

**FLORIDA ATLANTIC
UNIVERSITY SCHOOLS**

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

For the Fiscal Year Ended
June 30, 2013



SCHOOLS' ADVISORY BOARD MEMBERS AND SCHOOLS' SUPERINTENDENT

Florida Atlantic University Schools' Advisory Board members and the Schools' Superintendent who served during the 2012-13 fiscal year are listed below:

College of Education, Florida Atlantic University - Dean

Dr. Valerie Bristol, Schools Superintendent

Alexander D. Henderson University School and Florida Atlantic University High School Representatives

Dr. Tammy Ferguson, Principal/Director
Keith Feit, Chair Faculty Representative
Lyndsay Tolerton, Faculty Representative
Robin Barkes, Faculty Representative
Brian Schum, Faculty Representative
Ann Schaefer, Faculty Representative
Alex Crossley, Student Representative
David Santiago, Student Representative

University Representatives

Dr. Deborah Shepherd, Dean's Representative
Dr. Stephen Locke, Faculty Representative

Community Representatives

Emma del Real
Faye Lucarelli-Kanter

Parent Representatives

Thomas Halikman, Vice Chair, Elementary School Parent Representative
Troy McLellan, Middle School Parent Representative
Kaye Dickens, Middle School Parent Representative
Sharon Chapnick, High School Parent Representative
Valerie Thomas, High School Parent Representative
Daphna Smolka, At-Large Parent Representative
Julie Rahim, At-Large Parent Representative
Elliott Bernstein, At-Large Parent Representative
Victoria Childs, At-Large Parent Representative

Palm Pointe Educational Research School at Tradition Representatives

Debra Snyder, Principal/Director

University Representatives

Dr. Joel Herbst, University Representative
Dr. Jack Scott, Faculty Representative
Dr. Albert Jurenas, Faculty Representative
Dr. Eliah Watlington, Faculty Representative
Dr. Gregory Aloia, University Representative

Community Representatives

Debbie Hawley, Chair
Joseph Smith
Sandy Wolfe

Parent Representatives

Max Kernick
Roderick Natta
Tonya Wyandon

The examination team leader was Eric R. Seldomridge, 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.

Florida Atlantic University Schools
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
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
FES	Fluent English Speaker
FS	Florida Statutes
IEP	Individual Educational Plan
OJT	On-the-Job Training

Florida Atlantic University Schools
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students and Student Transportation
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For the Fiscal Year Ended June 30, 2013

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EXECUTIVE SUMMARY

SUMMARY OF ATTESTATION EXAMINATION

The Florida Atlantic University Schools (Schools) 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) for the fiscal year ended June 30, 2013.

Noncompliance related to reported FTE resulted in two findings. The resulting proposed net adjustment to the Schools' reported, unweighted FTE totaled to zero but has a potential impact on the Schools' weighted FTE of a negative .0625.

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. The Schools' estimated gross dollar effect of our proposed adjustments to reported FTE is a negative \$224 (negative .0625 times \$3,582.98) of which none is applicable to charter schools.

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

FLORIDA ATLANTIC UNIVERSITY SCHOOLS

The Schools (Alexander D. Henderson University School/Florida Atlantic University High School located in Boca Raton, Florida, and Palm Pointe Educational Research School at Tradition [a charter school] located in Port St. Lucie, Florida) were established pursuant to Section 1002.32(2), Florida Statutes, as developmental research schools and are affiliated with Florida Atlantic University located in Boca Raton, Florida. Section 1002.32(3), Florida Statutes, specifies that developmental research schools are to provide a vehicle for the conduct of research, demonstration, and evaluation regarding management, teaching, and learning. Additionally, Section 1002.32(3)(a), Florida Statutes, provides that the primary goal of a developmental research school is to enhance instruction and research in specialized subjects that include mathematics, science, computer science, and foreign languages, while also providing an education in nonspecialized subjects. The Schools offer instruction in basic education and exceptional education and serve students in prekindergarten through twelfth grade.

In accordance with Section 1002.32(8), Florida Statutes, an Advisory Board has been established to provide general oversight and guidance to the Schools. The chief executive officer of the Schools, pursuant to Section 1002.32(7), Florida Statutes, is a Director or a Principal. (The Schools refer to their Director/Principal as Superintendent.) For the fiscal year ended June 30, 2013, the Schools operated as two schools serving prekindergarten through twelfth grade students, reported 2,243.33 unweighted FTE for those students which included 1,401.28 unweighted FTE for charter school students, and received approximately \$11.1 million in State funding through FEFP.

FLORIDA EDUCATION FINANCE PROGRAM (FEFP)

Full-Time Equivalent (FTE) Students

Florida school districts and developmental research schools 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, including charter schools, 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.



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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 FLORIDA ATLANTIC UNIVERSITY SCHOOLS FLORIDA EDUCATION FINANCE PROGRAM (FEFP) FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated March 25, 2014, that the Florida Atlantic University Schools (Schools) complied with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 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 Schools' compliance with State requirements. Our responsibility is to express an opinion on the Schools' 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 Schools' 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 Schools' compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

In our opinion, management's assertion that the Schools complied with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 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 Schools' 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 Schools' compliance with State requirements and did not include expressing an opinion on the Schools' 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 D 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 Schools' internal controls related to the determination and reporting of FTE. The impact of this noncompliance on the Schools' reported FTE is presented in SCHEDULES A, B, C, and D.

The Schools' 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 Schools' 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
June 26, 2014

SCHEDULE A

Florida Atlantic University Schools
 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 Schools reported 2,243.33 unweighted FTE that included 1,401.28 unweighted FTE for charter school students 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 (2) consisted of two brick and mortar schools that offered courses, including the charter school, in FEFP-funded programs. The population of students (2,327) consisted of the total number of students in each program at the Schools in our samples. (No students were reported in Career Education 9-12). Our populations and samples of schools and students are summarized as follows:

<u>Programs</u>	<u>Number of Schools</u>		<u>Number of Students at Schools Sampled</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	2	2	2,044	26	0	1,987.0500	24.0868	1.2501
Basic with ESE Services	2	2	200	12	0	186.0000	12.0000	.0000
ESOL	2	2	66	23	1	58.0000	20.2443	(1.2501)
ESE Support Levels 4 and 5	1	1	17	16	0	12.2800	11.2832	.0000
Career Education 9-12	0	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>.0000</u>	<u>.0000</u>	<u>.0000</u>
All Programs	2	2	<u>2,327</u>	<u>77</u>	<u>1</u>	<u>2,243.3300</u>	<u>67.6143</u>	<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Florida Atlantic University Schools
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.) Generally, the population of teachers (64 of which 55 is applicable to the charter school) 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 (no virtual education teachers were reported) in our sample who taught courses in Basic, Basic with ESE Services, ESE Support Levels 4 and 5, or taught courses to ELL students. From the population of teachers, we sampled 18 and found an exception for 1 of those teachers. Of the 18 teachers sampled, 15 (83 percent) taught at the charter school and there were no exceptions for teachers who taught at the charter school.

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

Florida Atlantic University Schools
 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	1.2501	1.117	1.3964
130 ESOL	(1.2501)	1.167	(1.4589)
Total	<u>.0000</u>		<u>(.0625)*</u>

* There were no proposed adjustments for the charter school.

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

Florida Atlantic University Schools
 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>#0011</u>	<u>Total</u>
101 Basic K-3	1.2501	1.2501
130 ESOL	<u>(1.2501)</u>	<u>(1.2501)</u>
Total	<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

Florida Atlantic University Schools
 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. The Florida Atlantic University Schools 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 Schools’ 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.

**Alexander D. Henderson University School/Florida Atlantic University
 High School (#0011)**

1. [Ref. 1101] One student was incorrectly reported in ESOL. The student was assessed FES and as a competent English reader and writer. We also noted that an ELL Committee was not convened to consider the student's ESOL placement. We propose the following adjustment:

101 Basic K-3	1.0000	
130 ESOL	<u>(1.0000)</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Florida Atlantic University Schools
 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

**Alexander D. Henderson University School/Florida Atlantic University
 High School (#0011)** (Continued)

2. [Ref. 1170] One teacher taught classes that included ELL students but was not properly certified to teach ELL students and was not approved by the School’s Advisory Board to teach such students out of field. We propose the following adjustment:

101 Basic K-3	.2501	
130 ESOL	(.2501)	<u>.0000</u>
		<u>.0000</u>
Proposed Net Adjustment		<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Florida Atlantic University Schools
 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 Schools’ management exercise more care and take corrective action, as appropriate, to ensure that: (1) students who are assessed as English language proficient and as competent English readers and writers are either exited from the ESOL Program or referred to an ELL Committee for determination of the student’s continued ESOL placement, and (2) teachers are properly certified or, if out of field, are timely approved by the Schools’ Advisory Boards to teach out of field.

The absence of statements in this report regarding practices and procedures followed by the Schools 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 Schools’ obligation to comply with all State requirements governing FTE and FEFP.

REGULATORY CITATIONS

Reporting

- Section 1002.32, FS Developmental Research (Laboratory) Schools
 - 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)

Florida Atlantic University Schools
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)

Florida Atlantic University Schools
 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.

Florida Atlantic University Schools
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 Schools, FEFP, FTE, and related areas follows:

1. Florida Atlantic University Schools

The Schools (Alexander D. Henderson University School/Florida Atlantic University High School located in Boca Raton, Florida, and Palm Pointe Educational Research School at Tradition [a charter school] located in Port St. Lucie, Florida) were established pursuant to Section 1002.32(2), Florida Statutes, as developmental research schools and are affiliated with the Florida Atlantic University located in Boca Raton, Florida. Section 1002.32(3), Florida Statutes, specifies that developmental research schools are to provide a vehicle for the conduct of research, demonstration, and evaluation regarding management, teaching, and learning. Additionally, Section 1002.32(3)(a), Florida Statutes, provides that the primary goal of a developmental research school is to enhance instruction and research in specialized subjects that include mathematics, science, computer science, and foreign languages, while also providing an education in nonspecialized subjects. The Schools offer instruction in basic education and exceptional education and serve students in prekindergarten through twelfth grade.

For the fiscal year ended June 30, 2013, the Schools operated as two schools serving prekindergarten through twelfth grade students, reported 2,243.33 unweighted FTE for those students which included 1,401.28 unweighted FTE for charter school students, and received approximately \$11.1 million in State funding through FEFP. The primary sources of funding for the Schools are funds from FEFP.

2. Florida Education Finance Program (FEFP)

Florida school districts and developmental research schools 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, including charter schools, 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.

Florida Atlantic University Schools
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 Schools' 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.

Florida Atlantic University Schools
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 Schools' compliance with State requirements governing FTE and FEFP. The following schools were in our sample:

Florida Atlantic University Schools
 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. Alexander D. Henderson University School/ Florida Atlantic University High School (in Boca Raton)	1 and 2
2. Florida Atlantic University – St. Lucie County School District Palm Pointe Educational Research School at Tradition (in Port St. Lucie)*	NA

*Charter School

**EXHIBIT A
MANAGEMENT'S RESPONSE**



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June 26, 2014

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

Dear Mr. Martin,

We have reviewed the audit report of May 23, 2014, and concur with the findings for the fiscal year ending June 30, 2013.

Management has discussed the issues identified in the report, reviewed internal procedures and external communications, and will exercise additional attention as well as exercise more care and take corrective action, as appropriate, to ensure that: (1) students who are assessed as English language proficient and as competent English readers and writers are either exited from the ESOL Program or referred to an ELL Committee for determination of the student's continued ESOL placement, and (2) teachers are properly certified or, if out of field, are timely approved by the Schools' Advisory Boards to teach out of field.

We appreciate the professionalism of Eric Seldomridge, CPA. His diligence and guidance during the determination and reporting of full-time equivalent (FTE) students by the Florida Atlantic University Schools was exemplary.

Sincerely,

A handwritten signature in green ink that reads 'Valerie J. Bristor'.

Valerie J. Bristor, Ph.D.
Superintendent