

**CALHOUN COUNTY
DISTRICT SCHOOL BOARD**

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

and

Student Transportation

For the Fiscal Year Ended
June 30, 2013



BOARD MEMBERS AND SUPERINTENDENTS

Calhoun County District School Board members and the Superintendents of Schools who served during the 2012-13 fiscal year are listed below:

| Member | District No. |
|---|-----------------|
| Daniel E. Ryals, III, Vice Chair from 11-20-12 | 1 |
| Kelly E. King | 2 |
| Timothy G. Smith, Chair to 11-19-12 | 3 |
| Kenneth F. Speights, Vice Chair to 11-19-12, Chair from 11-20-12 | 4 |
| Danny M. Hassig | 5 |

Wilson T. McClellan
Superintendent to 11-19-12

Ralph Yoder
Superintendent from 11-20-12

The examination team leader was Jeremy D. Smith, CPA, and the examination was supervised by Aileen B. Peterson, CPA, CPM. 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.

Calhoun 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, 2013

| | |
|-------------|---|
| 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 |

Calhoun County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students and Student Transportation
TABLE OF CONTENTS
For the Fiscal Year Ended June 30, 2013

| | PAGE NO. |
|--|---------------------|
| EXECUTIVE SUMMARY | i |
| FULL-TIME EQUIVALENT (FTE) STUDENTS | |
| INDEPENDENT AUDITOR’S REPORT | 1 |
| SCHEDULE A – POPULATIONS, SAMPLES, AND TEST RESULTS | 4 |
| SCHEDULE B – EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FTE..... | 6 |
| SCHEDULE C – PROPOSED ADJUSTMENTS BY SCHOOL..... | 7 |
| SCHEDULE D – FINDINGS AND PROPOSED ADJUSTMENTS..... | 8 |
| SCHEDULE E – RECOMMENDATIONS AND REGULATORY CITATIONS..... | 10 |
| NOTES TO SCHEDULES..... | 13 |
| STUDENT TRANSPORTATION | |
| INDEPENDENT AUDITOR’S REPORT..... | 17 |
| SCHEDULE F – POPULATIONS, SAMPLES, AND TEST RESULTS..... | 20 |
| SCHEDULE G – FINDINGS AND PROPOSED ADJUSTMENTS..... | 22 |
| SCHEDULE H – RECOMMENDATIONS AND REGULATORY CITATIONS | 24 |
| NOTES TO SCHEDULES..... | 25 |
| MANAGEMENT’S RESPONSE | |
| EXHIBIT A – MANAGEMENT’S RESPONSE..... | 27 |

EXECUTIVE SUMMARY

SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below involving teachers, the Calhoun 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, 2013:

- Four of the 34 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, and the earning of required in-service training points in ESOL strategies.

Noncompliance related to reported FTE resulted in four findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to zero but has a potential impact on the District's weighted FTE of a negative .0507. Noncompliance related to student transportation resulted in two findings and a proposed net adjustment of zero 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 Calhoun County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative \$182 (negative .0507 times \$3,582.98).

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 CALHOUN COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Calhoun 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 Calhoun 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, 2013, the District operated 5 schools and reported 2 virtual education cost centers serving prekindergarten through twelfth grade students, reported 2,194.72 unweighted FTE for those students, and received approximately \$9.4 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 brick and mortar school students, 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). For virtual education students, one student would be reported as one FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be a fraction of an FTE. Half-credit completions will be included in determining an FTE. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

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 \$437,000 for student transportation as part of the State funding through FEFP.



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

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

We have examined the Calhoun County District School Board's compliance 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, 2013. 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 2012-13* 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.

Our examination procedures disclosed the following material noncompliance: 4 of the 34 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, and the earning of required in-service training points in ESOL strategies.¹

In our opinion, except for the material noncompliance mentioned above involving teachers, the Calhoun 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, 2013.

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the District's compliance with State requirements and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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.² 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. Our examination findings, along with the views of responsible officials, are described in SCHEDULE A and EXHIBIT A, respectively. 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, and 4

² 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 deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis.

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

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

Respectfully submitted,



David W. Martin, CPA

January 16, 2014

SCHEDULE A

Calhoun 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, 2013

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 (OJT). 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 2,194.72 unweighted FTE at 5 schools and 2 virtual education cost centers to the Department of Education for the fiscal year ended June 30, 2013.

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, 2013. (See NOTE B.) The population of schools (7) consisted of the total number of brick and mortar schools in the District that offered courses as well as the designated District virtual education cost centers in the District that offered virtual instruction in FEFP funded programs. The population of students (2,051) consisted of the total number of students in each program at the schools and virtual education cost centers 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 | 7 | 6 | 1,527 | 53 | 0 | 1,626.2400 | 42.8409 | .5282 |
| Basic with ESE Services | 7 | 6 | 489 | 35 | 0 | 503.8800 | 30.7515 | .0000 |
| ESOL | 2 | 2 | 12 | 6 | 0 | 9.2500 | 4.3950 | (.5282) |
| ESE Support Levels 4 and 5 | 4 | 3 | 20 | 18 | 0 | 21.3600 | 15.7000 | .0000 |
| Career Education 9-12 | 3 | 2 | <u>3</u> | <u>3</u> | 0 | <u>33.9900</u> | <u>.4154</u> | <u>.0000</u> |
| All Programs | 7 | 6 | <u>2,051</u> | <u>115</u> | <u>0</u> | <u>2,194.7200</u> | <u>94.1028</u> | <u>.0000</u> |

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Calhoun 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, 2013

TEACHERS

We also sampled teachers as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (97) consisted of the total number of teachers at schools in our sample who taught courses in ESE Support Levels 4 and 5 or taught courses to ELL students and of the total number of teachers reported under virtual education cost centers in our sample who taught courses in Basic, Basic with Exceptional Services, ESE Support Levels 4 and 5, or taught courses to ELL students. From the population of teachers, we sampled 34 and found exceptions for 4 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

Calhoun 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, 2013

| <u>No. Program</u> ¹ | <u>Proposed Net Adjustment</u> ² | <u>Cost Factor</u> | <u>Weighted FTE</u> ³ |
|---------------------------------|---|--------------------|----------------------------------|
| 101 Basic K-3 | .2780 | 1.117 | .3105 |
| 103 Basic 9-12 | .2502 | 1.020 | .2552 |
| 130 ESOL | <u>(.5282)</u> | 1.167 | <u>(.6164)</u> |
| Total | <u>.0000</u> | | <u>(.0507)</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

Calhoun 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, 2013

| <u>No. Program</u> | <u>Proposed Adjustments¹</u> | | |
|--------------------|---|----------------|----------------|
| | <u>#0021</u> | <u>#0131</u> | <u>Total</u> |
| 101 Basic K-3 | ..... | .2780 | .2780 |
| 103 Basic 9-12 | .2502 | ..... | .2502 |
| 130 ESOL | <u>(.2502)</u> | <u>(.2780)</u> | <u>(.5282)</u> |
| Total | <u>.0000</u> | <u>.0000</u> | <u>.0000</u> |

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Calhoun 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, 2013

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 2012-13* issued by the Department of Education. Except for the material noncompliance involving teachers, the Calhoun 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, 2013. All noncompliance disclosed by our examination procedures is discussed below and requires management’s attention and action, as recommended on page 10.

Findings

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Our examination included the July and October 2012 surveys and the February and June 2013 surveys (see NOTE A5). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2012 survey or the February 2013 survey or both. Accordingly, our Findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Blountstown High School (#0021)

1. [Ref. 2171] One teacher taught a Basic subject area class that included an ELL student but had earned only 18 of the 60 in-service training points in ESOL strategies required by rule and the teacher’s in-service training timeline. We propose the following adjustment:

| | | |
|----------------|----------------|-------|
| 103 Basic 9-12 | .1668 | |
| 130 ESOL | <u>(.1668)</u> | .0000 |

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Calhoun 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, 2013

| <u>Findings</u> | Proposed Net Adjustments (Unweighted FTE) |
|--|--|
| <u>Blountstown High School (#0021)</u> (Continued) | |
| 2. [Ref. 2172] <u>One teacher was properly approved by the School Board to teach out of field in English; however, the parents of the students were not notified of the teacher’s out-of-field-status. We propose the following adjustment:</u> | |
| 103 Basic 9-12 | .0834 |
| 130 ESOL | (.0834) |
| | <u>.0000</u> |
| | <u>.0000</u> |
| <u>Blountstown Elementary School (#0131)</u> | |
| 3. [Ref. 13171] <u>One teacher taught a Basic subject area class that included an ELL student but had earned only 18 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:</u> | |
| 101 Basic K-3 | .2780 |
| 130 ESOL | (.2780) |
| | <u>.0000</u> |
| | <u>.0000</u> |
| <u>Calhoun Virtual Instruction Program (#7001)</u> | |
| 4. [Ref. 700171] <u>One teacher was not properly certified and was not approved by the School Board to teach Reading out of field. The teacher held certification in English but taught a course that required certification in Reading. We also noted the parents of the students were not notified of the teacher’s out-of-field status. We present this disclosure Finding with no proposed adjustment:</u> | |
| | <u>.0000</u> |
| | <u>.0000</u> |
| Proposed Net Adjustment | <u>.0000</u> |

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Calhoun 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, 2013

RECOMMENDATIONS

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) ESOL teachers earn their in-service training points in accordance with the teachers’ in-service training timelines; (2) parents are timely and appropriately notified when their children are assigned to out-of-field teachers; and (3) teachers are properly certified, or if out of field, are timely approved by the School Board to teach out of field.

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
- Rule 6A-1.04513, FAC Maintaining Auditable FTE Records
- FTE General Instructions 2012-13*

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 2012-13*
- Comprehensive Management Information System: Automated Student Attendance Recordkeeping System*

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Calhoun 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, 2013

REGULATORY CITATIONS (Continued)

English for Speakers of Other Languages (ESOL)

- Section 1003.56, FSEnglish Language Instruction for Limited English Proficient Students
- Section 1011.62(1)(g), FSEducation for Speakers of Other Languages
- Rule 6A-6.0901, FACDefinitions Which Apply to Programs for English Language Learners
- Rule 6A-6.0902, FACRequirements for Identification, Eligibility, and Programmatic Assessments of English Language Learners
- Rule 6A-6.09021, FACAnnual English Language Proficiency Assessment for English Language Learners (ELLs)
- Rule 6A-6.09022, FACExtension of Services in English for Speakers of Other Languages (ESOL) Program
- Rule 6A-6.0903, FACRequirements for Exiting English Language Learners from the English for Speakers of Other Languages Program
- Rule 6A-6.09031, FACPost Reclassification of English Language Learners (ELLs)
- Rule 6A-6.0904, FACEqual Access to Appropriate Instruction for English Language Learners

Career Education On-the-Job Attendance

- Rule 6A-1.044(6)(c), FACPupil Attendance Records

Career Education On-the-Job Funding Hours

- Rule 6A-6.055(3), FACDefinitions of Terms Used in Vocational Education and Adult Programs
FTE General Instructions 2012-13

Exceptional Education

- Section 1003.57, FSExceptional Students Instruction
- Section 1011.62, FSFunds for Operation of Schools
- Section 1011.62(1)(e), FSFunding Model for Exceptional Student Education Programs
- Rule 6A-6.03028, FACProvision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities
- Rule 6A-6.03029, FACDevelopment of Family Support Plans for Children with Disabilities Ages Birth Through Five Years
- Rule 6A-6.0312, FACCourse Modifications for Exceptional Students

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Calhoun 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, 2013

REGULATORY CITATIONS (Continued)

Exceptional Education (Continued)

- 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 (2012 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

Virtual Education

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

Charter Schools

- Section 1002.33, FS Charter Schools

The accompanying notes are an integral part of this schedule.

Calhoun County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

NOTE A – SUMMARY

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

1. School District of Calhoun County

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

For the fiscal year ended June 30, 2013, the District operated 5 schools and 2 virtual education cost centers, serving prekindergarten through twelfth grade students, reported 2,194.72 unweighted FTE, and received approximately \$9.4 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.

Calhoun County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

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. For brick and mortar school students, 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). For virtual education students, one student would be reported as one FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be a fraction of an FTE. Half-credit completions will be included in determining an FTE. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

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 2012-13 school year were conducted during and for the following weeks: survey one was performed for July 9 through 13, 2012; survey two was performed for October 8 through 12, 2012; survey three was performed for February 11 through 15, 2013; and survey four was performed for June 17 through 21, 2013.

Calhoun County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

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, 2013. 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:

Calhoun County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2013

NOTE B - SAMPLING (Continued)

| <u>School Name/Description</u> | <u>Finding Number(s)</u> |
|---|--------------------------|
| 1. Blountstown High School | 1 and 2 |
| 2. Carr Elementary & Middle School | NA |
| 3. Altha Public School | NA |
| 4. Blountstown Elementary School | 3 |
| 5. Calhoun Virtual Instruction Program | 4 |
| 6. Calhoun Virtual Instruction Course Offerings | NA |



DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

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111 West Madison Street
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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

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

We have examined management's assertion, included in its representation letter dated August 20, 2013, that the Calhoun 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, 2013. 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 2012-13* 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.

In our opinion, management's assertion that the Calhoun County District School Board complied with State requirements governing the determination and reporting of the number of students transported under the FEFPP for the fiscal year ended June 30, 2013, is fairly stated, in all material respects.

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the District's compliance with State requirements and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and those findings, along with the views of responsible officials, are described in SCHEDULE G and EXHIBIT A, respectively. 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 impact of this noncompliance on the District's reported number of transported students is 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 deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis.

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

Respectfully submitted,



David W. Martin, CPA

January 16, 2014

SCHEDULE F

Calhoun County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2013

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, 2013. (See NOTE B.) The population of vehicles (51) 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 2012 and February and June 2013 surveys would be counted in the population as four vehicles. Similarly, the population of students (2,183) 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 | 57 |
| IDEA (PK), Weighted | 11 |
| IDEA (PK), Unweighted | 56 |
| Two Miles or More | <u>2,059</u> |
| Total | <u>2,183</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)

Calhoun County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2013

Our examination results are summarized below:

| <u>Description</u> | <u>Students</u> | |
|--|----------------------------------|--|
| | <u>With</u> <u>Exceptions</u> | <u>Proposed</u> <u>Net</u> <u>Adjustment</u> |
| We sampled 146 of the 2,183 students reported as being transported by the District. | 2 | 0 |
| We also noted certain issues in conjunction with our general tests of student transportation that resulted in the addition of one student. | <u>1</u> | <u>0</u> |
| Total | <u>3</u> | <u>0</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

Calhoun County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2013

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 2012-13* issued by the Department of Education. The Calhoun 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, 2013. All noncompliance disclosed by our examination procedures is discussed below and requires management’s attention and action, as recommended on page 24.

**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 2012 surveys and the February and June 2013 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 2012 survey and once for the February 2013 survey) will be presented in our Findings as two sample students.

1. [Ref. 51] During our general tests, we noted that one student reported in the IDEA (K-12), Weighted ridership category was transported using a private passenger vehicle; consequently, the student was not eligible to be reported in an IDEA-Weighted ridership category. However, the student was eligible for reporting in the Two Miles or More ridership category. We propose the following adjustment:

February 2013 Survey

90 Days in Term

IDEA (K-12), Weighted

Two Miles or More

(1)

1

0

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Calhoun County District School Board
 Florida Education Finance Program (FEFP)
 Student Transportation
FINDINGS AND PROPOSED ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2013

**Students
 Transported
 Proposed Net
Adjustments**

Findings

2. [Ref. 52] The IEPs for two students in our sample reported in the IDEA (K-12), Weighted ridership category did not indicate the specific need for weighted classification as it related to the students' disabilities. However, we noted that the students were eligible for reporting in the Two Miles or More ridership category. We propose the following adjustments:

October 2012 Survey

90 Days in Term

| | | |
|-----------------------|-----|--|
| IDEA (K-12), Weighted | (1) | |
| Two Miles or More | 1 | |

February 2013 Survey

90 Days in Term

| | | |
|-----------------------|-----|----------|
| IDEA (K-12), Weighted | (1) | |
| Two Miles or More | 1 | <u>0</u> |

| | | |
|--------------------------------|--|----------|
| Proposed Net Adjustment | | <u>0</u> |
|--------------------------------|--|----------|

The accompanying notes are an integral part of this schedule.

SCHEDULE H

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

RECOMMENDATIONS AND REGULATORY CITATIONS

For the Fiscal Year Ended June 30, 2013

RECOMMENDATIONS

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) students who are transported in private passenger vehicles are not reported in IDEA-Weighted ridership categories; and (2) only ESE students whose need for special transportation services has been properly documented on the student’s IEPs are reported in IDEA-Weighted ridership categories.

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 2012-13*

The accompanying notes are an integral part of this schedule.

Calhoun County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

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 Calhoun County

For the fiscal year ended June 30, 2013, the District received approximately \$437,000 for student transportation as part of the State funding through FEFP. The District’s transportation reporting by survey was as follows:

| <u>Survey Period</u> | <u>Number of Vehicles</u> | <u>Number of Students</u> |
|----------------------|---------------------------|---------------------------|
| July 2012 | 0 | 0 |
| October 2012 | 23 | 1,062 |
| February 2013 | 25 | 1,070 |
| June 2013 | <u>3</u> | <u>51</u> |
| Total | <u>51</u> | <u>2,183</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

Calhoun County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2013

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, 2013. 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**

CALHOUN COUNTY SCHOOL DISTRICT

RALPH YODER

Superintendent Of Schools

20859 Central Ave. East, RM-G20 • Blountstown, FL 32424 • Phone: 850-674-5927 • Fax: 850-674-5814

January 16, 2014

David W. Martin, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL

Dear Mr. Martin:

Calhoun County School District has reviewed and addressed the findings and recommendations from the examination of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and the number of students transported as reported for the fiscal year ended June 30, 2013.

I would like to thank the members of your staff who conducted the audit for the efficient and courteous manner in which they did their job.

FTE Findings

Finding 1 & 3:

The District has reviewed the inservice records for all teachers in the district to determine their ESOL training needs. ESOL training will take place in the Spring 2014. The District will exercise more care to ensure ELL students are being taught by ESOL training teachers.

Finding 2:

The District will exercise more care to ensure parents are timely and appropriately notified when their children are assigned to out-of-field teachers.

Finding 4:

The District will exercise more caution to ensure teachers in the Calhoun Virtual Instruction Program are teaching in-field. When a teacher is determined to be out-of-field, the teacher will be approved by the School Board to teach in that area and parents will be timely and appropriately notified.

| | | | | |
|-------------|------------|------------|------------------|--------------|
| Danny Ryals | Kelly King | Tim Smith | Kenneth Speights | Danny Hassig |
| District 1 | District 2 | District 3 | District 4 | District 5 |

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Transportation Findings

Finding 1:

The District will exercise more care and take corrective actions, as appropriate, to ensure students who are transported in private passenger vehicles are not reported in IDEA-Weighted ridership categories.

Finding 2:

The District will exercise more care and take corrective actions, as appropriate, to ensure only ESE students whose need for special transportation services has been properly documented on the student's IEP are reported in IDEA-Weighted ridership categories.

Again, we wish to express our appreciation to your audit staff for the professional manner in which the audit was conducted. We appreciate your recommendations and have taken action to implement them. Calhoun County has been diligent in the past in attempting to conduct their affairs in a correct and efficient manner, and we plan to continue in the same manner in the future. If you need additional information, please let me know.

Sincerely,



Ralph Yoder, Superintendent
Calhoun County School District