)</u>		<u>(6.3633)</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

Putnam 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, 2012

<u>No. Program</u>	<u>Proposed Adjustments¹</u>			<u>Balance Forward</u>
	<u>#0091</u>	<u>#0112</u>	<u>#0121</u>	
101 Basic K-3	.8302	.....	.3000	1.1302
102 Basic 4-8	1.6804	.....	.....	1.6804
103 Basic 9-12	.....	.....	.....	.0000
111 Grades K-3 with ESE Services	.....	.....	.....	.0000
130 ESOL	(2.5106)	.....	(.3000)	(2.8106)
254 ESE Support Level 4	.....	.....	.....	.0000
255 ESE Support Level 5	.....	(.0651)	.....	(.0651)
300 Career Education 9-12	.....	(.2102)	.....	(.2102)
Total	<u>.0000</u>	<u>(.2753)</u>	<u>.0000</u>	<u>(.2753)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Putnam 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, 2012

<u>No.</u>	<u>Brought Forward</u>	<u>Proposed Adjustments¹</u>				<u>Total</u>
		<u>#0201</u>	<u>#0231</u>	<u>#0301</u>	<u>#0321</u>	
101	1.1302	.....	.....	.....	.....	1.1302
102	1.6804	.....	8.4931	.....	.....	10.1735
103	.0000	.....	.....	.7671	.....	.7671
111	.0000	.....	.....	.....	(.5000)	(.5000)
130	(2.8106)	.....	(8.4931)	(.2001)	.....	(11.5038)
254	.0000	.....	.....	.....	1.5000	1.5000
255	(.0651)	(.0900)	.0050	(.5670)	(.9800)	(1.6971)
300	<u>(.2102)</u>	.....	.....	<u>(1.2506)</u>	.....	<u>(1.4608)</u>
Total	<u>(.2753)</u>	<u>(.0900)</u>	<u>.0050</u>	<u>(1.2506)</u>	<u>.0200</u>	<u>(1.5909)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Putnam 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, 2012

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 2011-12* issued by the Department of Education. Except for the material noncompliance involving teachers and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in ESE Support Levels 4 and 5 and Career Education 9-12 (OJT), the Putnam 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, 2012. All noncompliance disclosed by our examination procedures is discussed below and requires management’s attention and action, as recommended on page 17.

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Findings

Our examination included the July and October 2011 surveys and the February and June 2012 surveys (see NOTE A5). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2011 survey or the February 2012 survey or both. Accordingly, our Findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Mellon Elementary School (#0091)

1. [Ref. 9171] 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: (a) the parents of the ELL students were not notified of the teacher's out-of-field status, and (b) the teacher 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:

102 Basic 4-8	1.6804	
130 ESOL	(1.6804)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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, 2012

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Findings

Mellon Elementary School (#0091) (Continued)

2. [Ref. 9172] One teacher taught Primary Language Arts to classes 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:

101 Basic K-3	.8302	
130 ESOL	(.8302)	.0000
		.0000

Interlachen High School (#0112)

3. [Ref. 11270] One teacher was approved to teach out of field in Computing for College and Careers in the 2010-11 school year but had earned none of the six college credit hours toward certification in that subject area. Accordingly, the teacher should not have been assigned to teach a Career Education 9-12 course out of field in the 2011-12 school year until the college credits requirement from the previous out-of-field assignment were met. We present this disclosure Finding with no proposed adjustment.

.0000

4. [Ref. 11201] The homebound instructional minutes for two ESE students in the Hospital and Homebound Program were incorrectly reported. The two students were reported for 210 and 240 instructional minutes but were documented as receiving only 165 and 90 minutes, respectively, as supported by the homebound instructor's contact log. We propose the following adjustment:

255 ESE Support Level 5	(.0651)	(.0651)
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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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, 2012

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Findings

Interlachen High School (#0112) (Continued)

5. [Ref. 11202] One Career Education 9-12 (OJT) student did not work during the reporting survey week and there was not sufficient evidence that the student was otherwise engaged in job search activities. We propose the following adjustment:

300 Career Education 9-12	(.1751)	(.1751)
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6. [Ref. 11203] One Career Education 9-12 (OJT) student was reported for more work hours than were supported by the student's timecard. The student was reported for 8.75 hours but worked only 7 hours. We propose the following adjustment:

300 Career Education 9-12	(.0351)	(.0351)
		(.2753)

Melrose Elementary School (#0121)

7. [Ref. 12170] One teacher taught Primary Language Arts to a class that included ELL students but had earned only 30 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:

101 Basic K-3	.3000	
130 ESOL	(.3000)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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, 2012

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Findings

Interlachen Elementary School (#0201)

8. [Ref. 20101] The homebound instructional minutes for one ESE student in the Hospital and Homebound Program were incorrectly reported. The student was reported for 450 instructional minutes but only 180 minutes were authorized by the student's IEP and supported by the homebound instructor's contact log. We propose the following adjustment:

255 ESE Support Level 5	(.0900)	(.0900)
		(.0900)

George C. Miller, Jr., Intermediate School (#0231)

9. [Ref. 23101] The homebound instructional minutes for one ESE student in the Hospital and Homebound Program were incorrectly reported. The student was reported for 165 instructional minutes although 180 minutes were authorized by the student's IEP and supported by the homebound instructor's contact log. We propose the following adjustment:

255 ESE Support Level 5	.0050	.0050
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10. [Ref. 23103] Six ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We propose the following adjustment:

102 Basic 4-8	4.1089	
130 ESOL	(4.1089)	.0000

11. [Ref. 23104] One student was reported incorrectly in ESOL in the October 2011 survey. The student was FES and a competent English reader and writer and had been recommended for exit from ESOL by an ELL Committee on September 27, 2011. We propose the following adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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, 2012

<u>Findings</u>			Proposed Net Adjustments (Unweighted FTE)
<u>George C. Miller, Jr., Intermediate School (#0231)</u> (Continued)			
102 Basic 4-8	.5000		
130 ESOL	(.5000)		.0000
12. [Ref. 23170] <u>One Primary Language Arts 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 were not notified of the teacher's out-of-field status. We propose the following adjustment:</u>			
102 Basic 4-8	1.5336		
130 ESOL	(1.5336)		.0000
13. [Ref. 23171/72] <u>Two teachers taught classes that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by rule and the teachers' in-service training timelines. We propose the following adjustments:</u>			
<u>Ref. 23171</u>			
102 Basic 4-8	1.1506		
130 ESOL	(1.1506)		.0000
<u>Ref. 23172</u>			
102 Basic 4-8	.2000		
130 ESOL	(.2000)		.0000
14. [Ref. 23173] <u>One teacher held a temporary teaching certificate but did not complete the General Knowledge requirements within 12 calendar months of the teacher's date of hire. We propose the following adjustment:</u>			

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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, 2012

<u>Findings</u>	Proposed Net Adjustments (Unweighted FTE)
<u>George C. Miller, Jr., Intermediate School (#0231)</u> (Continued)	
102 Basic 4-8	1.0000
130 ESOL	(1.0000)
	<u>.0000</u>
	<u>.0050</u>

Palatka High School (#0301)

15. [Ref. 30170/72] Two teachers were not properly certified and were not approved by the School Board to teach out of field. One teacher (Ref. 30170) held certification in English but taught a Career Education 9-12 course that required certification in Home Economics and one teacher (Ref. 30172) held certification in Family and Consumer Science but taught Career Education 9-12 courses that required certification in Teacher Coordinator of Cooperative Education. We also noted that the parents of the students were not notified of the teachers' out-of-field status. We present this disclosure Finding with no proposed adjustments.

.0000

16. [Ref. 30101] The English language proficiency of one student was prematurely assessed prior to the student's continued ESOL placement for a fifth year. Assessments were conducted in September 2011; however, the student was due for reevaluation in December 2011. We also noted that an ELL Committee was convened in September 2011, which was more than 30 days prior to the student's ESOL anniversary date. Consequently, the student's ESOL placement was not adequately supported. We propose the following adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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, 2012

<u>Findings</u>	Proposed Net Adjustments (Unweighted FTE)
Palatka High School (#0301) (Continued)	
103 Basic 9-12	.2001
130 ESOL	(.2001)
	.0000
<p>17. [Ref. 30102] <u>Six Career Education 9-12 (OJT) students did not work during the reporting survey weeks and there was not sufficient evidence that the students were otherwise engaged in job search activities. We propose the following adjustment:</u></p>	
300 Career Education 9-12	(.9338)
	(.9338)
<p>18. [Ref. 30103] <u>Two Career Education 9-12 (OJT) students were reported for more work hours than were supported by the students' timecards. We also noted that the timecard for one of the students was not signed by the student's employer. We propose the following adjustment:</u></p>	
300 Career Education 9-12	(.3168)
	(.3168)
<p>19. [Ref. 30171] <u>One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher held certification in Physical Education but taught a course that required certification in ESE. We propose the following adjustment:</u></p>	
103 Basic 9-12	.0834
255 ESE Support Level 5	(.0834)
	.0000
<p>20. [Ref. 30173] <u>One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher held certification in Social Science but taught a course that required certification in ESE. We also noted that the parents of the ESE student were not notified of the teacher's out-of-field status. We propose the following adjustment:</u></p>	

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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, 2012

<u>Findings</u>		Proposed Net Adjustments (Unweighted FTE)
<u>Palatka High School (#0301)</u> (Continued)		
103 Basic 9-12	.0834	
255 ESE Support Level 5	(.0834)	.0000
21. [Ref. 30174] <u>The Culinary Arts District-issued teaching certificate for one teacher expired on June 30, 2007. The teacher's personnel file contained a subsequent certificate; however, the certificate was not issued until after the 2011-12 school year (issue date was July 1, 2012). We propose the following adjustment:</u>		
103 Basic 9-12	.4002	
255 ESE Support Level 5	(.4002)	.0000
		<u>(1.2506)</u>
<u>E. H. Miller School (#0321)</u>		
22. [Ref. 32101] <u>The homebound instructional minutes for one ESE student in the Hospital and Homebound Program were incorrectly reported. The student was reported for 240 instructional minutes although 300 minutes were authorized by the student's IEP and supported by the homebound instructor's contact log. We propose the following adjustment:</u>		
255 ESE Support Level 5	.0200	.0200
23. [Ref. 32102] <u>Two ESE students were not reported in accordance with the students' Matrix of Services forms. We propose the following adjustment:</u>		
111 Grades K-3 with ESE Services	(.5000)	
254 ESE Support Level 4	1.5000	
255 ESE Support Level 5	(1.0000)	.0000
		<u>.0200</u>
Proposed Net Adjustment		<u>(1.5909)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Putnam 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, 2012

RECOMMENDATIONS

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) students are reported in the proper FEFP funding categories for the correct amount of FTE and have adequate documentation to support that reporting, particularly with regard to students in ESE Support Levels 4 and 5 and Career Education 9-12 (OJT); (2) ESE students are reported in accordance with their *Matrix of Services* forms; (3) students are reported appropriately for their homebound instruction based on what is authorized in the students' IEPs and as supported by the homebound instructors' contact logs; (4) the English language proficiency of students being considered for extension of the their ESOL placements (beyond the initial three-year base period) is assessed within the 30 school days prior to the students' ESOL anniversary dates and ELL Committees are convened subsequent to these assessments but no later than the students' ESOL anniversary dates; (5) students are not funded in the ESOL Program beyond six years; (6) students for whom ELL Committees have been convened and are recommended for exit are not reported for continuation in the ESOL Program; (7) students in Career Education 9-12 (OJT) are reported in accordance with timecards that are accurately completed, signed, and retained in readily-accessible files; (8) teachers are properly certified or, if out of field, are timely approved by the School Board to teach out of field; (9) out-of-field teachers earn their required in-service training points or college credits as required by their education timeline and prior to being assigned to another out-of-field subject area; and (10) parents are timely notified when their children are assigned to 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, FS Minimum Requirements of the Florida Education Finance Program
- Section 1011.61, FS Definitions
- Section 1011.62, FS Funds for Operation of Schools
- Rule 6A-1.0451, FAC Florida Education Finance Program Student Membership Surveys

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Putnam 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, 2012

REGULATORY CITATIONS (Continued)

Reporting (Continued)

Rule 6A-1.04513, FAC Maintaining Auditable FTE Records
FTE General Instructions 2011-12

Attendance

Section 1003.23, FS Attendance Records and Reports
Rules 6A-1.044(3) and (6)(c), FAC Pupil Attendance Records
Rule 6A-1.04513, FAC Maintaining Auditable FTE Records
FTE General Instructions 2011-12
Comprehensive Management Information System: Automated Student Attendance Recordkeeping System

English for Speakers of Other Languages (ESOL)

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

Career Education On-the-Job Attendance

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

Career Education On-the-Job Funding Hours

Rule 6A-6.055(3), FAC Definitions of Terms Used in Vocational Education and Adult Programs
FTE General Instructions 2011-12

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Putnam 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, 2012

REGULATORY CITATIONS (Continued)

Exceptional Education

- Section 1003.57, FS Exceptional Students Instruction
- Section 1011.62, FS Funds for Operation of Schools
- Section 1011.62(1)(e), FS Funding Model for Exceptional Student Education Programs
- Rule 6A-6.03028, FAC Provision of Free Appropriate Public Education (FAPE) and
 Development of Individual Educational Plans for Students with
 Disabilities
- Rule 6A-6.03029, FAC Development of Family Support Plans for Children with Disabilities
 Ages Birth Through Five Years
- Rule 6A-6.0312, FAC Course Modifications for Exceptional Students
- Rule 6A-6.0331, FAC General Education Intervention Procedures, Identification, Evaluation,
 Reevaluation and the Initial Provision of Exceptional Education Services
- Rule 6A-6.0334, FAC Individual Educational Plans (IEPs) and Educational Plans (EPs) for
 Transferring Exceptional Students
- Rule 6A-6.03411, FAC Definitions, ESE Policies and Procedures, and ESE Administrators
Matrix of Services Handbook (2004 Revised Edition)

Teacher Certification

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

The accompanying notes are an integral part of this schedule.

Putnam County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2012

NOTE A – SUMMARY

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

1. School District of Putnam County

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

For the fiscal year ended June 30, 2012, the District operated 20 schools serving prekindergarten through twelfth grade students, reported 10,774.62 unweighted FTE, and received approximately \$33.1 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.

Putnam County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2012

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 2011-12 school year were conducted during and for the following weeks: survey one was performed for July 11 through 15, 2011; survey two was performed for October 10 through 14, 2011; survey three was performed for February 13 through 17, 2012; and survey four was performed for June 11 through 15, 2012.

Putnam County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2012

NOTE A - SUMMARY (Continued)

6. Educational Programs

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

7. Statutes and Rules

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

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

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of schools, students, and teachers using judgmental methods for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2012. 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:

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2012

NOTE B - SAMPLING (Continued)

<u>School Name/Description</u>	<u>Finding Number(s)</u>
1. Mellon Elementary School	1 and 2
2. Interlachen High School	3 through 6
3. Melrose Elementary School	7
4. Interlachen Elementary School	8
5. George C. Miller, Jr., Intermediate School	9 through 14
6. Middleton-Burney Elementary School	NA
7. Palatka High School	15 through 21
8. E. H. Miller School	22 and 23



DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450



PHONE: 850-488-5534
FAX: 850-488-6975

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

INDEPENDENT AUDITOR'S REPORT PUTNAM COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated July 1, 2012, that the Putnam 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, 2012. 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 2011-2012* 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: 82 of the 258 students in our sample had exceptions involving their reported ridership classification or eligibility for State transportation funding. (See SCHEDULE G, Finding Nos. 3 through 8.)

In our opinion, except for the material noncompliance mentioned above involving their reported ridership classification or eligibility for State transportation funding, the Putnam 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, 2012.

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 SCHEDULES F and 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 their reported ridership classification or eligibility for State transportation funding. 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 F and 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
March 26, 2013

SCHEDULE F

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2012

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

As part of our examination procedures, we sampled students for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2012. (See NOTE B.) The population of vehicles (215) 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 2011 and February and June 2012 surveys would be counted in the population as four vehicles. Similarly, the population of students (12,763) 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	38
IDEA (K-12), Unweighted	453
IDEA (PK), Weighted	69
IDEA (PK), Unweighted	64
Teenage Parents and Infants	41
Two Miles or More	<u>12,098</u>
Total	<u>12,763</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE F (Continued)

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2012

Our examination results are summarized below:

<u>Description</u>	<u>Buses</u>	<u>Students</u>	
	Proposed Net <u>Adjustment</u>	With Exceptions	Proposed Net <u>Adjustment</u>
We noted that the reported number of buses in operation was overstated.	(13)		
We sampled 258 of the 12,763 students reported as being transported by the District.		82	(25)
We also noted certain issues in conjunction with our general tests of student transportation that resulted in the addition of 184 students.	—	<u>184</u>	<u>(72)</u>
Total	<u>(13)</u>	<u>266</u>	<u>(97)</u>

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

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

The accompanying notes are an integral part of this schedule.

SCHEDULE G

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2012

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 2011-2012* issued by the Department of Education. Except for the material noncompliance involving their reported ridership classification or eligibility for State transportation funding, the Putnam 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, 2012. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 37.

Findings

**Students
 Transported
 Proposed Net
 Adjustments**

Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey. Our detailed tests involved verification of the specific ridership categories reported for students sampled from the July and October 2011 surveys and the February and June 2012 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 2011 survey and once for the February 2012 survey) will be presented in our Findings as two sample students.

1. [Ref. 51] In our general tests, we examined the reported ridership and noted that a number of students reported for transportation funding did not have a matching demographic record or a matching school FTE reporting record in the State FTE database. We provided the relevant information to District staff allowing them to research and provide any documentation to support the eligibility of these students for transportation reporting. We noted that 12 students could not be validated and, as a result, were not eligible for State transportation funding. Accordingly, we propose the following adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2012

<u>Findings</u>	<u>Students Transported</u>	<u>Proposed Net Adjustments</u>
<u>July 2011 Survey</u>		
<u>1 Day in Term</u>		
Two Miles or More	(6)	
<u>October 2011 Survey</u>		
<u>90 Days in Term</u>		
IDEA (K-12), Unweighted	(2)	
Two Miles or More	(3)	
<u>June 2012 Survey</u>		
<u>13 Days in Term</u>		
Two Miles or More	(1)	(12)
2. <u>[Ref. 53] Our general test of student transportation disclosed the following exceptions regarding the number of buses in operation and the associated student ridership:</u>		
a. <u>Fifteen buses were reported that did not have supporting bus drivers' reports (13 buses in the October 2011 survey and 2 buses in the February 2012 survey). All but 5 of the students on these buses were listed in ridership attendance on other bus drivers' reports. However, the ridership of those 5 students was not supported.</u>		
b. <u>We determined that one bus (No. 1101) in operation during both the October 2011 and February 2012 surveys as transporting a total of 23 students was not reported. We reviewed the supporting bus driver's reports for each survey and determined that the 14 students transported in the October 2011 survey and the 9 students transported in the February 2012 survey were eligible to be reported in the Two Miles or More ridership category.</u>		

We propose the following adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2012

<u>Findings</u>			<u>Students Transported Proposed Net Adjustments</u>
a. <u>October 2011 Survey</u>			
Number of Buses in Operation	(13)		
<u>90 Days in Term</u>			
Two Miles or More		(5)	(5)
<u>February 2012 Survey</u>			
Number of Buses in Operation	(2)		
b. <u>October 2011 Survey</u>			
Number of Buses in Operation	1		
<u>90 Days in Term</u>			
Two Miles or More		14	
<u>February 2012 Survey</u>			
Number of Buses in Operation	1		
<u>90 Days in Term</u>			
Two Miles or More		2	23
3. [Ref. 52] <u>We noted exceptions involving 145 students (1 student was in our sample) who were reported in incorrect ridership categories, as follows:</u>			
a. <u>Two PK students were reported in the IDEA (K-12), Weighted ridership category but should have been reported in the IDEA (PK), Weighted ridership category.</u>			
b. <u>Twenty-five PK students were incorrectly reported in the IDEA (K-12), Unweighted ridership category. We noted that 16 of these students should have been reported in the IDEA (PK), Unweighted ridership category and 1 student should have been reported in the Teenage Parents and Infants ridership category. The remaining 8 students were not eligible to be reported for State transportation funding.</u>			

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2012

**Students
 Transported
 Proposed Net
 Adjustments**

Findings

- c. Nine students were incorrectly reported in the IDEA (PK), Weighted ridership category. We noted that 7 of these students should have been reported in the IDEA (K-12), Weighted ridership category and 1 student should have been reported in the Two Miles or More ridership category. The remaining student (in our sample) was not eligible to be reported for State transportation funding.
- d. Thirty students were incorrectly reported in the IDEA (PK), Unweighted ridership category. The students should have been reported in the Two Miles or More ridership category.
- e. Seventy-nine PK students were incorrectly reported in the Two Miles or More ridership category. We noted that 9 of these students should have been reported in the IDEA (PK), Unweighted ridership category. The remaining 70 students were not eligible to be reported for State transportation funding.

We propose the following adjustments:

a. October 2011 Survey

90 Days in Term

IDEA (K-12), Weighted	(1)	
IDEA (PK), Weighted	1	

June 2012 Survey

10 Days in Term

IDEA (K-12), Weighted	(1)	
IDEA (PK), Weighted	1	0

b. October 2011 Survey

90 Days in Term

IDEA (K-12), Unweighted	(20)	
IDEA (PK), Unweighted	11	
Teenage Parents and Infants	1	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2012

<u>Findings</u>		<u>Students Transported Proposed Net Adjustments</u>
<u>February 2012 Survey</u>		
<u>90 Days in Term</u>		
IDEA (K-12), Unweighted	(2)	
IDEA (PK), Unweighted	2	
<u>June 2012 Survey</u>		
<u>10 Days in Term</u>		
IDEA (K-12), Unweighted	(3)	
IDEA (PK), Unweighted	<u>3</u>	(8)
c. <u>October 2011 Survey</u>		
<u>90 Days in Term</u>		
IDEA (K-12), Weighted	6	
IDEA (PK), Weighted	(8)	
Two Miles or More	1	
<u>June 2012 Survey</u>		
<u>10 Days in Term</u>		
IDEA (K-12), Weighted	1	
IDEA (PK), Weighted	<u>(1)</u>	(1)
d. <u>October 2011 Survey</u>		
<u>90 Days in Term</u>		
IDEA (PK), Unweighted	(30)	
Two Miles or More	<u>30</u>	0
e. <u>October 2011 Survey</u>		
<u>90 Days in Term</u>		
IDEA (PK), Unweighted	3	
Two Miles or More	(47)	
<u>February 2012 Survey</u>		
<u>90 Days in Term</u>		
IDEA (PK), Unweighted	6	
Two Miles or More	<u>(32)</u>	(70)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2012

**Students
 Transported
 Proposed Net
Adjustments**

Findings

4. [Ref. 54] Eight students in our sample were incorrectly reported in the Two Miles or More ridership category. The students lived less than two miles from school and were not otherwise eligible for State transportation funding. We propose the following adjustments:

July 2011 Survey

1 Day in Term

Two Miles or More (3)

October 2011 Survey

90 Days in Term

Two Miles or More (4)

February 2012 Survey

90 Days in Term

Two Miles or More (1) (8)

5. [Ref. 55] Fifty-six students in our sample were incorrectly reported in IDEA (K-12), Unweighted. We determined that 48 of the students actually lived more than two miles from school and should have been reported in the Two Miles or More ridership category. The remaining 8 students were not eligible for State transportation funding, as follows: (a) 4 students lived less than two miles from school and were enrolled in Speech Impaired, Language Impaired, or Specific Learning Disabilities ESE Programs but were not authorized for specialized transportation by their IEPs, and (b) 4 students lived less than two miles from school but were not in ESE programs and were not otherwise eligible for State transportation funding. We propose the following adjustments:

October 2011 Survey

90 Days in Term

IDEA (K-12), Unweighted (26)

Two Miles or More 22

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2012

<u>Findings</u>	<u>Students Transported</u>	<u>Proposed Net Adjustments</u>
<u>February 2012 Survey</u>		
<u>90 Days in Term</u>		
IDEA (K-12), Unweighted	(22)	
Two Miles or More	18	
<u>June 2012 Survey</u>		
<u>10 Days in Term</u>		
IDEA (K-12), Unweighted	(8)	
Two Miles or More	<u>8</u>	(8)
6. [Ref. 56] <u>Three students in our sample were incorrectly reported in the Teenage Parents and Infants ridership category. The students were not enrolled in a Teen Parent Program; however, we determined that two of the students were eligible for reporting in the Two Miles or More ridership category and the remaining student was not otherwise eligible for State transportation funding. We propose the following adjustments:</u>		
<u>October 2011 Survey</u>		
<u>90 Days in Term</u>		
Teenage Parents and Infants	(1)	
Two Miles or More	1	
<u>February 2012 Survey</u>		
<u>90 Days in Term</u>		
Teenage Parents and Infants	(2)	
Two Miles or More	<u>1</u>	(1)
7. [Ref. 57] <u>The reported ridership of seven students in our sample was not adequately supported. The students either were not listed on a bus driver's report or the bus driver's report indicated that they were not transported during the 11-day survey window. Consequently, the students were not eligible to be reported for State transportation funding. We propose the following adjustments:</u>		
<u>October 2011 Survey</u>		
<u>90 Days in Term</u>		
Two Miles or More	(4)	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2012

<u>Findings</u>	<u>Students Transported</u>	<u>Proposed Net Adjustments</u>
<u>February 2012 Survey</u>		
<u>90 Days in Term</u>		
IDEA (PK), Weighted	(1)	
Teenage Parents and Infants	<u>(2)</u>	(7)
8. [Ref. 58] <u>The IEPs for seven students in our sample in the IDEA (PK), Weighted ridership category did not indicate that the students met at least one of the five criteria for IDEA-Weighted classification. We determined that the students were eligible for reporting in the IDEA (PK), Unweighted ridership category. We propose the following adjustments:</u>		
<u>October 2011 Survey</u>		
<u>90 Days in Term</u>		
IDEA (PK), Weighted	(1)	
IDEA (PK), Unweighted	1	
<u>February 2012 Survey</u>		
<u>90 Days in Term</u>		
IDEA (PK), Weighted	(2)	
IDEA (PK), Unweighted	2	
<u>June 2012 Survey</u>		
<u>10 Days in Term</u>		
IDEA (PK), Weighted	(4)	
IDEA (PK), Unweighted	<u>4</u>	<u>0</u>
Proposed Net Adjustment		<u>(97)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation

RECOMMENDATIONS AND REGULATORY CITATIONS

For the Fiscal Year Ended June 30, 2012

RECOMMENDATIONS

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) the number of buses used to transport students is accurately reported; (2) only those students who are indicated as riding on the bus drivers’ reports at least once during the 11-day survey window are reported for State transportation funding; (3) transportation personnel review the student database for completeness to ensure that all students have matching demographics to support that the students are eligible students who are properly enrolled; (4) transported students are reported in the correct ridership category; (5) students are reported in ridership categories that are appropriate for the students’ grade levels; (6) the distance from home to school is verified prior to those students being reported in the Two Miles or More ridership category; (7) students are properly reported based on their IDEA or non-IDEA status and if appropriately classified as IDEA students are documented as in need of specialized transportation as supported by the students’ IEPs; (8) students reported in IDEA-Weighted classifications are appropriately documented as meeting one of the five criteria and as noted on the students’ IEPs; (9) all buses and the students transported on those buses during a survey are included in the District’s reporting for that survey; and (10) only students who are enrolled in a Teenage Parent Program are reported in the Teenage Parents and Infants ridership category.

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

REGULATORY CITATIONS

- Chapter 1006, Part I, E., FSTransportation of Public K-12 Students
- Section 1011.68, FSFunds for Student Transportation
- Chapter 6A-3, FACTransportation
- Student Transportation General Instructions 2011-2012*

The accompanying notes are an integral part of this schedule.

Putnam County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2012

NOTE A – SUMMARY

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

1. Student Eligibility

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

2. Transportation in Putnam County

For the fiscal year ended June 30, 2012, the District received approximately \$2.5 million 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 2011	7	82
October 2011	102	6,269
February 2012	92	6,221
June 2012	<u>14</u>	<u>191</u>
Total	<u>215</u>	<u>12,763</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., FS Transportation of Public K-12 Students
- Section 1011.68, FS Funds for Student Transportation
- Chapter 6A-3, FAC Transportation

Putnam County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2012

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, 2012. 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



March 26, 2013

Mr. David W. Martin, CPA
Auditor General
Room 476A, Claude Pepper Building
ATTN: Nancy Reeder, Section 241
111 W. Madison Street
Tallahassee, FL 32399-1450

Dear Mr. Martin:

Contained herein are our responses to the draft report on the examination of the full-time equivalent students and student transportation for the fiscal year ended June 30, 2012.

As in previous years, we appreciate the service your office provides. It was a pleasure to work with Mrs. Jennifer Taylor during this audit. She conducted herself in a courteous and professional manner at all times.

Should you have any questions regarding the enclosed responses, please contact Mrs. Rhonda Odom, Chief Financial Officer, at (386)329-0513.

Sincerely,

Phyllis Criswell
Superintendent of Schools

Phyllis Criswell
Superintendent

Nikki Cummings
District I

Lisa Parsons
District II

Terry Wright
District III

Kathy Jorgensen
District IV

C. L. Overturf, Jr.
District V

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Full-Time Equivalent Students
Schedule D

The District will closely monitor the FTE reporting in the future to reflect the most accurate reporting possible. Training and process monitoring will be used to monitor and improve any areas as it relates to reporting.

Finding #1, 3, 12, 14, 15, 19, 20:

The District will review and improve its process for employing properly certified teachers and will exercise greater caution in providing the letter used to notify parents of the out-of-field status of teachers. Schools have been instructed to use properly certified teachers or to have the teacher properly and timely approved to teach out-of-field.

Finding #1, 2, 7, 13:

The District will follow up with those teachers who have not earned the required ESOL in-service training points. Schools have been instructed to ensure that teachers have the necessary in-service training points in ESOL strategies that are required to instruct ELL students.

Finding #1, 12, 15, 19, 20:

Schools have been informed to use timely and dated material to notify parents of teachers teaching out-of-field.

Finding #4, 8, 9, 11, 22:

Schools have been instructed to report students in the appropriate programs.

Finding #10, 16:

Schools have been instructed to maintain proper files on all ELL students and to inform parents in a timely and dated manner of the students' placement in ESOL. Schools have been instructed to assess the English language proficiency of students in a timely basis. Schools have been instructed to maintain proper records documenting English language assessments and LEP Committee recommendations for maintaining students in ESOL placement for continuous years.

Finding #5, 6, 17, 18:

The District will improve its process for tracking career education students who work and are engaged in job search activities. Schools have been instructed to properly maintain time cards of students in OJT, being sure that all time cards are properly signed and verifying that hours reported are the actual hours worked. Schools have been instructed to verify that, if the OJT student was not working, then the student was otherwise engaged in job search activities.

Finding #21:

Schools have been instructed to verify that all teaching certificates are non-expired.

Finding #23:

Schools have been instructed to report ESE students in accordance with the students' Matrix of Services form.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Student Transportation
Schedule G

The District will exercise more care and take corrective action to ensure that students are reported in the correct ridership categories for the correct number of days and will exercise greater care in appropriately documenting students reported in IDEA-weighted classifications.

Finding #1:

The Transportation Department has been instructed to exercise more care and report students with the appropriate identification numbers that can be traced to supporting student demographic information.

Finding #2:

The Transportation Department has been instructed to reconcile drivers' records with the reporting records.

Finding #3:

The Transportation Department has been instructed to report PK students in the appropriate IDEA (PK) ridership category.

Finding #4:

The Transportation Department has been instructed to verify the distance from home to school prior to those students being reported in the Two Miles or More ridership category.

Finding #5:

The Transportation Department has been instructed to ensure that ESE students eligible for IDEA classification, and only such students, are reported in appropriate IDEA ridership categories, and that all students are reported in the correct category.

Finding #6:

The Transportation Department has been instructed to ensure that only students who are enrolled in Teenage Parent programs are reported in the Teenage Parents and Infants ridership category, and that all students are reported in the correct category.

Finding #7:

The Transportation Department has been instructed to ensure that the reported riderships of all students are adequately reported.

Finding #8:

The Transportation Department has been instructed to ensure that the IEPs for students in IDEA weighted ridership categories indicate that the students met at least one of the five criteria required for IDEA weighted classification.