

**WASHINGTON COUNTY
DISTRICT SCHOOL BOARD**

**WASHINGTON COUNTY
SCHOOL PROGRAM AT
OKEECHOBEE YOUTH DEVELOPMENT CENTER**

Florida Education Finance Program
Full-Time Equivalent Student Enrollment

For the Fiscal Year Ended
June 30, 2015



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

The governing body of the Washington County School Program at Okeechobee Youth Development Center is the Washington County District School Board, which is composed of five elected members. The executive officer of the Board is the elected Superintendent of Schools. During the 2014-15 fiscal year, Herbert J. Taylor was Superintendent and the following individuals served as Board members:

<u>Board Member</u>	<u>District No.</u>
Vann Brock, Vice Chair from 11-18-14	1
Wayne C. Saunders	2
Milton L. Brown, Chair from 11-18-14	3
Terry Ellis, Chair to 11-17-14	4
Susan G. Roberts to 11-17-14	5

The team leader was Christopher E. Tynes, CPA, and the examination was supervised by Aileen B. Peterson, CPA, CPM.

Please address inquiries regarding this report to J. David Hughes, CPA, Audit Manager, by e-mail at davidhughes@aud.state.fl.us or by telephone at (850) 412-2971.

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**WASHINGTON COUNTY DISTRICT SCHOOL BOARD
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OKEECHOBEE YOUTH DEVELOPMENT CENTER**

TABLE OF CONTENTS

	Page No.
SUMMARY	i
INDEPENDENT AUDITOR'S REPORT ON FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT	1
SCHEDULE A – POPULATIONS, TEST SELECTION, AND TEST RESULTS	
Reported FTE	3
Schools and Students.....	3
Teachers.....	3
SCHEDULE B – FINDINGS AND PROPOSED ADJUSTMENTS	
Overview.....	4
Findings.....	4
NOTES TO SCHEDULES.....	5

SUMMARY

SUMMARY OF ATTESTATION EXAMINATION

The Washington County District School Board (District) complied in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment as reported under the Florida Education Finance Program (FEFP) for the Washington County School Program (WCSP) at Okeechobee Youth Development Center for the fiscal year ended June 30, 2015.

Our examination procedures disclosed no noncompliance related to FTE student enrollment.

THE DISTRICT AND THE WCSP AT OKEECHOBEE YOUTH DEVELOPMENT CENTER

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Washington County. The WCSP at Okeechobee Youth Development Center operates an alternative educational facility for youthful offenders under a grant agreement between the District and the Department of Education. The facility, located in Okeechobee, Florida, is part of the State system of public education under the general direction and control of the State Board of Education. The Okeechobee Youth Development Center was formerly known as the Okeechobee School for Boys.

The governing body of the WCSP at Okeechobee Youth Development Center is the District School Board of Washington County 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, 2015, State funding through the FEFP was provided to the District for the WCSP at Okeechobee Youth Development Center. The WCSP at Okeechobee Youth Development Center reported 166.22 unweighted FTE as recalibrated for those students and received approximately \$1.3 million in State funding through the FEFP.

FEFP AND FTE STUDENT ENROLLMENT

Florida school districts and certain other educational entities, such as the WCSP at Okeechobee Youth Development Center, receive State funding through FEFP to serve prekindergarten through 12th-grade students (adult education is not funded by the FEFP). The 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 that 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 the 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 student enrollment. For brick and mortar school students, one student would be reported as 1.0 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, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 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 reported as a fraction of an FTE. Half-credit completions will be included in determining an FTE student enrollment. 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 FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the Department of Juvenile Justice (DJJ) for 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 student enrollment reported for the student by all school districts, including the Florida Virtual School 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 student enrollment reported for extended school year periods and the DJJ FTE student enrollment reported beyond the 180-day school year is not included in the recalibration to 1.0 FTE.



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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 ON FULL-TIME EQUIVALENT STUDENT ENROLLMENT

We have examined management's assertion, included in its representation letter dated March 7, 2016, that the Washington County District School Board (District) complied with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment as reported under the Florida Education Finance Program (FEFP) for the Washington County School Program (WCSP) at Okeechobee Youth Development Center for the fiscal year ended June 30, 2015. 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 2014-15* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements for the WCSP at Okeechobee Youth Development Center. Our responsibility is to express an opinion on management's assertion about the District's compliance with State requirements for the WCSP at Okeechobee Youth Development Center 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 supporting management's assertion about the District's compliance with the aforementioned State requirements for the WCSP at Okeechobee Youth Development Center 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 for the WCSP at Okeechobee Youth Development Center is, however, ultimately the responsibility of the Department of Education.

In our opinion, management's assertion that the Washington County District School Board complied with State requirements relating to the classification, assignment, and verification of the FTE student

enrollment as reported under the FEFP for the WCSP at Okeechobee Youth Development Center for the fiscal year ended June 30, 2015, 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 weaknesses¹ in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on management's assertion that the Washington County District School Board complied with State requirements relating to the classification, assignment, and verification of FTE student enrollment as reported under the FEFP for the WCSP at Okeechobee Youth Development Center for the fiscal year ended June 30, 2015, and any other instances that warrant the attention of those charged with governance, noncompliance with provisions of contracts or grant agreements that has a material effect on management's assertion; and abuse that has a material effect on management's assertion. 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. We performed our examination to express an opinion on management's assertion and not for the purpose of expressing an opinion on the District's related internal control over compliance with State requirements for the WCSP at Okeechobee Youth Development Center or on compliance and other matters; accordingly, we express no such opinions. Because of its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.

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 for the WCSP at Okeechobee Youth Development Center and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
April 14, 2016

¹ 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.

SCHEDULE A

POPULATIONS, TEST SELECTION, AND TEST RESULTS FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT

Reported FTE

The funding provided by the Florida Education Finance Program (FEFP) is based upon the numbers of individual students participating in particular educational programs. The FEFP funds ten specific programs that are grouped under four general program titles: Basic, English for Speakers of Other Languages, Exceptional Student Education, and Career Education 9-12. The unweighted FTE represents the FTE prior to the application of the specific cost factor for each program. (See **SCHEDULE B** and NOTE A 3., 4., and 5.) For the fiscal year ended June 30, 2015, the District reported to the Department of Education 166.22 unweighted FTE as recalibrated for those students at the Washington County School Program (WCSP) at Okeechobee Youth Development Center.

Schools and Students

As part of our examination procedures, we tested the FTE student enrollment reported to the Department of Education for the WCSP at Okeechobee Youth Development Center and students for the fiscal year ended June 30, 2015. (See NOTE B.) The population of schools consisted of one brick and mortar facility that offered courses in the FEFP-funded programs. The population of students (293) consisted of the total number of students in each program at the Center in our test.

Our populations and tests of school 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	1	1	196	11	0	92.5200	4.3321	.0000
Basic with ESE Services	1	1	97	5	0	58.0400	1.3340	.0000
Career Education 9-12	1	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>15.6600</u>	<u>.0000</u>	<u>.0000</u>
All Programs	1	1	<u>293</u>	<u>16</u>	<u>0</u>	<u>166.2200</u>	<u>5.6661</u>	<u>.0000</u>

Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (7) consisted of the total number of teachers at the WCSP at Okeechobee Youth Development Center who taught courses in Career Education 9-12. From the population of teachers, we selected 3 for testing and found no exceptions.

SCHEDULE B

FINDINGS AND PROPOSED ADJUSTMENTS FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT

Overview

Management is responsible for determining that the FTE student enrollment as reported under the Florida Education Finance Program (FEFP) is 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 2014-15* issued by the Department of Education. The Washington County District School Board complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP for the Washington County School Program (WCSP) at Okeechobee Youth Development Center for the fiscal year ended June 30, 2015.

Findings

Our examination procedures disclosed no noncompliance with State requirements relating to the classification, assignment, and verification of FTE student enrollment as reported under the FEFP.

The absence of statements in this report regarding practices and procedures followed by the District for the WCSP at Okeechobee Youth Development Center 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 relating to the classification, assignment, and verification of FTE student enrollment for the WCSP at Okeechobee Youth Development Center.

**Proposed Net
Adjustments
(Unweighted FTE)**

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NOTES TO SCHEDULES

<p style="text-align: center;">NOTE A – SUMMARY FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT</p>

A summary discussion of the significant features of the District, the Washington County School Program (WCSP) at Okeechobee Youth Development Center, the Florida Education Finance Program (FEFP), the FTE, and related areas follows:

1. School District of Washington County and WCSP at Okeechobee Youth Development Center

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Washington County, Florida. The WCSP at Okeechobee Youth Development Center operates an alternative educational facility for youthful offenders under a grant agreement between the Washington County District School Board and the Department of Education. This facility, Okeechobee Youth Development Center located in Okeechobee, Florida, is part of the State system of public education under the general direction and control of the State Board of Education. The Center was formerly known as the Okeechobee School for Boys.

For the fiscal year ended June 30, 2015, State funding totaling approximately \$1.3 million was provided through the FEFP to the District for the District-reported 166.22 unweighted FTE, as recalibrated for those students for the WCSP at Okeechobee Youth Development Center. The primary sources of funding for the District are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

2. FEFP

Florida school districts and certain other educational entities, such as the WCSP at Okeechobee Youth Development Center, receive State funding through the FEFP to serve prekindergarten through 12th-grade students (adult education is not funded by the FEFP). The 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 that 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.

3. FTE Student Enrollment

The funding provided by the 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 student enrollment. For example, for prekindergarten through 3rd grade, 1.0 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 4 through 12, 1.0 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 1.0 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, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 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 reported as a fraction of an FTE. Half-credit completions will be included in determining an FTE student enrollment. 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 FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the Department of Juvenile Justice (DJJ) for 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 student enrollment reported for the student by all school districts, including the Florida Virtual School Part-Time Program, using a common student identifier. The Department of Education then recalibrates all the 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 student enrollment reported for extended school year periods and the DJJ FTE student enrollment reported beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

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 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

The 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 the FTE membership for a period of 1 week. The survey periods for the 2014-15 school year were conducted during and for the following weeks: survey period one was performed for July 7 through 11, 2014; survey period two was performed for October 13 through 17, 2014; survey period three was performed for February 9 through 13, 2015; and survey period four was performed for June 15 through 19, 2015.

7. Educational Programs

The 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: (1) Basic, (2) ESOL, (3) ESE, and (4) Career Education 9-12.

8. Statutes and Rules

The following statutes and rules are significant to the administration of Florida public education:

Chapter 1000, Florida Statutes, *K-20 General Provisions*

Chapter 1001, Florida Statutes, *K-20 Governance*

Chapter 1002, Florida Statutes, *Student and Parental Rights and Educational Choices*

Chapter 1003, Florida Statutes, *Public K-12 Education*

Chapter 1006, Florida Statutes, *Support for Learning*

Chapter 1007, Florida Statutes, *Articulation and Access*

Chapter 1010, Florida Statutes, *Financial Matters*

Chapter 1011, Florida Statutes, *Planning and Budgeting*

Chapter 1012, Florida Statutes, *Personnel*

State Board of Education Rules, Chapter 6A-1, Florida Administrative Code, *Finance and Administration*

State Board of Education Rules, Chapter 6A-4, Florida Administrative Code, *Certification*

State Board of Education Rules, Chapter 6A-6, Florida Administrative Code, *Special Programs I*

NOTE B – TESTING FTE STUDENT ENROLLMENT
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Our examination procedures for testing provided for the selection of schools (only one was in the population), students, and teachers using judgmental methods for testing the FTE student enrollment as reported under the FEFP to the Department of Education for the fiscal year ended June 30, 2015. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP for the WCSP at Okeechobee Youth Development Center. The following school was selected for testing:

<u>School</u>	<u>Findings</u>
1. WCSP at Okeechobee Youth Development Center	NA