

**HENDRY 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

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

<u>Member</u>	<u>District No.</u>
Dwayne E. Brown	1
Dr. Sally Berg, Chair to 11-19-12	2
Patrick B. Langford, Vice Chair from 11-20-12	3
Matthew A. Beatty to 11-19-12	4
John Perry from 11-20-12	4
Ray Clinard, Chair from 11-20-12, Vice Chair to 11-19-12	5

Paul K. Puletti, Superintendent from 11-20-12

Richard A. "Rick" Murphy, Superintendent to 11-19-12

The examination team leader was Christopher E. Tynes, 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.

Hendry 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
PK	Prekindergarten

Hendry 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 Hendry 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 32 students in our ESE Support Levels 4 and 5 sample and 10 of the 10 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 10 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative 4.6350 but has a potential impact on the District's weighted FTE of a negative 13.9404. Noncompliance related to student transportation resulted in 5 findings and a proposed net adjustment of a negative 6 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 Hendry County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative \$49,948 (negative 13.9404 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 HENDRY COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Hendry 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 Hendry 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 12 schools, 1 District cost center, and reported 1 virtual education cost center serving prekindergarten through twelfth grade students; reported 6,832.66 unweighted FTE for those students; and received approximately \$25.9 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 \$1.33 million 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 HENDRY COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined the Hendry 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 32 students in our ESE Support Levels 4 and 5 sample¹ and 10 of the 10 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 Hendry 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.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). Our examination disclosed certain other 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 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 ESE Support Levels 4 and 5, see SCHEDULE D, Finding Nos. 5 and 7.

²For Career Education 9-12 (OJT), see SCHEDULE D, Finding No. 8.

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 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
Tallahassee, Florida
April 10, 2014

SCHEDULE A

Hendry 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 6,832.66 unweighted FTE at 12 schools, 1 District cost center, and 1 virtual education cost center 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 (14) 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 center in the District that offered virtual instruction in FEFP funded programs. The population of students (3,519) 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	13	5	2,637	51	0	4,916.1900	44.4600	14.7921
Basic with ESE Services	13	5	470	33	2	1,000.3600	27.6600	(2.0200)
ESOL	10	4	367	94	4	634.7000	75.6218	(13.7056)
ESE Support Levels 4 and 5	8	5	32	32	4	18.3200	10.8204	(1.9269)
Career Education 9-12	3	1	<u>13</u>	<u>10</u>	<u>10</u>	<u>263.0900</u>	<u>1.7746</u>	<u>(1.7746)</u>
All Programs	14	6	<u>3,519</u>	<u>220</u>	<u>20</u>	<u>6,832.6600</u>	<u>160.3368</u>	<u>(4.6350)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Hendry 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 (159) 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 center 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 59 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

Hendry 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	4.5838	1.117	5.1201
102 Basic 4-8	4.3799	1.000	4.3799
103 Basic 9-12	5.8284	1.020	5.9450
112 Grades 4-8 with ESE Services	(1.5000)	1.000	(1.5000)
113 Grades 9-12 with ESE Services	(.5200)	1.020	(.5304)
130 ESOL	(13.7056)	1.167	(15.9944)
254 ESE Support Level 4	(.0865)	3.524	(.3048)
255 ESE Support Level 5	(1.8404)	5.044	(9.2830)
300 Career Education 9-12	<u>(1.7746)</u>	.999	<u>(1.7728)</u>
Total	<u>(4.6350)</u>		<u>(13.9404)</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

Hendry 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 Adjustments</u> ¹			<u>Balance Forward</u>
	<u>#0061</u>	<u>#0162</u>	<u>#0201</u>	
101 Basic K-3	.....	4.5838	.....	4.5838
102 Basic 4-8	3.9215	.4584	.....	4.3799
103 Basic 9-12	.....	.....	5.8284	5.8284
112 Grades 4-8 with ESE Services	.....	.....	.....	.0000
113 Grades 9-12 with ESE Services	.....	.....	.4800	.4800
130 ESOL	(3.8350)	(4.5422)	(5.3284)	(13.7056)
254 ESE Support Level 4	(.0865)	.....	.....	(.0865)
255 ESE Support Level 5	.....	(.5000)	(1.3404)	(1.8404)
300 Career Education 9-12	.....	.....	(1.7746)	(1.7746)
Total	<u>.0000</u>	<u>.0000</u>	<u>(2.1350)</u>	<u>(2.1350)</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)

Hendry 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>Brought Forward</u>	<u>#5201</u>	<u>Total</u>
101 Basic K-3	4.5838	.....	4.5838
102 Basic 4-8	4.3799	.....	4.3799
103 Basic 9-12	5.8284	.....	5.8284
112 Grades 4-8 with ESE Services	.0000	(1.5000)	(1.5000)
113 Grades 9-12 with ESE Services	.4800	(1.0000)	(.5200)
130 ESOL	(13.7056)	.....	(13.7056)
254 ESE Support Level 4	(.0865)	.....	(.0865)
255 ESE Support Level 5	(1.8404)	.....	(1.8404)
300 Career Education 9-12	<u>(1.7746)</u>	<u>.....</u>	<u>(1.7746)</u>
Total	<u>(2.1350)</u>	<u>(2.5000)</u>	<u>(4.6350)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Hendry 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 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 Hendry 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 14.

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Findings

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.

Clewiston Middle School (#0061)

1. [Ref. 6101] Three ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We propose the following adjustment:

102 Basic 4-8	2.7612	
130 ESOL	<u>(2.7612)</u>	.0000

2. [Ref. 6170] One teacher was not properly certified and was not approved by the School Board to teach ESE out of field. We also noted that the parents of the ESE student taught by this teacher were not notified of the teacher's out-of-field status. We propose the following adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Hendry 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>Clewiston Middle School (#0061)</u> (Continued)	
102 Basic 4-8	.0767
254 ESE Support Level 4	(.0767)
	.0000

3. [Ref. 6171] We noted the following exceptions for one teacher who was not properly certified who taught a class that included both an ESE student and ELL students: (a) the teacher was not approved by the School Board to teach ESE students out of field, and (b) the parents of the students were not notified of the teacher's out-of-field status in ESE and were not notified of the teacher's out-of-field status in ESOL until after the October 2012 reporting survey. We propose the following adjustment:

102 Basic 4-8	1.0836	
130 ESOL	(1.0738)	
254 ESE Support Level 4	(.0098)	.0000
		.0000

Eastside Elementary School (#0162)

4. [Ref. 16201] One ELL student was beyond the maximum six-year period allowed for State funding of ESOL. We propose the following adjustment:

102 Basic 4-8	.4584	
130 ESOL	(.4584)	.0000

5. [Ref. 16202] One student 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 had been dismissed from the Hospital and Homebound Program prior to the February 2013 reporting survey and had returned to the student's regular schedule and the student should have been reported in Program No. 101 (Basic K-3). We propose the following adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Hendry 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

Findings

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Eastside Elementary School (#0162) (Continued)

101 Basic K-3	.5000	
255 ESE Support Level 5	(.5000)	.0000

6. [Ref. 16270] One teacher taught classes that included ELL students but was not properly certified to teach ELL students and was not approved by the School Board to teach such students out of field. We propose the following adjustment:

101 Basic K-3	4.0838	
130 ESOL	(4.0838)	.0000
		.0000

Clewiston High School (#0201)

7. [Ref. 20101] Three students were incorrectly reported in Program No. 255 (ESE Support Level 5) as follows: (a) one ESE student was provided both homebound instruction and on-campus instruction; however, the on-campus instruction should have been reported in Program No. 113 (Grades 9-12 with ESE Services); (b) one student who was enrolled only in the Hospital and Homebound Program was reported for both homebound instruction and on-campus instruction; however, the student was not in membership at the student's home school; and (c) one student had been exited from the Hospital and Homebound Program on January 25, 2013, which was prior to the February 2013 reporting survey and should have been reported in Program No. 103 (Basic 9-12). We propose the following adjustment:

103 Basic 9-12	.5000	
113 Grades 9-12 with ESE Services	.4800	
255 ESE Support Level 5	(1.3404)	(.3604)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Hendry 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

**Proposed Net
 Adjustments
 (Unweighted FTE)**

Findings

Clewiston High School (#0201) (Continued)

8. [Ref. 20102] The timecards for ten Career Education 9-12 (OJT) students were missing and could not be located. We propose the following adjustment:

300 Career Education 9-12	(1.7746)	(1.7746)
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9. [Ref. 20170] One teacher who was not properly certified and was not approved by the School Board to teach Developmental Language Arts through ESOL out of field. The teacher has been out of field in this subject for multiple years and had earned none of the 12 college credit hours toward certification in English as required by rule and the teacher's college education timeline. We also noted that the parents of the students taught by this teacher were not notified of the teacher's out-of-field status. We propose the following adjustment:

103 Basic 9-12	5.3284	
130 ESOL	(5.3284)	.0000
		(2.1350)

County-Wide Exceptional Student Education School (#5201)

10. [Ref. 520101] Three ESE students (two were in our Basic with ESE Services sample) were incorrectly reported for FTE funding during the reporting surveys. We determined that these students were residents of Hendry County but were transported to Lee County for services not offered by Hendry County. Lee County was providing the students' instruction as well as the related support services and had appropriately received the State FTE funding. Consequently, the students should not have been reported for State funding in Hendry County. We propose the following adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Hendry 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>County-Wide Exceptional Student Education School (#5201)</u> (Continued)	
112 Grades 4-8 with ESE Services	(1.5000)
113 Grades 9-12 with ESE Services	<u>(1.0000)</u>
	<u>(2.5000)</u>
Proposed Net Adjustment	<u>(4.6350)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Hendry 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) ELL students are not reported beyond the six-year period allowed for State funding of ESOL; (2) schedules for students concurrently enrolled on-campus and in the Hospital and Homebound Program are reported in the appropriate programs for the correct amount of FTE, the reported instructional time in each program reflects the services that were solely received during the survey week, and adequate documentation to support that reporting is maintained on file; (3) students who are enrolled and receiving State FEFP funding in another school district are not also reported for FTE funding in their home districts; (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 properly certified or, if out of field, are timely approved by the School Board to teach out of field; (6) parents are timely and appropriately notified when their children are assigned to out-of-field teachers; and (7) out-of-field teachers earn the appropriate college credits as required by rule and their college education 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.

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*

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Hendry 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)

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

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, and Programmatic Assessments of English Language Learners
- Rule 6A-6.09021, FAC Annual English Language Proficiency Assessment for English Language Learners (ELLs)
- Rule 6A-6.09022, FAC Extension of Services in English for Speakers of Other Languages (ESOL) Program
- Rule 6A-6.0903, FAC Requirements for Exiting English Language Learners from the English for Speakers of Other Languages Program
- Rule 6A-6.09031, FAC Post Reclassification of English Language Learners (ELLs)
- Rule 6A-6.0904, FAC Equal Access to Appropriate Instruction for English Language Learners

Career Education On-the-Job Attendance

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

Career Education On-the-Job Funding Hours

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

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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Hendry 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-6.03028, FAC Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities
- Rule 6A-6.03029, FAC Development of Family Support Plans for Children with Disabilities Ages Birth Through Five Years
- Rule 6A-6.0312, FAC Course Modifications for Exceptional Students
- Rule 6A-6.0331, FAC General Education Intervention Procedures, Identification, Evaluation, Reevaluation and the Initial Provision of Exceptional Education Services
- Rule 6A-6.0334, FAC Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students
- Rule 6A-6.03411, FAC Definitions, ESE Policies and Procedures, and ESE Administrators

Matrix of Services Handbook (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.

Hendry 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 Hendry County

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

For the fiscal year ended June 30, 2013, the District operated 12 schools, 1 District cost center, and reported 1 virtual education cost center serving prekindergarten through twelfth grade students; reported 6,832.66 unweighted FTE; and received approximately \$25.9 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.

Hendry 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.

Hendry 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:

Hendry 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. Clewiston Middle School	1 through 3
2. Eastside Elementary School	4 through 6
3. Country Oaks Elementary School	NA
4. Clewiston High School	7 through 9
5. County-Wide Exceptional Student Education School	10
6. Hendry Virtual Instruction Program	NA



DAVID W. MARTIN, CPA
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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

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

We have examined management's assertion, included in its representation letter dated January 22, 2014, that the Hendry 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 Hendry County District School Board complied with State requirements governing the determination and reporting of the number of students transported under the FEFP 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
Tallahassee, Florida
April 10, 2014

SCHEDULE F

Hendry 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 (116) consisted of the total of the numbers of vehicles (buses, vans, and passenger cars) 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 (6,891) 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	138
IDEA (PK), Weighted	21
IDEA (PK), Unweighted	1
Teenage Parents and Infants	29
Two Miles or More	<u>6,702</u>
Total	<u>6,891</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)

Hendry 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>Buses</u> Proposed Net <u>Adjustment</u>	<u>Students</u> With Proposed Net <u>Adjustment</u>
We noted that the reported number of buses in operation was overstated.	(2)	
We sampled 171 of the 6,891 students reported as being transported by the District.		7 (1)
We also noted certain issues in conjunction with our general tests of student transportation that resulted in the addition of 5 students.	-	5 (5)
Total	<u>(2)</u>	<u>12</u> (6)

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

Hendry 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 Hendry 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, 2013. All noncompliance disclosed by our examination procedures is discussed below and requires management’s attention and action, as recommended on page 29.

**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] Our general tests of student transportation disclosed that five PK students were incorrectly reported in the Two Miles or More ridership category. The students were not ESE students, were not enrolled in a Teenage Parent Program, and were not otherwise eligible for State transportation funding. We propose the following adjustments:

<u>October 2012 Survey</u>	
<u>90 Days in Term</u>	
Two Miles or More	(2)
<u>February 2013 Survey</u>	
<u>90 Days in Term</u>	
Two Miles or More	(1)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>	<u>Students Transported</u>	<u>Proposed Net Adjustments</u>
<p><u>June 2013 Survey</u> <u>15 Days in Term</u></p>		
Two Miles or More	(2)	(5)
<p>2. [Ref. 54a] <u>Our general tests disclosed that the District's reported number of buses in operation was overstated in the October 2012 reporting survey (one bus) and in the February 2013 reporting survey (one bus). We present this disclosure Finding with no proposed adjustment of students.</u></p>		
<p><u>October 2012 Survey</u></p>		
Number of Buses in Operation	(1)	
<p><u>February 2013 Survey</u></p>		
Number of Buses in Operation	(1)	
	(2)	
<p>3. [Ref. 54b] <u>One student in our sample was incorrectly reported in the IDEA (K-12), Weighted ridership category. The student was transported utilizing a private passenger vehicle; consequently, this student was ineligible to be reported in an IDEA-Weighted ridership category but was eligible to be reported in the IDEA (K-12), Unweighted ridership category. We propose the following adjustment:</u></p>		
<p><u>July 2012 Survey</u> <u>16 Days in Term</u></p>		
IDEA (K-12), Weighted	(1)	
IDEA (K-12), Unweighted	1	0
<p>4. [Ref. 52] <u>Five students in our sample were incorrectly reported in the IDEA (K-12), Weighted ridership category. The students' IEPs did not indicate that the students met at least one of the five criteria required for IDEA-Weighted classification. We noted that three of the students were eligible for reporting in the IDEA (K-12), Unweighted ridership category and two students were eligible for reporting in the Two Miles or More ridership category. We propose the following adjustments:</u></p>		

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>	<u>Students Transported</u>	<u>Proposed Net Adjustments</u>
<u>October 2012 Survey</u>		
<u>90 Days in Term</u>		
IDEA (K-12), Weighted	(2)	
IDEA (K-12), Unweighted	2	
<u>February 2013 Survey</u>		
<u>90 Days in Term</u>		
IDEA (K-12), Weighted	(3)	
IDEA (K-12), Unweighted	1	
Two Miles or More	<u>2</u>	0
5. [Ref. 53] <u>One student in our sample was incorrectly reported in the Two Miles or More ridership category. The student lived less than two miles from the student's assigned school and was not otherwise eligible for State transportation funding. We propose the following adjustment:</u>		
<u>February 2013 Survey</u>		
<u>90 Days in Term</u>		
Two Miles or More	<u>(1)</u>	(1)
Proposed Net Adjustment		<u>(6)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Hendry 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) the number of buses in operation are accurately reported; (2) PK students are reported in grade appropriate ridership categories and only if students are IDEA students or enrolled in the Teenage Parent Program; (3) the distance from home to school for students reported in the Two Miles or More ridership category is verified prior to those students being reported; (4) students reported in IDEA-Weighted classifications are appropriately documented as meeting one of the five criteria and as noted on the student’s IEP; and (5) students transported utilizing private passenger vehicles are not reported in an IDEA-Weighted funding ridership category.

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

REGULATORY CITATIONS

- Chapter 1006, Part I, E., FSTransportation of Public K-12 Students
- Section 1011.68, FSFunds for Student Transportation
- Chapter 6A-3, FACTransportation
- Student Transportation General Instructions 2012-13*

The accompanying notes are an integral part of this schedule.

Hendry 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 Hendry County

For the fiscal year ended June 30, 2013, the District received approximately \$1.33 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 2012	1	1
October 2012	52	3,258
February 2013	52	3,404
June 2013	<u>11</u>	<u>228</u>
Total	<u>116</u>	<u>6,891</u>

3. Statutes and Rules

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

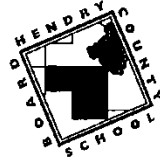
- Chapter 1006, Part I, E., FS Transportation of Public K-12 Students
- Section 1011.68, FS Funds for Student Transportation
- Chapter 6A-3, FAC Transportation

Hendry 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**



Hendry County School Board

Paul K. Puletti
Superintendent

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April 10, 2014

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

Dear Mr. Martin,

Please find herein the District response to the Hendry County School District School Board Florida Education Finance Program (FEFP) Full-Time Equivalent (FTE) Students and Student Transportation Audit for the Fiscal Year Ended June 30, 2013.

Hendry County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Student
Auditor Findings

Listed below are audit findings and the action taken by the District for each of these findings:

1. [Ref. 6101], [Ref. 16201] ELL students were beyond the maximum six-year period allowed for State funding of ESOL.
Corrective Action: ELL students who remain in the District ELL Program beyond the six-year period allowed for State funding of ESOL will be clearly coded at the school level and notation made in the student's ELL Plan that they are no longer eligible for ESOL funding. It will be the responsibility of the school principal to ensure such identification takes place.
2. [Ref. 6170], [Ref. 6171], [Ref. 16270] Teachers were not properly certified and were not approved by the School Board to teach ESE or ELL out-of-Field. Parents of the ESE and ELL students taught by these teachers were not notified of the teachers' out-of-field status. The District agrees with these findings.
Corrective Action: District Guidelines are in place for School Board approval of out-of-field teachers, including ELL and ESE out-of-field. There are also clear District guidelines requiring parent notification if their child is being taught by an out-of-field teacher. These guidelines were not followed in this particular situation. These guidelines will be reviewed with all principals and they will be held accountable for the correct reporting to the Board and notification to parents of out-of-field teachers within their schools.
3. [Ref. 16202] A student was incorrectly reported in Program No. 255 Hospital/Homebound. This student had been dismissed from the Hospital/Homebound Program prior to the Feb. reporting survey and should have been reported in Program 101. The District agrees with this finding.
Corrective Action: Schools are required to immediately update any changes to a student's FTE Program category. School principals will have the responsibility of ensuring these changes take place and are properly entered into the District student records/reporting program.

Hendry County Schools... our future starts here.

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

4. [Ref. 20101] Three students were incorrectly reported in Program 255. The District agrees with the findings.
Corrective Action: The District has set procedures in place to ensure that students enrolled in Program 255 Hospital/Homebound are coded correctly at the school level for FTE reporting. The school principal will be responsible for ensuring that these procedures are followed.
5. [Ref. 20102] Timecards for the Career Education students were missing and could not be located. The District agrees with the findings.
Corrective Action: The school has established guidelines that establish a secure location for Career Education student's timecards. The school principal is responsible to ensure these guidelines are followed.
6. [Ref. 20170] A teacher was not properly certified and was not approved by the School Board to teach Developmental Language Arts through ESOL out-of-field. The teacher has been out-of-field in this subject for multiple years and earned none of the 12 college credit hours towards certification in English as required by rule and timeline. The District agrees with the findings.
Corrective Action: The District will require all teachers to adhere to certification timeline requirements. The school principal will be responsible for enforcing this requirement.
7. [Ref.520101] Three ESE students were incorrectly reported for FTE funding. These students were residents of Hendry County, but were transported to Lee County for services not offered by Hendry County. Lee County was providing the students instruction and had appropriately received the State FTE funding. The District agrees with these findings.
Corrective Action: The District ESE Office will review FTE reporting of any ESE student transported out of the Hendry County School District to another district for instruction and support services to ensure that the correct district receives the FTE funding for these students.

Hendry County District School Board
Florida Education Finance Program (FEFP)
Student Transportation
Auditor Findings

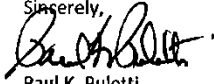
1. [Ref. 51] Five PK students were incorrectly reported in the Two Miles or More ridership category. The District agrees with this finding.
Corrective Action: The District will implement a method that requires all survey information to be checked by two separate reviewers prior to submission to DOE in the FTE report. This will be done in particular with all PK students. In the October 2012 survey, we incorrectly included 2 PK students, in February 2013 we incorrectly included 1 PK student, and in June 2013 we incorrectly included 2 PK students. In three reports, we incorrectly reported 5 students out of 6,891; however, we will make every effort to make sure there are absolutely no misreported riders in the future.
2. [Ref. 54a] The District reported number of buses in operation was overstated in the October 2012 reporting survey (one bus) and in the February 2013 reporting survey (one bus). The District agrees with this finding.
Corrective Action: The number of buses was overstated by one bus. This has been corrected. We realized we were incorrectly identifying a van used to transport ESE students to another District as a bus.
3. [Ref. 54b], [Ref. 52] Students were incorrectly reported in the IDEA (K-12), Weighted Ridership category. The District agrees with these findings.
Corrective Action: To prevent this type of incorrect reporting in the future the District will review the IEP's for all students being transported. A new Director of ESE is ensuring that all required documentation for ESE students eligibility for weighted ridership is in place and accurate.
4. [Ref. 53] One student was incorrectly reported in the Two Miles or More Ridership category. The District agrees with this finding.
Corrective Action: The District had one student incorrectly reported in the Two Miles or More Ridership category. The methodology we used to determine distance from home to school indicated this student was just over two miles from school. The auditor used a methodology that showed the students as being just less than two miles. The auditor used Google Maps and the walking distance from school to the bus stop. We were using Map Quest and for whatever reason there was a slight difference in some of the distances calculated by Map Quest when compared to Google Maps. We will now use the auditor's methodology (Google Map) to determine eligibility for the Two Miles or More Ridership category.

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

Please feel free to contact me if any additional information or clarification is needed.

Sincerely,



Paul K. Puletti
Superintendent

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