

**UNION COUNTY  
DISTRICT SCHOOL BOARD**

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

**and**

**Student Transportation**

For the Fiscal Year Ended  
June 30, 2014



## BOARD MEMBERS AND SUPERINTENDENT

Union County District School Board members and the Superintendent of Schools who served during the 2013-14 fiscal year are listed below:

<u>Member</u>	<u>District No.</u>
Randall A. Parrish	1
Alvin A. Griffis	2
Curtis L. Clyatt, Chair to 11-19-13	3
Rebekah G. Raulerson, Vice Chair from 11-20-13	4
Terra Thomas Johnson, Vice Chair to 11-19-13, Chair from 11-20-13	5

Carlton Faulk, Superintendent

The examination team leader was Jennifer Taylor, 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](mailto: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](http://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.

Union 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, 2014

<b>ESE</b>	Exceptional Student Education
<b>ESOL</b>	English for Speakers of Other Languages
<b>FAC</b>	Florida Administrative Code
<b>FS</b>	Florida Statutes
<b>IDEA</b>	Individuals with Disabilities Education Act
<b>IEP</b>	Individual Educational Plan
<b>OJT</b>	On-the-Job Training
<b>PK</b>	Prekindergarten

Union County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students and Student Transportation  
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For the Fiscal Year Ended June 30, 2014

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## EXECUTIVE SUMMARY

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### 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 student transportation, the Union 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, 2014:

- Five of the 14 students in our ESE Support Levels 4 and 5 test had exceptions involving reporting errors or records that were not properly or accurately prepared. The District did not report any charter schools; therefore, none of the exceptions noted included students who attended charter schools.
- Of the 194 students in our student transportation test, 24 had exceptions involving their reported ridership classification or eligibility for State transportation funding.

Noncompliance related to reported FTE resulted in seven findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative .7020 (negative .7020 is all applicable to District schools other than charter schools) but has a potential impact on the District's weighted FTE of a negative 6.0975 (negative 6.0975 is all applicable to District schools other than charter schools). Noncompliance related to student transportation resulted in seven findings and a proposed net adjustment of a negative 48 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 Union County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative \$22,880 (negative 6.0975 times \$3,752.30), of which all is applicable to District schools other than charter schools.

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 UNION COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Union 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 Union 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, 2014, State funding through FEFP was provided to the District for five District schools other than charter schools and one virtual education cost center serving prekindergarten through twelfth grade students. The District reported 2,274.74 unweighted FTE as recalibrated for those students and received approximately \$11.6 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, 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.

For the 2013-14 school year and beyond, all student FTE enrollment is capped at 1.0 FTE except for FTE reported by the Department of Juvenile Justice (DJJ) students beyond the 180-day school year. School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The Department of Education combines all FTE enrollment reported for the student by all school districts, including the Florida Virtual School (FLVS) Part-Time Program, using a common student identifier. The Department of Education then recalibrates all reported FTE student enrollment for each student to 1.0 FTE, if the total reported FTE for the student exceeds 1.0 FTE. The FTE reported for extended school year periods and DJJ FTE enrollment earned beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

### Student Transportation

Any student who is transported by the District must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. Additionally, Section 1002.33(20)(c), Florida Statutes, provides that the governing board of the charter school may provide transportation through an agreement or contract with the district school board, a private provider, or parents. The charter school and the sponsor shall cooperate in making arrangements that ensure that transportation is not a barrier to equal access for all students residing within a reasonable distance of the charter school as determined in its charter. The District received approximately \$515,752 for student transportation as part of the State funding through FEFP.



DAVID W. MARTIN, CPA  
AUDITOR GENERAL

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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 UNION COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined the Union 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, 2014. 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 2013-14* 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: 5 of the 14 students in our ESE Support Levels 4 and 5 test<sup>1</sup> had exceptions involving reporting errors or records that were not properly or accurately prepared or were missing and could not be located. None of the students in our ESE Support Levels 4 and 5 test attended charter schools.

In our opinion, except for the material noncompliance mentioned above involving reporting errors or records that were not properly or accurately prepared for students in ESE Support Levels 4 and 5, the Union 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, 2014.

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.<sup>2</sup> 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 for students in ESE Support Levels 4 and 5. 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.

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<sup>1</sup> For ESE Support Levels 4 and 5, see SCHEDULE D, Finding Nos. 1, 2, 3, 4, and 7.

<sup>2</sup> 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  
May 1, 2015

**SCHEDULE A**

Union County District School Board  
 Florida Education Finance Program (FEFP)  
 Full-Time Equivalent (FTE) Students  
**POPULATIONS, TEST SELECTION, AND TEST RESULTS**  
 For the Fiscal Year Ended June 30, 2014

**REPORTED FTE**

The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. FEFP funds ten specific programs that are grouped under the following four general program titles: Basic, ESOL, ESE, and Career Education 9-12 (OJT). Unweighted FTE represents FTE prior to the application of the specific cost factor for each program. (See SCHEDULE B and NOTES A3, A4, and A6.) The District reported 2,274.74 unweighted FTE as recalibrated at five District schools other than charter schools and one virtual education cost center reported to the Department of Education for the fiscal year ended June 30, 2014.

**SCHOOLS AND STUDENTS**

As part of our examination procedures, we tested FTE reported to the Department of Education for schools and students for the fiscal year ended June 30, 2014. (See NOTE B.) The population of schools (6) 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 (2,433) consisted of the total number of students in each program at the schools and virtual education cost center in our tests. Our populations and tests of schools and students are summarized as follows:

<u>Programs</u>	<u>Number of Schools</u>		<u>Number of Students at Schools Tested</u>		<u>Students with Exceptions</u>	<u>Recalibrated Unweighted FTE</u>		<u>Proposed Adjustments</u>
	<u>Population</u>	<u>Test</u>	<u>Population</u>	<u>Test</u>		<u>Population</u>	<u>Test</u>	
Basic	6	4	1,956	40	1	1,803.3100	31.8680	.0735
Basic with ESE Services	5	3	463	26	0	429.7600	22.3773	.6885
ESE Support Levels 4 and 5	3	3	14	14	5	9.7700	8.7613	(1.4640)
Career Education 9-12	2	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>31.9000</u>	<u>.0000</u>	<u>.0000</u>
All Programs	6	4	<u>2,433</u>	<u>80</u>	<u>6</u>	<u>2,274.7400</u>	<u>63.0066</u>	<u>(.7020)</u>

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE A (Continued)**

Union County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students  
**POPULATIONS, TEST SELECTION, AND TEST RESULTS**  
For the Fiscal Year Ended June 30, 2014

**TEACHERS**

We also tested teachers as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (42 of which all are applicable to District schools other than charter schools) consisted of the total number of teachers at schools in our test who taught courses in ESE Support Levels 4 and 5, Career Education 9-12, or taught courses to ELL students, and of the total number of teachers reported under virtual education cost centers in our test who taught courses in Basic, Basic with ESE Services, ESE Support Levels 4 and 5, Career Education 9-12, or taught courses to ELL students. From the population of teachers, we tested 16 and found exceptions for 1 of those teachers. The District did not report any charter schools; therefore, none of the 16 teachers tested taught at charter schools.

**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**

Union 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, 2014

<u>No. Program</u> <sup>1</sup>	<u>Proposed Net Adjustment</u> <sup>2</sup>	<u>Cost Factor</u>	<u>Weighted FTE</u> <sup>3</sup>
101 Basic K-3	.0000	1.125	.0000
102 Basic 4-8	.0735	1.000	.0735
112 Grades 4-8 with ESE Services	.1887	1.000	.1887
113 Grades 9-12 with ESE Services	.4998	1.011	.5053
254 ESE Support Level 4	(.3823)	3.558	(1.3602)
255 ESE Support Level 5	<u>(1.0817)</u>	5.089	<u>(5.5048)</u>
Total	<u>(.7020)</u>		<u>(6.0975)*</u>

*\*The District did not report any charter schools and there were no proposed adjustments for charter schools. Thus, there was not effect on the District's weighted FTE.*

<sup>1</sup> See NOTE A6.

<sup>2</sup> These proposed net adjustments are for unweighted FTE. (See SCHEDULE C.)

<sup>3</sup> 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**

Union 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, 2014

<u>No. Program</u>	<u>Proposed Adjustments<sup>1</sup></u>			<u>Total</u>
	<u>#0021</u>	<u>#0022</u>	<u>#0031</u>	
101 Basic K-3	.....	.....	.0000	.0000
102 Basic 4-8	.....	.0735	.....	.0735
112 Grades 4-8 with ESE Services	.....	.1887	.....	.1887
113 Grades 9-12 with ESE Services	.4998	.....	.....	.4998
254 ESE Support Level 4	.....	(.3823)	.....	(.3823)
255 ESE Support Level 5	<u>(.4998)</u>	<u>(.0820)</u>	<u>(.4999)</u>	<u>(1.0817)</u>
Total	<u>.0000</u>	<u>(.2021)</u>	<u>(.4999)</u>	<u>(.7020)</u>

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<sup>1</sup> These proposed adjustments are for unweighted FTE. (See NOTE A4.)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D**

Union 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, 2014

**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 2013-14* 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, the Union 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, 2014. All noncompliance disclosed by our examination procedures is discussed below and requires management’s attention and action, as recommended on page 11.

**Proposed Net  
 Adjustments  
 (Unweighted FTE)**

**Findings**

*Our examination included the July and October 2013 reporting survey periods and the February and June 2014 reporting survey periods (see NOTE A5). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2013 reporting survey period or the February 2014 reporting survey period or both. Accordingly, our Findings do not mention specific reporting survey periods unless necessary for a complete understanding of the instances of noncompliance being disclosed.*

**Union County High School (#0021)**

1. [Ref. 2101] One ESE student was incorrectly reported in Program No. 255 (ESE Support Level 5) based on the student's prior placement in the Hospital and Homebound Program. The student was dismissed from the Hospital and Homebound Program prior to the October 2013 reporting survey period and had returned to the regular class schedule. We propose the following adjustment:

113 Grades 9-12 with ESE Services	.4998	
255 ESE Support Level 5	(.4998)	<u>.0000</u>
		<u>.0000</u>

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Union 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, 2014

<u>Findings</u>	<b>Proposed Net Adjustments (Unweighted FTE)</b>	
<b><u>Lake Butler Middle School (#0022)</u></b>		
2. [Ref. 2201] <u>One ESE student was absent from school during the 11-day window of the October 2013 reporting survey period and should not have been included with that survey's results. We propose the following adjustment:</u>		
254 ESE Support Level 4	(.1936)	(.1936)
3. [Ref. 2202] <u>One ESE student enrolled in the Hospital and Homebound Program was reported for more homebound instruction than was provided. We propose the following adjustment:</u>		
255 ESE Support Level 5	(.0085)	(.0085)
4. [Ref. 2203] <u>The Matrix of Services form for one ESE student incorrectly included 13 Special Considerations points for which the student was not eligible. The student was enrolled in the Hospital and Homebound Program; however, the student received this instruction through the District's Virtual Instruction Program. To be eligible for the 13 Special Considerations points, the student's instruction must be provided face to face and at the same location. We propose the following adjustment:</u>		
112 Grades 4-8 with ESE Services	.1887	
254 ESE Support Level 4	(.1887)	.0000
5. [Ref. 2270] <u>One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher was certified in Business Education and also had the Reading Endorsement but taught courses that required certification in English, Math, Science, and History. We also noted that the parents were not notified of the teacher's out-of-field status. We propose the following adjustment:</u>		

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Union 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, 2014

<u>Findings</u>	<b>Proposed Net Adjustments (Unweighted FTE)</b>	
<b><u>Lake Butler Middle School (#0022)</u></b> (Continued)		
102 Basic 4-8	.0735	
255 ESE Support Level 5	(.0735)	.0000
		(.2021)
<b><u>Lake Butler Elementary School (#0031)</u></b>		
6. [Ref. 3101] <u>One Basic student was absent from school during the 11-day window of the February 2014 reporting survey period and should not have been included with that survey's results. We propose the following adjustment:</u>		
101 Basic K-3	(.4999)	(.4999)
7. [Ref. 3102] <u>One student in our ESE Support Levels 4 and 5 test was incorrectly reported in Program No. 255 (ESE Support Level 5) based on the student's prior placement in the Hospital and Homebound Program. The student was dismissed from the Hospital and Homebound Program prior to the February 2014 reporting survey period and had returned to the regular class schedule. We propose the following adjustment:</u>		
101 Basic K-3	.4999	
255 ESE Support Level 5	(.4999)	.0000
		(.4999)
<b>Proposed Net Adjustment</b>		<b>(.7020)</b>

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE E**

Union 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, 2014

**RECOMMENDATIONS**

**We recommend** that management exercise more care and take corrective action, as appropriate, to ensure that: (1) only students who attend school at least 1 day of the 11-day survey window are reported for funding; (2) student schedules are accurately reported to reflect services received at the time of the survey; (3) students in the Hospital and Homebound Program are reported for the amount of time authorized by their IEPs and supported by the homebound instructors' contact logs; (4) *Matrix of Services* forms are correctly calculated based on services documented on the students' IEPs; (5) teachers are properly certified and, if teaching out of field, are timely approved by the School Board to teach out of field; and (6) parents are timely notified when their children are assigned to teachers who are teaching out of field.

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

**REGULATORY CITATIONS****Reporting**

Section 1007.271(21), FS .....Dual Enrollment Programs  
 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 2013-14*

**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 2013-14*  
*Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook*

***The accompanying notes are an integral part of this schedule.***

**SCHEDULE E (Continued)**

Union 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, 2014

**REGULATORY CITATIONS** (Continued)

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 2013-14*

Exceptional Education

- Section 1003.57, FS ..... Exceptional Students Instruction
- Section 1011.62, FS ..... Funds for Operation of Schools
- Section 1011.62(1)(e), FS ..... Funding Model for Exceptional Student Education Programs
- Rule 6A-6.03028, FAC ..... Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities
- Rule 6A-6.03029, FAC ..... Development of Individualized Family Support Plans for Children with Disabilities Ages Birth Through Five Years
- Rule 6A-6.0312, FAC ..... Course Modifications for Exceptional Students

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE E (Continued)**

Union 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, 2014

**REGULATORY CITATIONS** (Continued)Exceptional Education (Continued)

- Rule 6A-6.0331, FAC ..... General Education Intervention Procedures, Evaluation, Determination of Eligibility, Reevaluation and the Provision of Exceptional Student 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
- Rule 6A-6.0361, FAC ..... Contractual Agreement with Nonpublic Schools and Residential Facilities  
*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.*

Union County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
For the Fiscal Year Ended June 30, 2014

**NOTE A – SUMMARY**

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

**1. School District of Union County**

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

For the fiscal year ended June 30, 2014, State funding through FEFP was provided to the District for five District schools other than charter schools and one virtual education cost center serving prekindergarten through twelfth grade students. The District reported 2,274.74 unweighted FTE as recalibrated and received approximately \$11.6 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, 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.

Union County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
For the Fiscal Year Ended June 30, 2014

**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. Recalibration of FTE to 1.0**

For the 2013-14 school year and beyond, all student FTE enrollment is capped at 1.0 FTE except for FTE reported by the Department of Juvenile Justice (DJJ) students beyond the 180-day school year. School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The Department of Education combines all FTE enrollment reported for the student by all school districts, including the Florida Virtual School (FLVS) Part-Time Program, using a common student identifier. The Department of Education then recalibrates all reported FTE student enrollment for each student to 1.0 FTE, if the total reported FTE for the student exceeds 1.0 FTE. The FTE reported for extended school year periods and DJJ FTE enrollment earned beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

Union County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
For the Fiscal Year Ended June 30, 2014

**NOTE A - SUMMARY** (Continued)

**5. 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.

**6. FTE Reporting Survey Periods**

FTE is determined and reported during the school year by means of four FTE membership survey periods that are conducted under the direction of district and school management. Each survey period is a testing of FTE membership for a period of one week. The survey periods for the 2013-14 school year were conducted during and for the following weeks: survey period one was performed for July 8 through 12, 2013; survey period two was performed for October 14 through 18, 2013; survey period three was performed for February 10 through 14, 2014; and survey period four was performed for June 16 through 20, 2014.

**7. 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.

**8. 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

*Continues On Next Page*

Union County District School Board  
 Florida Education Finance Program (FEFP)  
 Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
 For the Fiscal Year Ended June 30, 2014

**NOTE A - SUMMARY** (Continued)

- 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 - TESTING**

Our examination procedures provided for the selection of tests of schools, students, and teachers using judgmental methods for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2014. Our testing 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 selected for testing:

<u>School Name/Description</u>	<u>Finding Number(s)</u>
1. Union County High School	1
2. Lake Butler Middle School	2 through 5
3. Lake Butler Elementary School	6 and 7
4. Union Virtual Franchise	NA



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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 UNION COUNTY DISTRICT SCHOOL BOARD FLORIDA EDUCATION FINANCE PROGRAM (FEFP) STUDENT TRANSPORTATION

We have examined the Union County District School Board's compliance with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2014. 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 2013-14* 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 material noncompliance with the District's reported student ridership data as follows: 24 of the 194 students in our test had exceptions involving their reported ridership classification or eligibility for State transportation funding. (See SCHEDULE G, Finding Nos. 5 through 7.)

In our opinion, except for the material noncompliance mentioned above involving their reported ridership classification or eligibility for State transportation funding, the Union County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of students transported under the FEFP for the fiscal year ended June 30, 2014.

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report all deficiencies 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.<sup>1</sup> However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to their reported ridership classification or eligibility for State transportation funding. 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 G and EXHIBIT A, respectively. 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.

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<sup>1</sup> 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  
May 1, 2015

**SCHEDULE F**

Union County District School Board  
 Florida Education Finance Program (FEFP)  
 Student Transportation  
**POPULATIONS, TEST SELECTION, AND TEST RESULTS**  
 For the Fiscal Year Ended June 30, 2014

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 tested students for the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2014. (See NOTE B.) The population of vehicles (45) consisted of the total of the numbers of vehicles (buses, vans, or passenger cars) reported by the District for each reporting survey period. For example, a vehicle that transported students during the July and October 2013 and February and June 2014 reporting survey periods would be counted in the population as four vehicles. Similarly, the population of students (2,512) consisted of the total numbers of students reported by the District as having been transported for each reporting survey period. (See NOTE A2.) The District reported students in the following ridership categories:

<u>Ridership Category</u>	<u>Number of Students Transported</u>
IDEA – PK through Grade 12, Weighted	45
All Other FEFP Eligible Students	<u>2,467</u>
Total	<u>2,512</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)**

Union County District School Board  
 Florida Education Finance Program (FEFP)  
 Student Transportation  
**POPULATIONS, TEST SELECTION, AND TEST RESULTS**  
 For the Fiscal Year Ended June 30, 2014

Our examination results are summarized below:

<u>Description</u>	<u>Buses</u> Proposed Net <u>Adjustment</u>	<u>Students</u> With <u>Exceptions</u>	Proposed Net <u>Adjustment</u>
We noted that the reported number of buses in operation was overstated.	(1)		
We tested 194 of the 2,512 students reported as being transported by the District.		24	(21)
We also noted certain issues in conjunction with our general tests of student transportation that resulted in the addition of 36 students.	-	<u>36</u>	<u>(27)</u>
Total	<u>(1)</u>	<u>60</u>	<u>(48)</u>

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

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

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE G**

Union County District School Board  
 Florida Education Finance Program (FEFP)  
 Student Transportation  
**FINDINGS AND PROPOSED ADJUSTMENTS**  
 For the Fiscal Year Ended June 30, 2014

**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 2013-14* issued by the Department of Education. Except for the material noncompliance involving their reported ridership classification or eligibility for State transportation funding, the Union 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, 2014. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 28.

**Findings**

**Students  
 Transported  
 Proposed Net  
 Adjustments**

*Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey period. Our detailed tests involved verification of the specific ridership categories reported for students tested from the July and October 2013 reporting survey periods and the February and June 2014 reporting survey periods. Adjusted students who were in more than one reporting survey period are accounted for by reporting survey period. For example, a student tested twice (i.e., once for the October 2013 reporting survey period and once for the February 2014 reporting survey period) will be presented in our Findings as two test students.*

1. [Ref. 51] The reported number of buses in operation in the October 2013 reporting survey period was overstated by one bus. One vehicle used to transport students was actually a contracted services van and should have been reported in Vehicle Category E (multipurpose passenger vehicle owned, operated, or contracted by the School Board or Charter School). The students reported with this vehicle were appropriately accounted for; therefore, we propose this disclosure Finding with no related proposed student adjustment.

**October 2013 Survey**

Number of Buses in Operation (1)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE G (Continued)**

Union County District School Board  
Florida Education Finance Program (FEFP)  
Student Transportation  
**FINDINGS AND PROPOSED ADJUSTMENTS**  
For the Fiscal Year Ended June 30, 2014

**Students  
Transported  
Proposed Net  
Adjustments**

**Findings**

2. [Ref. 52] Our general test disclosed the following exceptions involving nine students reported in the IDEA – PK through Grade 12, Weighted ridership category:
- a. Six students were reported incorrectly as being provided transportation using private passenger cars (Vehicle Category P), as follows:
    1. Five of the six students in the October 2013 reporting survey period were actually provided transportation using contracted services vans and should have been reported under Vehicle Category E.
    2. One student was transported using a school bus and should have been reported under Vehicle Category B. We further noted that the IEPs for three of the six students did not support their reporting in an IDEA ridership category. However, we determined that the students were otherwise eligible to be reported in the All Other FEFP Eligible Students ridership category.
  - b. Two students in the February 2014 reporting survey period were reported as being transported by private passenger car (Vehicle Category P); consequently, they were not eligible to be reported in the IDEA – PK through Grade 12, Weighted ridership category during the February 2014 reporting survey period. However, the students were otherwise eligible to be reported in the All Other FEFP Eligible Students ridership category.
  - c. One student reported as transported by private passenger car was not documented as a private passenger car student and was not located on any bus driver's report or any contracted services van report; consequently, the student should not have been reported for State transportation funding.

We propose the following adjustments:

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE G (Continued)**

Union County District School Board  
Florida Education Finance Program (FEFP)  
Student Transportation  
**FINDINGS AND PROPOSED ADJUSTMENTS**  
For the Fiscal Year Ended June 30, 2014

<u>Findings</u>		<u>Students Transported Proposed Net Adjustments</u>
<b>a. <u>October 2013 Survey</u></b>		
<b><u>Vehicle Category P</u></b>		
<u>90 Days in Term</u>		
IDEA - PK through Grade 12, Weighted	(6)	
<b><u>Vehicle Category B</u></b>		
<u>90 Days in Term</u>		
All Other FEFP Eligible Students	1	
<b><u>Vehicle Category E</u></b>		
<u>90 Days in Term</u>		
All Other FEFP Eligible Students	2	
IDEA - PK through Grade 12, Weighted	<u>3</u>	0
<b>b. <u>February 2014 Survey</u></b>		
<b><u>Vehicle Category P</u></b>		
<u>90 Days in Term</u>		
IDEA - PK through Grade 12, Weighted	(2)	
All Other FEFP Eligible Students	<u>2</u>	0
<b>c. <u>October 2013 Survey</u></b>		
<b><u>Vehicle Category P</u></b>		
<u>90 Days in Term</u>		
IDEA - PK through Grade 12, Weighted	<u>(1)</u>	(1)
3. [Ref. 53] <u>Our general test disclosed that one student in the October 2013 reporting survey period was a home school student who should not have been reported for State transportation funding. We propose the following adjustment:</u>		
<b><u>October 2013 Survey</u></b>		
<u>90 Days in Term</u>		
All Other FEFP Eligible Students	<u>(1)</u>	(1)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE G (Continued)**

Union County District School Board  
 Florida Education Finance Program (FEFP)  
 Student Transportation  
**FINDINGS AND PROPOSED ADJUSTMENTS**  
 For the Fiscal Year Ended June 30, 2014

**Students  
 Transported  
 Proposed Net  
 Adjustments**

**Findings**

4. [Ref. 54] For 26 students in our general test: (a) 25 PK students were incorrectly reported. The PK students were not IDEA students and were not enrolled in a Teen Parent Program; consequently, the students should not have been reported for State transportation funding, and (b) 1 student who was reported in the IDEA – PK through Grade 12, Weighted ridership category was not an IDEA student but lived more than two miles from school; therefore, the student was eligible to be reported in the All Other FEFP Eligible Students ridership category. We propose the following adjustments:

**a. October 2013 Survey**

90 Days in Term

All Other FEFP Eligible Students (14)

**February 2014 Survey**

90 Days in Term

All Other FEFP Eligible Students (11)

**b. October 2013 Survey**

90 Days in Term

IDEA - PK through Grade 12, Weighted (1)

All Other FEFP Eligible Students 1 (25)

5. [Ref. 55] The reported ridership of ten students in our test was not adequately supported. The students either were not listed on the bus driver's report (one student) or the bus drivers' reports indicated they were not transported during the 11-day survey window (nine students). We propose the following adjustments:

**October 2013 Survey**

90 Days in Term

All Other FEFP Eligible Students (6)

**February 2014 Survey**

90 Days in Term

IDEA - PK through Grade 12, Weighted (1)

All Other FEFP Eligible Students (3) (10)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE G (Continued)**

Union County District School Board  
 Florida Education Finance Program (FEFP)  
 Student Transportation  
**FINDINGS AND PROPOSED ADJUSTMENTS**  
 For the Fiscal Year Ended June 30, 2014

<b>Findings</b>	<b>Students Transported Proposed Net Adjustments</b>
<p>6. [Ref. 56] <u>The IEPs for three students in our test in the IDEA – PK through Grade 12, Weighted ridership category did not indicate that the students met at least one of the five criteria for IDEA-Weighted classification. All of the students were otherwise eligible to be reported in the All Other FEFP Eligible Students ridership category. We propose the following adjustments:</u></p> <p style="margin-left: 40px;"><b><u>October 2013 Survey</u></b>  <u>90 Days in Term</u>            IDEA - PK through Grade 12, Weighted (2)            All Other FEFP Eligible Students 2</p> <p style="margin-left: 40px;"><b><u>February 2014 Survey</u></b>  <u>90 Days in Term</u>            IDEA - PK through Grade 12, Weighted (1)            All Other FEFP Eligible Students 1</p>	0
<p>7. [Ref. 57] <u>Eleven students in our test were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students lived less than two miles from school and were not otherwise eligible for State transportation funding. We propose the following adjustments:</u></p> <p style="margin-left: 40px;"><b><u>October 2013 Survey</u></b>  <u>90 Days in Term</u>            All Other FEFP Eligible Students (7)</p> <p style="margin-left: 40px;"><b><u>February 2014 Survey</u></b>  <u>90 Days in Term</u>            All Other FEFP Eligible Students (4)</p>	(11)
<b>Proposed Net Adjustment</b>	<b>(48)</b>

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE H**

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

**RECOMMENDATIONS AND REGULATORY CITATIONS**

For the Fiscal Year Ended June 30, 2014

**RECOMMENDATIONS**

**We recommend** that management exercise more care and take corrective action, as appropriate, to ensure that: (1) students are reported under the correct vehicle category and the number of buses in operation are accurately reported; (2) students transported by private passenger vehicles are not reported in weighted ridership categories; (3) only those students who are indicated as riding on the bus drivers’ reports at least once during the 11-day survey window are reported for State transportation funding; (4) only PK students with disabilities or PK children of students enrolled in a Teenage Parent Program are reported for State transportation funding and proper documentation is maintained to support this reporting; (5) the IEPs for students reported in weighted membership categories support special transportation services; and (6) the distance from home to school is verified prior to students being reported as riding two miles or more in the All Other FEFP Eligible Students 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**

- Section 1002.33, FS ..... Charter Schools
- 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
- Student Transportation General Instructions 2013-14*

*The accompanying notes are an integral part of this schedule.*

Union County District School Board  
 Florida Education Finance Program (FEFP)  
 Student Transportation  
**NOTES TO SCHEDULES**  
 For the Fiscal Year Ended June 30, 2014

**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 Union County**

For the fiscal year ended June 30, 2014, the District received approximately \$515,752 for student transportation as part of the State funding through FEFP. The District’s transportation reporting by survey period was as follows:

<u>Survey Period</u>	<u>Number of Vehicles</u>	<u>Number of Students</u>
July 2013	0	0
October 2013	23	1,279
February 2014	22	1,233
June 2014	<u>0</u>	<u>0</u>
Total	<u>45</u>	<u>2,512</u>

**3. Statutes and Rules**

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

- Section 1002.33, FS .....Charter Schools
- 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

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Union County District School Board  
Florida Education Finance Program (FEFP)  
Student Transportation  
**NOTES TO SCHEDULES**  
For the Fiscal Year Ended June 30, 2014

**NOTE B – TESTING**

Our examination procedures provided for the selection of tests 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, 2014. Our testing 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

THE SCHOOL BOARD OF UNION COUNTY

Carlton Faulk, Superintendent  
55 SW 6<sup>th</sup> Street  
Lake Butler, FL 32054  
(386) 496-2045 FAX 386-496-4819

Board Members: Allen Parrish, District 1 Alvin Griffis, District 2 Curtis Cyatt, District 3 Becky Raulerson, District 4 Terra Johnson, District 5

May 1, 2015

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

We have reviewed each finding in the draft report dated April 21, 2015 regarding your findings for Union County School District, audit year ending June 2014 for both FTE and Student Transportation. This response is pursuant to section 11.45 (4) (d) of Florida statute.

Union County School District has no disagreement with the audit findings. Our District and school staff have been informed of the rules, regulations and procedures for documentation regarding the FTE process. We will continue to correct these deficiencies in the future in an effort to prevent findings such as these.

Reference 2101, 3102 - Students exiting a weighted ESE program will be updated in the district's SIS in a timely manner to accurately reflect the program(s) they should be reported.

Reference 2201, 3101 - School level administration will closely monitor attendance exception reports on a regular basis to prevent inaccuracies in attendance and take corrective action as required by state rule to prevent invalid reporting.

Reference 2202 - District level staff and school IEP teams will coordinate to provide accurate reporting of homebound hours for students and staff.

Ref 2203, 2270 - District staff will review both delivery methods and certification that are in compliance with the programs when assigning such staff and delivery methods to students.

Reference 51, 52, 53, 54, 55, 57 - The District will take corrective action to assure that transportation vehicles are correctly categorized for reporting as well as the students riding these vehicles. In addition only eligible students will be reported and driver logs will be reviewed for accuracy when reporting.

Reference 56 - Weighted reporting will be closely monitored and all documentation to support such funding will be properly completed as part of the IEP process.

Sincerely,



Carlton Faulk  
Superintendent

All schools fully accredited by the Southern Association of Colleges and Schools  
Affirmative action/equal opportunity employer