

**NASSAU 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

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

<u>Member</u>	<u>District No.</u>
Donna Martin, Chair	1
Gail G. Cook	2
Amanda L. Young	3
Dr. Kimberly Joyce Fahlgren from 9-2-11 (1)	4
Dr. Kathy Knight Burns, Vice Chair	5

Dr. John L. Ruis, Superintendent

Note (1): Position was vacant from July 1, 2011, through September 1, 2011; the Governor appointed the Board member to fill the vacancy effective September 2, 2011.

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

This report and other reports prepared by the Auditor General can be obtained on our Web site at www.myflorida.com/audgen; by telephone at (850) 412-2722; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Nassau 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

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

Nassau 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 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 Nassau 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.

- Nine of the 44 students in our ESE Support Levels 4 and 5 sample and 22 of the 70 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.

Noncompliance related to reported FTE resulted in 15 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative 4.2303 but has a potential impact on the District's weighted FTE of a negative 19.7255. Noncompliance related to student transportation resulted in 5 findings and a proposed net adjustment of a negative 11 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 Nassau County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative \$68,629 (negative 19.7255 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 NASSAU COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Nassau 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 Nassau 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 16 schools serving prekindergarten through twelfth grade students, reported 11,080.44 unweighted FTE for those students, and received approximately \$12.7 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 \$2.7 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: 850-412-2272
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 NASSAU 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 23, 2012, that the Nassau 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: 9 of the 44 students in our ESE Support Levels 4 and 5 sample¹ and 22 of the 70 students in our Career Education 9-12 (OJT) sample² 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 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 Nassau 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 ESE Support Levels 4 and 5, see SCHEDULE D, Finding Nos. 2, 3, 7, 10, 14 and 15

²For Career Education 9-12 (OJT), see SCHEDULE D, Finding Nos. 5, 8, 9, 11 and 12

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.³ However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to 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 deficiencies³ 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
September 20, 2013

³ *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

Nassau 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 11,080.44 unweighted FTE at 16 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 (16) consisted of the total number of schools in the District that offered courses in FEFP-funded programs. The population of students (6,148) 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	16	7	5,020	84	0	8,849.3500	75.5834	5.3300
Basic with ESE Services	16	7	931	53	4	1,818.3900	48.9670	(1.4664)
ESOL	12	6	27	15	0	58.9300	10.8620	(.3000)
ESE Support Levels 4 and 5	11	6	51	44	9	52.6900	30.0500	(3.9618)
Career Education 9-12	5	3	<u>119</u>	<u>70</u>	<u>22</u>	<u>301.0800</u>	<u>22.1760</u>	<u>(3.8321)</u>
All Programs	16	7	<u>6,148</u>	<u>266</u>	<u>35</u>	<u>11,080.4400</u>	<u>187.6384</u>	<u>(4.2303)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Nassau 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 (121) 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 56 and found exceptions for 2 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 the Department of Education.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Nassau 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	.1801	1.102	.1985
102 Basic 4-8	.9001	1.000	.9001
103 Basic 9-12	4.2498	1.019	4.3305
113 Grades 9-12 with ESE Services	(1.4664)	1.019	(1.4943)
130 ESOL	(.3000)	1.161	(.3483)
254 ESE Support Level 4	(.2802)	3.550	(.9947)
255 ESE Support Level 5	(3.6816)	5.022	(18.4890)
300 Career Education 9-12	<u>(3.8321)</u>	.999	<u>(3.8283)</u>
Total	<u>(4.2303)</u>		<u>(19.7255)</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

Nassau 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>#0081</u>	<u>#0102</u>	<u>#0191</u>	
101 Basic K-3	.....	.1801	.....	.1801
102 Basic 4-8	.3000	.6001	.....	.9001
103 Basic 9-12	.....	.....	.....	.0000
113 Grades 9-12 with ESE Services	.....	.....	.0336	.0336
130 ESOL	(.3000)	.....	.....	(.3000)
254 ESE Support Level 4	.....	(.7802)	.....	(.7802)
255 ESE Support Level 5	.....	.0000	.....	.0000
300 Career Education 9-12	.....	.....	(.8004)	(.8004)
Total	<u>.0000</u>	<u>.0000</u>	<u>(.7668)</u>	<u>(.7668)</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)

Nassau 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>Brought Forward</u>	<u>Proposed Adjustments¹</u>		<u>Total</u>
		<u>#0231</u>	<u>#0291</u>	
101 Basic K-3	.1801	.....	.....	.1801
102 Basic 4-8	.9001	.....	.....	.9001
103 Basic 9-12	.0000	2.0000	2.2498	4.2498
113 Grades 9-12 with ESE Services	.0336	1.0000	(2.5000)	(1.4664)
130 ESOL	(.3000)	.....	.....	(.3000)
254 ESE Support Level 4	(.7802)	(1.0000)	1.5000	(.2802)
255 ESE Support Level 5	.0000	(2.0000)	(1.6816)	(3.6816)
300 Career Education 9-12	<u>(.8004)</u>	<u>(.8251)</u>	<u>(2.2066)</u>	<u>(3.8321)</u>
Total	<u>(.7668)</u>	<u>(.8251)</u>	<u>(2.6384)</u>	<u>(4.2303)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Nassau 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 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 Nassau 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 14.

**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.

Emma Love Hardee Elementary School (#0081)

1. [Ref. 8170] One Reading teacher, whose class included an ELL student, had earned only 65 of the 120 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We propose the following adjustment:

102 Basic 4-8	.3000	
130 ESOL	<u>(.3000)</u>	<u>.0000</u>
		<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Nassau 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>Yulee Elementary School (#0102)</u>		
2. [Ref. 10201] <u>One ESE student was not reported in accordance with the student's Matrix of Services form. We propose the following adjustment:</u>		
254 ESE Support Level 4	(.5000)	
255 ESE Support Level 5	<u>.5000</u>	.0000
3. [Ref. 10202] <u>One student's course schedule was incorrectly reported in Program No. 255 (ESE Support Level 5) based on the student's placement in the Hospital and Homebound Program. The student was provided only on-campus instruction during the October 2011 survey and the student's file did not contain a Matrix of Services form associated with the student's on-campus instruction. Therefore, the student should have been reported in Program No. 102 (Basic 4-8). We propose the following adjustment:</u>		
102 Basic 4-8	.5000	
255 ESE Support Level 5	<u>(.5000)</u>	.0000
4. [Ref. 10270] <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 ESE but taught courses that required certification in Elementary Education. We noted that Elementary Education was added to the teacher's certificate on February 2, 2012, which was after the October 2011 survey. 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:</u>		
101 Basic K-3	.1801	
102 Basic 4-8	.1001	
254 ESE Support Level 4	<u>(.2802)</u>	<u>.0000</u>
		<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Nassau 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>	<u>Proposed Net Adjustments (Unweighted FTE)</u>
<u>West Nassau County High School (#0191)</u>	
5. [Ref. 19101] <u>The timecards for four Career Education 9-12 (OJT) students were missing and could not be located. We propose the following adjustment:</u>	
300 Career Education 9-12	(.8004) (.8004)
6. [Ref. 19102] <u>One of the courses in one ESE student's course schedule was incorrectly reported. The course provided 200 instructional minutes weekly or .0667 FTE; however, this course was only reported for .0331 FTE. We propose the following adjustment:</u>	
113 Grades 9-12 with ESE Services	.0336 .0336
	(.7668)
<u>Yulee High School (#0231)</u>	
7. [Ref. 23101] <u>Two ESE students were not reported in accordance with the students' Matrix of Services forms. We propose the following adjustment:</u>	
113 Grades 9-12 with ESE Services	1.0000
254 ESE Support Level 4	(1.0000) .0000
8. [Ref. 23102] <u>Three Career Education 9-12 (OJT) students did not work during the reporting survey weeks and there was insufficient evidence that they were otherwise engaged in job-search activities. We propose the following adjustment:</u>	
300 Career Education 9-12	(.5583) (.5583)
9. [Ref. 23103] <u>The timecards for two Career Education 9-12 (OJT) students were missing and could not be located. We propose the following adjustment:</u>	
300 Career Education 9-12	(.2668) (.2668)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Nassau 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

Yulee High School (#0231) (Continued)

10. [Ref. 23104] Two ESE students were incorrectly reported in Program No. 255 (ESE Support Level 5) based on the students' placements in the Hospital and Homebound Program. One of the students was dismissed from the Program prior to the reporting surveys and the other student was provided only on-campus instruction and the student's file did not contain a Matrix of Services form associated with the on-campus instruction. Therefore, both students should have been reported in Program No. 103 (Basic 9-12). We propose the following adjustment:

103 Basic 9-12	2.0000	
255 ESE Support Level 5	<u>(2.0000)</u>	<u>.0000</u>
		<u>(.8251)</u>

Fernandina Beach High School (#0291)

11. [Ref. 29101] Seven Career Education 9-12 (OJT) students were reported for more work hours than were supported by the students' timecards. We propose the following adjustment:

300 Career Education 9-12	<u>(.7086)</u>	<u>(.7086)</u>
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12. [Ref. 29102] The timecards for six Career Education 9-12 (OJT) students were missing and could not be located. We also noted that one student was not in membership during the February 2012 reporting survey; consequently, the student should not have been reported with the survey's results. We propose the following adjustment:

103 Basic 9-12	<u>(.2502)</u>	
300 Career Education 9-12	<u>(1.4980)</u>	<u>(1.7482)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Nassau 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>Fernandina Beach High School (#0291)</u> (Continued)		
13. [Ref. 29103] <u>Three students were incorrectly reported in Program No. 113 (Grades 9-12 with ESE Services). The students were dismissed from their respective ESE Programs prior to the reporting surveys. We propose the following adjustment:</u>		
103 Basic 9-12	2.5000	
113 Grades 9-12 with ESE Services	<u>(2.5000)</u>	.0000
14. [Ref. 29105] <u>Two ESE students were not reported in accordance with the students' <i>Matrix of Services</i> forms. We propose the following adjustment:</u>		
254 ESE Support Level 4	1.5000	
255 ESE Support Level 5	<u>(1.5000)</u>	.0000
15. [Ref. 29106] <u>The reported number of homebound instructional minutes for one ESE student in the Hospital and Homebound Program was overstated. The student was reported for 300 instructional minutes in the October 2011 and February 2012 reporting surveys but was provided only 30 and 25 minutes, respectively. We propose the following adjustment:</u>		
255 ESE Support Level 5	<u>(.1816)</u>	<u>(.1816)</u>
		<u>(2.6384)</u>
Proposed Net Adjustment		<u>(4.2303)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Nassau 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) only students who are in membership at least one day of the survey week are reported for FEFP funding; (2) students are reported in the proper funding categories for the correct amount of FTE and have adequate documentation to support that reporting, particularly with regard to students in the Hospital and Homebound Program receiving both at-home and on-campus instruction; (3) students are reported in accordance with the students' *Matrix of Services* forms; (4) students in Career Education 9-12 (OJT) are reported in accordance with timecards that are accurately completed, signed, and retained in readily-accessible files; (5) teachers are either properly certified, or if out of field, are timely approved by the School Board to teach out of field; and (6) ESOL teachers earn their in-service training points in accordance with the teachers' in-service training timelines.

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.

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Nassau 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 CITATIONSReporting

- Section 1011.60, FS Minimum Requirements of the Florida Education Finance Program
 Section 1011.61, FS Definitions
 Section 1011.62, FS Funds for Operation of Schools
 Rule 6A-1.0451, FAC Florida Education Finance Program Student Membership Surveys
 Rule 6A-1.04513, FAC Maintaining Auditable FTE Records
FTE General Instructions 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
 Rule 6A-6.09022, FAC Extension of Services in English for Speakers of Other Languages (ESOL) Program

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Nassau 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)

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

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 Handbooks (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.

Nassau 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 Nassau County

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

For the fiscal year ended June 30, 2012, the District operated 16 schools serving prekindergarten through twelfth grade students, reported 11,080.44 unweighted FTE, and received approximately \$12.7 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.

Nassau 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.

Nassau 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:

Nassau 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. Emma Love Hardee Elementary School	1
2. Yulee Elementary School	2 through 4
3. Hilliard Middle-Senior High School	NA
4. West Nassau County High School	5 and 6
5. Yulee High School	7 through 10
6. Callahan Intermediate School	NA
7. Fernandina Beach High School	11 through 15



DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

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



PHONE: 850-412-2272
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 NASSAU COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated July 23, 2012, that the Nassau 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

In our opinion, the Nassau 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 noncompliance with the State requirements mentioned above. We considered this 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 The noncompliance mentioned above, while indicative of certain control deficiencies,¹ is not considered indicative of material weaknesses in the District's internal controls related to their reported ridership classification or eligibility for State transportation funding. The findings, populations, samples, and exception totals that pertain to noncompliance are presented in SCHEDULES F and G.

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

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.*

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
September 20, 2013

SCHEDULE F

Nassau 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 (161) 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 (12,435) 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	334
IDEA (PK), Weighted	75
Teenage Parents and Infants	2
Two Miles or More	12,019
Center to Center (CTE and Dual Enrollment)	<u>5</u>
Total	<u>12,435</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)

Nassau 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.	(4)		
We sampled 176 of the 12,435 students reported as being transported by the District.		12	(10)
We also noted certain issues in conjunction with our general tests of student transportation that resulted in the addition of 8 students.	-	<u>8</u>	<u>(1)</u>
Total	<u>(4)</u>	<u>20</u>	<u>(11)</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

Nassau 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. The Nassau 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 30.

**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 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] Our general tests of student transportation disclosed that seven students were incorrectly reported in ridership categories that were not appropriate for the students' grade levels. Six of the seven students were PK students reported in IDEA (K-12), Weighted ridership category (four students) or in the Two Miles or More ridership category (two students). All six PK students should have been reported in the IDEA (PK), Weighted ridership category. The remaining student was a kindergarten student and should have been reported in the IDEA (K-12), Weighted ridership category rather than the IDEA (PK), Weighted ridership category. We propose the following adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Nassau 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>9 Days in Term</u>		
IDEA (K-12), Weighted	1	
IDEA (PK), Weighted	(1)	
<u>October 2011 Survey</u>		
<u>90 Days in Term</u>		
IDEA (K-12), Weighted	(2)	
IDEA (PK), Weighted	3	
Two Miles or More	(1)	
<u>February 2012 Survey</u>		
<u>90 Days in Term</u>		
IDEA (K-12), Weighted	(2)	
IDEA (PK), Weighted	3	
Two Miles or More	(1)	0
2. [Ref. 54] <u>Our general tests of student transportation disclosed that the number of days in term was incorrectly reported for 27 students. The students were either reported for 20 days in term in the July 2011 survey or 11 days in term for the October 2011 survey but should have been reported for 9 or 90 days in term, respectively, in accordance with the school’s calendar. We propose the following adjustments:</u>		
<u>July 2011 Survey</u>		
<u>20 Days in Term</u>		
IDEA (K-12), Weighted	(15)	
IDEA (PK), Weighted	(3)	
Two Miles or More	(5)	
<u>9 Days in Term</u>		
IDEA (K-12), Weighted	15	
IDEA (PK), Weighted	3	
Two Miles or More	5	
<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)

Nassau 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>
October 2011 Survey (Continued)		
<u>11 Days in Term</u>		
Two Miles or More	(4)	0
<p>3. [Ref. 53] <u>Our general tests of student transportation disclosed that the reported number of buses in operation in the July 2011 survey was overstated by four buses. The District reported ten buses in operation but only had six supporting bus driver reports. We were able to locate all but one of the reported students on those six reports. We propose the following adjustment:</u></p>		
July 2011 Survey		
<u>Number of Buses in Operation</u>		
	(4)	
<u>9 Days in Term</u>		
Two Miles or More	(1)	(1)
<p>4. [Ref. 55] <u>Nine 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 to be reported for State transportation funding. We propose the following adjustments:</u></p>		
July 2011 Survey		
<u>9 Days in Term</u>		
Two Miles or More	(1)	
October 2011 Survey		
<u>90 Days in Term</u>		
Two Miles or More	(5)	
February 2012 Survey		
<u>90 Days in Term</u>		
Two Miles or More	(3)	(9)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Nassau 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

5. [Ref. 56] Three students in our sample were incorrectly reported in IDEA-Weighted ridership categories, as follows:

- a. The IEPs for two students reported 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. Both students were eligible for the IDEA (PK), Unweighted ridership category.
- b. One student reported in the IDEA (K-12), Weighted ridership category did not have an IEP that covered the October 2011 survey. The student lived less than two miles from school and was not otherwise eligible to be reported for State transportation funding.

We propose the following adjustments:

October 2011 Survey

90 Days in Term

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

February 2012 Survey

90 Days in Term

IDEA (PK), Weighted	(1)	
IDEA (PK), Unweighted	<u>1</u>	(1)

Proposed Net Adjustment		<u>(11)</u>
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The accompanying notes are an integral part of this schedule.

SCHEDULE H

Nassau 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) students are reported in ridership categories that are appropriate for the students’ grade levels; (2) the number of buses in operation is accurately reported; (3) students are reported for the correct number of days in term; (4) the distance from home to school is verified prior to students being reported in the Two Mile or More ridership category; and (5) students reported in IDEA-Weighted classifications are appropriately documented as meeting one of the five criteria as noted on the students’ IEPs.

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.

Nassau 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 Nassau County

For the fiscal year ended June 30, 2012, the District received approximately \$2.7 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	10	23
October 2011	72	6,124
February 2012	73	6,235
June 2012	<u>6</u>	<u>53</u>
Total	<u>161</u>	<u>12,435</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., FSTransportation of Public K-12 Students
- Section 1011.68, FSFunds for Student Transportation
- Chapter 6A-3, FACTransportation

Nassau 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**



John L. Ruis, Ed.D.
Superintendent of Schools

The Nassau County School District

1201 Atlantic Avenue
Fernandina Beach, Florida 32034

(904) 491-9900
Fax (904) 277-9032
www.nassau.k12.fl.us

FTE AND TRANSPORTATION AUDIT RESPONSE

September 20, 2013

David W. Martin, CPA
Auditor General
Room 476A; Claude Pepper Bldg.
111 West Madison Street
Tallahassee, Florida 32399-1450

Attn: J. David Hughes

Dear Mr. Martin:

The following is our response to the audit findings in your Florida Education Finance Program Full-Time Equivalent Student and Student Transportation for the Fiscal Year Ended June 30, 2012.

1. Concerning the findings (Ref#'s 10202, 19102, 23104, 29106) related to Hospital Homebound students, we were aware of the issues related to FTE funding prior to the audit and new procedures were implemented during the 2012-2013 fiscal year to more closely monitor the activities and reporting for this program. One staffing specialist has now been assigned to track the students and the instructional services they are receiving. We have also implemented district level tracking of the Hospital Homebound services and verification for FTE reporting with a pre and post review of documentation.
2. Concerning the findings (Ref#'s 10201, 23101, 29103, 29105) related to Matrix of Services, additional in depth training was provided during the 2012-2013 fiscal year to ensure that all parties dealing with IEP's and FTE reporting were up to date on current practices and procedures. Additionally, we have implemented a district wide review process for those students reported for Level 254 and 255 funding to ensure that appropriate documentation are available to support the claiming of FTE in these categories of service.
3. We will continue to review the assignment of out of field teachers and teachers for ELL (Findings Ref # 8170 and Ref # 10270) students to ensure we have appropriately staffed and/or met the standards for identifying these teachers to the Board and parents.

Our mission is to develop each student as an inspired life-long learner and problem-solver with the strength of character to serve as a productive member of society.

AN EQUAL OPPORTUNITY EMPLOYER

**EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE**

FTE Audit Response Nassau County
Page 2
September 20, 2013

4. Concerning the findings (Ref#'s 19101, 23102, 23103, 29101, 29102) related to On the Job (OJT) FTE reporting we will review with appropriate instructional and administrative staff the necessary documentation to support the claiming of FTE for this program.
5. Concerning the findings (REF#'s 51, 54, 53, 55, 56) related to transportation, while we were not aware that the use of a school district vehicle versus a school bus precluded the ability to earn weighted funding for those students with IEP transportation required services, we now have a copy of the letter used as a basis for denying these FTE and will appropriately report those students in the future.

Sincerely,



John L. Ruis, Ed.D.
Superintendent