

**MADISON COUNTY  
DISTRICT SCHOOL BOARD**

Florida Education Finance Program  
Full-Time Equivalent Student Enrollment  
and  
Student Transportation

For the Fiscal Year Ended  
June 30, 2017



Sherrill F. Norman, CPA  
Auditor General

## Board Members and Superintendent

During the 2016-17 fiscal year, Dr. Karen T. Pickles served as Superintendent of the Schools from 11-22-16, K. Douglas Brown served as Superintendent before that date, and the following individuals served as Board members:

	<u>District No.</u>
Susie B. Williamson, Vice Chair from 11-22-16	1
Carol Gibson from 11-22-16	2
Kenneth D. Hall through 11-21-16	2
VeEtta L. Hagan, Chair through 11-21-16	3
Dr. Karen T. Pickles, Vice Chair through 11-21-16	4
Reginald Daniels from 11-22-16	4
Bart Alford, Chair from 11-22-16	5

The team leader was John Ray Speaks, Jr., 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.

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**MADISON COUNTY DISTRICT SCHOOL BOARD**  
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# MADISON COUNTY DISTRICT SCHOOL BOARD

## LIST OF ABBREVIATIONS

CMW	Class Minutes, Weekly
DOE	Department of Education
ELL	English Language Learner
ESE	Exceptional Student Education
ESOL	English for Speakers of Other Languages
FAC	Florida Administrative Code
FEFP	Florida Education Finance Program
FTE	Full-Time Equivalent
IDEA	Individuals with Disabilities Education Act
IEP	Individual Educational Plan
OJT	On-the-Job Training
PK	Prekindergarten
SBE	State Board of Education

## SUMMARY

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SUMMARY OF ATTESTATION EXAMINATION
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Except for the material noncompliance described below involving teachers and reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in ESOL, Career Education 9-12, and student transportation, the Madison 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 and student transportation as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2017. Specifically, we noted:

- State requirements governing teacher certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, or the earning of college credits toward certification in the out-of-field subject areas were not met for 5 of the 18 teachers in our test. Two (11 percent) of the 18 teachers in our test taught at charter schools and 2 (40 percent) of the 5 teachers with exceptions taught at charter schools.
- Exceptions involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for 2 of the 3 students in our ESOL test and 3 of the 5 students in our Career Education 9-12 test. None of the students in our ESOL and Career Education 9-12 tests attended charter schools.
- Exceptions involving the reported ridership classification or eligibility for State transportation funding for 44 of the 217 students in our student transportation test, in addition to 195 students identified in our general tests.

Noncompliance related to the reported FTE student enrollment resulted in 13 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled negative 1.5600 (all applicable to District schools other than charter schools) but has a potential impact on the District's weighted FTE of negative 3.1848 (all applicable to District schools other than charter schools). Noncompliance related to student transportation resulted in 8 findings and a proposed net adjustment of negative 235 students.

The weighted adjustments to the FTE student enrollment are presented in our report for illustrative purposes only. The weighted adjustments to the FTE student enrollment 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 (DOE). However, the gross dollar effect of our proposed adjustments to the FTE may be estimated by multiplying the proposed net weighted adjustments to the FTE student enrollment by the base student allocation amount. The base student allocation for the fiscal year ended June 30, 2017, was \$4,160.71 per FTE. For the District, the estimated gross dollar effect of our proposed adjustments to the reported FTE student enrollment is negative \$13,251 (negative 3.1848 times \$4,160.71), 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 the FTE student enrollment and student transportation and the computation of their financial impact is the responsibility of the DOE.

THE DISTRICT

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Madison County, Florida. Those services are provided primarily to PK through 12th-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 SBE. The geographic boundaries of the District are those of Madison 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. The District had 8 schools other than charter schools, 2 charter schools, 1 cost center, and 1 virtual education cost center serving PK through 12th-grade students.

For the fiscal year ended June 30, 2017, State funding totaling \$13.2 million was provided through the FEFP to the District for the District-reported 2,671.86 unweighted FTE as recalibrated, which included 478.45 unweighted FTE as recalibrated for charter schools. The primary sources of funding for the District are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

FEFP

**FTE Student Enrollment**

Florida school districts receive State funding through the FEFP to serve PK 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 costs for equivalent educational programs due to sparsity and dispersion of student population.

The funding provided by the FEFP is based on 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 courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses 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.

School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The DOE combines all FTE student enrollment reported for the student by all school districts, including the Florida Virtual School. The DOE 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 by the Department of Juvenile Justice for FTE student enrollment earned beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

All FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the Department of Juvenile Justice for students beyond the 180-day school year. However, if a student only has FTE student enrollment reported in one survey of the 180-day school year (Survey 2 or Survey 3), the FTE student enrollment reported will be capped at .5000 FTE, even if FTE student enrollment is reported in Survey 1 or Survey 4, with the exception of FTE student enrollment reported by the Department of Juvenile Justice for students beyond the 180-day school year.

### **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 2 or more miles from school, be classified as a student with a disability under the IDEA, 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 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 \$588,271 for student transportation as part of the State funding through the FEFP.

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Sherrill F. Norman, 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

### Report on Full-Time Equivalent Student Enrollment

We have examined the Madison County District School Board's (District's) compliance with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment reported under the Florida Education Finance Program for the fiscal year ended June 30, 2017. 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 2016-17* issued by the Department of Education.

### ***Management's Responsibility for Compliance***

District management is responsible for the District's compliance with the aforementioned State requirements, including the design, implementation, and maintenance of internal control to prevent, or detect and correct, noncompliance due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express an opinion on the District's compliance with State requirements based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the classification, assignment, and verification of the full-time equivalent student enrollment reported by the District under the Florida Education Finance Program complied with State requirements in all material respects.

An examination involves performing procedures to obtain evidence about whether the District complied with State requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for

our opinion. Our examination does not provide a legal determination on the District's compliance with State requirements. The legal determination of the District's compliance with these requirements is the responsibility of the Department of Education.

An examination by its nature does not include a review of all records and actions of District management and staff and, as a consequence cannot be relied upon to identify all instances of noncompliance, fraud, abuse, or inefficiency. Because of these limitations and the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with attestation standards.

### ***Opinion***

Our examination disclosed material noncompliance with State requirements relating to the classification, assignment, and verification of full-time equivalent student enrollment as reported under the Florida Education Finance Program for teachers and students in our English for Speakers of Other Languages and Career Education 9-12 tests involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located.

In our opinion, except for the material noncompliance with State requirements described in the preceding paragraph involving teachers and reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages and Career Education 9-12, the Madison County District School Board complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent student enrollment reported under the Florida Education Finance Program for the fiscal year ended June 30, 2017.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses<sup>1</sup> 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 District's compliance with State requirements. 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 the District's compliance with State requirements and not for the purpose of expressing an opinion on the District's related internal control over compliance with State requirements; accordingly, we express no such opinion. 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. However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's

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<sup>1</sup> 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.

internal controls related to teacher certification and reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages and Career Education 9-12. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and all findings, along with the views of responsible officials, are described in *SCHEDULE D* and *MANAGEMENT'S RESPONSE*, respectively. The impact of this noncompliance with State requirements on the District's reported full-time equivalent student enrollment is presented in *SCHEDULES A, B, C, and D*.

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

### **Purpose of this Report**

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 American Institute of Certified Public Accountants require us to indicate that the purpose of this report is to provide an opinion on the District's compliance with State requirements. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
December 7, 2018

# SCHEDULE A

## POPULATIONS, TEST SELECTION, AND TEST RESULTS FULL-TIME EQUIVALENT STUDENT ENROLLMENT

### Reported FTE Student Enrollment

The funding provided by the FEFP is based on the numbers of individual students participating in particular educational programs. The FEFP funds ten specific programs that are grouped under the following four general program titles: Basic, ESOL, ESE, 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 A3., A4., and A5.) For the fiscal year ended June 30, 2017, the Madison County District School Board (District) reported to the DOE 2,671.86 unweighted FTE as recalibrated, which included 478.45 unweighted FTE as recalibrated for charter schools, at 8 District schools other than charter schools, 2 charter schools, 1 cost centers, and 1 virtual education cost centers.

### Schools and Students

As part of our examination procedures, we tested the FTE student enrollment reported to the DOE for schools and students for the fiscal year ended June 30, 2017. (See NOTE B.) The population of schools (12) consisted of the total number of brick and mortar schools and cost centers in the District that offered courses, including charter schools, as well as the virtual education cost centers in the District that offered virtual instruction in the FEFP-funded programs. The population of students (1,113) consisted of the total number of students in each program at the schools and cost centers in our tests. Our Career Education 9-12 student test data includes only those students who participated in OJT.

We noted the following material noncompliance: exceptions involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for 2 of the 3 students in our ESOL test<sup>2</sup> and 3 of the 5 students in our Career Education 9-12 test.<sup>3</sup> None of the students in our ESOL and Career Education 9-12 test attended charter schools.

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	12	5	858	39	1	2,010.4500	29.2830	8.1942
Basic with ESE Services	11	5	240	19	1	559.9200	14.6945	(.1934)
ESOL	2	1	7	3	2	6.8100	1.0952	(.8928)
ESE Support Levels 4 and 5	1	1	3	3	0	2.5000	2.5019	(.5722)
Career Education 9-12	4	1	<u>5</u>	<u>5</u>	<u>3</u>	<u>92.1800</u>	<u>2.0864</u>	<u>(8.0958)</u>
All Programs	12	5	<u>1,113</u>	<u>69</u>	<u>7</u>	<u>2,671.8600</u>	<u>49.6610</u>	<u>(1.5600)</u>

<sup>2</sup> For ESOL, the material noncompliance is disclosed in Finding 8 on *SCHEDULE D*.

<sup>3</sup> For Career Education 9-12, the material noncompliance is composed of Findings 2, 3, and 4 on *SCHEDULE D*.

## **Teachers**

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (33, of which 31 are applicable to District schools other than charter schools and 2 are applicable to 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.

We noted the following material noncompliance: State requirements governing teacher certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, or the earning of college credits toward certification in the out-of-field subject areas, were not met for 5 of the 18 teachers in our test.<sup>4</sup> Two (11 percent) of the 18 teachers in our test taught at charter schools and 2 (40 percent) of the 5 teachers with exceptions 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 test of teacher qualifications. Our proposed adjustments generally reclassify the 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 the FTE student enrollment and the computation of their financial impact is the responsibility of the DOE.

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<sup>4</sup> For teachers, the material noncompliance is composed of Findings 5, 9, 10, and 11 on *SCHEDULE D.*

# SCHEDULE B

## EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FULL-TIME EQUIVALENT STUDENT ENROLLMENT

<b>District Schools Other Than Charter Schools</b>			
<b>No. Program (1)</b>	<b>Proposed Net Adjustment (2)</b>	<b>Cost Factor</b>	<b>Weighted FTE (3)</b>
101 Basic K-3	.3928	1.103	.4333
102 Basic 4-8	.0956	1.000	.0956
103 Basic 9-12	2.5147	1.001	2.5172
112 Grades 4-8 with ESE Services	(.1934)	1.000	(.1934)
130 ESOL	(.8928)	1.194	(1.0660)
254 ESE Support Level 4	(.5722)	3.607	(2.0639)
300 Career Education 9-12	<u>(2.9047)</u>	1.001	<u>(2.9076)</u>
Subtotal	<u>(1.5600)</u>		<u>(3.1848)</u>

<b>Charter Schools</b>			
<b>No. Program (1)</b>	<b>Proposed Net Adjustment (2)</b>	<b>Cost Factor</b>	<b>Weighted FTE (3)</b>
103 Basic 9-12	5.1911	1.001	5.1963
300 Career Education 9-12	<u>(5.1911)</u>	1.001	<u>(5.1963)</u>
Subtotal	<u>.0000</u>		<u>.0000</u>

<b>Total of Schools</b>			
<b>No. Program (1)</b>	<b>Proposed Net Adjustment (2)</b>	<b>Cost Factor</b>	<b>Weighted FTE (3)</b>
101 Basic K-3	.3928	1.103	.4333
102 Basic 4-8	.0956	1.000	.0956
103 Basic 9-12	7.7058	1.001	7.7135
112 Grades 4-8 with ESE Services	(.1934)	1.000	(.1934)
130 ESOL	(.8928)	1.194	(1.0660)
254 ESE Support Level 4	(.5722)	3.607	(2.0639)
300 Career Education 9-12	<u>(8.0958)</u>	1.001	<u>(8.1039)</u>
Total	<u>(1.5600)</u>		<u>(3.1848)</u>

- Notes: (1) See NOTE A7.  
 (2) These proposed net adjustments are for unweighted FTE. (See *SCHEDULE C*.)  
 (3) Weighted adjustments to the FTE are presented for illustrative purposes only. The weighted adjustments to the 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 DOE. (See NOTE A5.)

## SCHEDULE C

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### PROPOSED ADJUSTMENTS BY SCHOOL FULL-TIME EQUIVALENT STUDENT ENROLLMENT

<u>No.</u> <u>Program</u>	<u>Proposed Adjustments (1)</u>			<u>Balance Forward</u>
	<u>#0011</u>	<u>#0101</u>	<u>#0121*</u>	
101 Basic K-3	.....	.3928	.....	.3928
102 Basic 4-8	.....	.....	.....	.0000
103 Basic 9-12	2.0381	.....	5.1911	7.2292
112 Grades 4-8 with ESE Services	.....	.....	.....	.0000
130 ESOL	.....	(.8928)	.....	(.8928)
254 ESE Support Level 4	.....	.....	.....	.0000
300 Career Education 9-12	<u>(2.9047)</u>	<u>.....</u>	<u>(5.1911)</u>	<u>(8.0958)</u>
Total	<u>(.8666)</u>	<u>(.5000)</u>	<u>.0000</u>	<u>(1.3666)</u>

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

\*Charter School

<u>No. Program</u>	<u>Brought Forward</u>	<u>Proposed Adjustments (1)</u>		<u>Total</u>
		<u>#0900</u>	<u>#7001</u>	
101 Basic K-3	.3928	.....	.....	.3928
102 Basic 4-8	.0000	.0956	.....	.0956
103 Basic 9-12	7.2292	.4766	.....	7.7058
112 Grades 4-8 with ESE Services	.0000	.....	(.1934)	(.1934)
130 ESOL	(.8928)	.....	.....	(.8928)
254 ESE Support Level 4	.0000	(.5722)	.....	(.5722)
300 Career Education 9-12	<u>(8.0958)</u>	<u>.....</u>	<u>.....</u>	<u>(8.0958)</u>
Total	<u>(1.3666)</u>	<u>.0000</u>	<u>(.1934)</u>	<u>(1.5600)</u>

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

# SCHEDULE D

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## FINDINGS AND PROPOSED ADJUSTMENTS FULL-TIME EQUIVALENT STUDENT ENROLLMENT

### Overview

Madison County District School Board (District) management is responsible for determining that the FTE student enrollment as reported under the FEFP is in compliance with State requirements. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; SBE Rules, Chapter 6A-1, FAC; and the *FTE General Instructions 2016-17* issued by the DOE. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action as presented in *SCHEDULE E*.

### Findings

*Our examination included the July and October 2016 reporting survey periods and the February and June 2017 reporting survey periods (See NOTE A6.). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2016 reporting survey period, the February 2017 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.*

**Proposed Net  
Adjustments  
(Unweighted FTE)**

### Districtwide – Certification of Attendance

1. [Ref. 1] Our examination of the District's attendance procedures disclosed that contrary to the requirements set forth in SBE Rule 6A-1.044(9), FAC, and the DOE *Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook*, pages 12 and 13, the Principals at the schools in our test did not certify the completeness and accuracy of student attendance for the 2016-17 school year. Since we could validate that the attendance activity in Focus was reliable and evidenced the attendance of our test students and membership at least 1 of the 11 days during each reporting survey period, we present this disclosure finding with no proposed adjustment.

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### Madison County High School (#0011)

2. [Ref. 1101] School records for one Career Education 9-12 student who participated in OJT did not evidence that the student was gainfully employed during the October 2016 reporting survey period. Rather, the student's timecards disclosed that the student mowed the School's athletic fields without compensation and performed other personal work. We propose the following adjustment:

**Proposed Net  
Adjustments  
(Unweighted FTE)**

**Findings**

**Madison County High School (#0011)** (Continued)

300 Career Education 9-12	<u>(.1250)</u>	(.1250)
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3. [Ref. 1102] During our examination we were provided two timecards for one Career Education 9-12 student who participated in OJT during the October 2016 reporting survey period that included inconsistencies in the number of hours worked and the student’s employer signatures. Consequently, we could not determine the validity of the timecards. We also noted that the student’s timecard covering the February 2017 reporting survey period was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

300 Career Education 9-12	<u>(.2440)</u>	(.2440)
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4. [Ref. 1103] The timecard for one Career Education 9-12 student who participated in OJT indicated that the student did not work during the October 2016 reporting survey period. We also noted that the student’s timecards covering the October 2016 and February 2017 reporting survey periods were not signed by the student’s employer. We propose the following adjustment:

300 Career Education 9-12	<u>(.4976)</u>	(.4976)
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5. [Ref. 1171] One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher held certification in Mathematics but taught a course that required certification in Robotics. We also noted that the parents of the students were not notified of the teacher’s out-of-field status. We propose the following adjustment:

103 Basic 9-12	2.0381	
300 Career Education 9-12	<u>(2.0381)</u>	<u>.0000</u>
		<u>(.8666)</u>

**Lee Elementary School (#0101)**

6. [Ref. 10101] The course schedules for several students were incorrectly reported. The School’s bell schedule supported between 1,675 and 1,775 CMW and met the minimum reporting of CMW; however, the students’ course schedules reported were not in agreement with the School’s bell schedule. The students were generally reported for 2,100 CMW. Student course schedules, which are necessary for the recalibration process  
*(Finding Continues on Next Page)*

**Findings**

**Lee Elementary School (#0101)** (Continued)

to work properly, should reflect the correct number of CMW according to the School's bell schedule. Since most of the students were reported at only one school for the entire school year and their reported FTE was recalibrated to 1.0, this incorrect reporting did not affect their ultimate funding level. As such, we present this disclosure finding with no proposed adjustment.

.0000

7. [Ref. 10102] One Basic PK student was incorrectly reported. The student was not an IDEA student and the student's parents were not enrolled in a Teenage Parent Program; consequently, the student was not eligible to be reported for FEFP funding. We propose the following adjustment:

101 Basic K-3	(.5000)	(.5000)
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8. [Ref. 10103] The *ELL Student Plans (Plans)* for two students were not dated and School records did not otherwise demonstrate that the *Plans* were completed timely. We also noted that one of the students' parents were not notified of their child's ESOL placement until September 2, 2017, which was after the 2016-17 school year. We propose the following adjustment:

101 Basic K-3	.8928	
130 ESOL	(.8928)	.0000
		(.5000)

**James Madison Preparatory High School (#0121) Charter School**

9. [Ref. 12171/72] Two teachers were not properly certified and were not approved by the School Board to teach out of field. One teacher held certification in Engineering and Technology Education but taught a course that required certification in Agriculture (Ref. 12171). The other teacher held certification in Family and Consumer Science but taught courses that required certification in Technology Education and Printing (Ref. 12172). We also noted that the parents of the students were not notified of the teachers' out-of-field status. We propose the following adjustments:

<u>Ref. 12171</u>		
103 Basic 9-12	.2019	
300 Career Education 9-12	(.2019)	.0000

**Proposed Net  
Adjustments  
(Unweighted FTE)**

**Findings**

**James Madison Preparatory High School (#0121) Charter School** (Continued)

<u>Ref. 12172</u>		
103 Basic 9-12	4.9892	
300 Career Education 9-12	<u>(4.9892)</u>	<u>.0000</u>
		<u>.0000</u>

**Twin Oaks Academy (#0900)**

10. [Ref. 90071] One teacher was not properly certified and was not approved by the School Board to teach out of field in Physics. The teacher was approved in a prior school year to teach out of field in English; however, the teacher did not earn the required college credits toward certification in English. Consequently, the teacher was not eligible to continue to teach out of field. We also noted that the parents of the students were not notified of the teacher’s out-of-field status. We propose the following adjustment:

102 Basic 4-8	.0478	
103 Basic 9-12	.1667	
254 ESE Support Level 4	<u>(.2145)</u>	<u>.0000</u>

11. [Ref. 90072] One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher held certification in Social Science but taught courses that required certification in English-1, Science, and ESE. We also noted that the parents of the students were not notified of the teacher’s out-of-field status. We propose the following adjustment:

102 Basic 4-8	.0478	
103 Basic 9-12	.3099	
254 ESE Support Level 4	<u>(.3577)</u>	<u>.0000</u>
		<u>.0000</u>

**Madison Virtual Instruction Program (#7001)**

12. [Ref. 700101] School records did not evidence that one ESE virtual education student was eligible to be enrolled in a virtual education program. We propose the following adjustment:

112 Grades 4-8 with ESE Services	<u>(.1934)</u>	<u>(.1934)</u>
		<u>(.1934)</u>

**Findings**

**Other**

13. During our examination, we became aware of certain issues concerning an individual hired in Spring 2017 to provide speech-language therapy services. Specifically:

- 2016-17 School Year. The individual was hired to fill in for an employee on maternity leave. The vendor contract between this individual and the District, which was for the remaining school year and presented to the Board for approval on April 11, 2017, indicated that the individual was a licensed Speech Language Pathologist (SLP) and the Board approved the contract. However, the individual was not licensed as an SLP by the Department of Health until September 13, 2017. Consequently, she was not eligible to provide SLP services to students during the 2016-17 school year.
- 2017-18 School Year. Although not licensed until after the start of the 2017-18 school year, the individual continued to work for the District as an SLP under a renewed contract for the 2017-18 school year and was recorded in the District's student information system (FOCUS) as the teacher of record. However, the social security number (SSN) recorded in FOCUS for her was incorrect. The SSN recorded under her name was that of another individual, a Taylor County employee. This discrepancy was discovered in January 2018.

The District uses FOCUS to report information, such as student course schedules and the associated teachers of record, to the DOE. As a result, the District's information for the October 2017 reporting survey period for FEFP funding included an incorrect SSN for this teacher. The discrepancy was discovered after the October 2017 reporting survey period information reporting window had closed. Although the District reported the teacher under the correct SSN for the February 2018 reporting survey period, District records did not evidence that the District notified the DOE of the October 2017 reporting survey period reporting error. Our review of the District's October 2017 reporting survey period records disclosed that 40 students, totaling .5256 FTE, were reported to the DOE for FEFP funding when the incorrect SSN was reported for the teacher.

During the 2016-17 fiscal year, the unlicensed SLP was paid from the District's General Fund (i.e., no FEFP funding was used). As a result, there was no financial impact on FEFP funding for the 2016-17 fiscal year. The final resolution of this matter rests with the DOE. We present this disclosure finding with no proposed adjustment.

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**Proposed Net Adjustment**

**(1.5600)**

# SCHEDULE E

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## RECOMMENDATIONS AND REGULATORY CITATIONS FULL-TIME EQUIVALENT STUDENT ENROLLMENT

### RECOMMENDATIONS

We recommend that Madison County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) student attendance records are certified by each Principal for the school year; (2) students' course schedules are reported in accordance with the schools' bell schedules; (3) students in Career Education 9-12 who participate in OJT are reported in accordance with timecards that are accurately completed, signed, and retained in readily accessible files; (4) only PK students who are children of students enrolled in the Teenage Parent Program or are students identified as IDEA students are reported for FEFP funding; (5) ELL student files are readily available and contain proper documentation to support that the students' *ELL Student Plans* are timely prepared, and that the students' parents are timely notified of their children's ESOL placements; (6) only virtual education students who have met the eligibility criteria for placement in a Virtual Instruction Program are enrolled in virtual education courses; (7) teachers are properly certified or, if teaching out of field, are timely approved by the School Board to teach out of field; (8) parents are timely notified when their children are assigned to teachers teaching out of field; (9) out-of-field teachers earn the college credit required by SBE Rule 6A-1.0503, FAC, and the teachers' educational timelines; and (10) employees are properly licensed and information recorded in FOCUS is accurate.

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 relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP.

### REGULATORY CITATIONS

#### **Reporting**

Section 1007.271(21), Florida Statutes, *Dual Enrollment Programs*

Section 1011.60, Florida Statutes, *Minimum Requirements of the Florida Education Finance Program*

Section 1011.61, Florida Statutes, *Definitions*

Section 1011.62, Florida Statutes, *Funds for Operation of Schools*

SBE Rule 6A-1.0451, FAC, *Florida Education Finance Program Student Membership Surveys*

SBE Rule 6A-1.045111, FAC, *Hourly Equivalent to 180-Day School Year*

SBE Rule 6A-1.04513, FAC, *Maintaining Auditable FTE Records*

*FTE General Instructions 2016-17*

#### **Attendance**

Section 1003.23, Florida Statutes, *Attendance Records and Reports*

SBE Rule 6A-1.044(3) and (6)(c), FAC, *Pupil Attendance Records*

SBE Rule 6A-1.04513, FAC, *Maintaining Auditable FTE Records*

*FTE General Instructions 2016-17*

*Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook*

## **ESOL**

Section 1003.56, Florida Statutes, *English Language Instruction for Limited English Proficient Students*

Section 1011.62(1)(g), Florida Statutes, *Education for Speakers of Other Languages*

SBE Rule 6A-6.0901, FAC, *Definitions Which Apply to Programs for English Language Learners*

SBE Rule 6A-6.0902, FAC, *Requirements for Identification, Eligibility, and Programmatic Assessments of English Language Learners*

SBE Rule 6A-6.09021, FAC, *Annual English Language Proficiency Assessment for English Language Learners (ELLs)*

SBE Rule 6A-6.09022, FAC, *Extension of Services in English for Speakers of Other Languages (ESOL) Program*

SBE Rule 6A-6.0903, FAC, *Requirements for Exiting English Language Learners from the English for Speakers of Other Languages Program*

SBE Rule 6A-6.09031, FAC, *Post Reclassification of English Language Learners (ELLs)*

SBE Rule 6A-6.0904, FAC, *Equal Access to Appropriate Instruction for English Language Learners*

## **Career Education On-The-Job Attendance**

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

## **Career Education On-The-Job Funding Hours**

*FTE General Instructions 2016-17*

## **Exceptional Education**

Section 1003.57, Florida Statutes, *Exceptional Students Instruction*

Section 1011.62, Florida Statutes, *Funds for Operation of Schools*

Section 1011.62(1)(e), Florida Statutes, *Funding Model for Exceptional Student Education Programs*

SBE Rule 6A-6.03028, FAC, *Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities*

SBE Rule 6A-6.03029, FAC, *Development of Individualized Family Support Plans for Children with Disabilities Ages Birth Through Five Years*

SBE Rule 6A-6.0331, FAC, *General Education Intervention Procedures, Evaluation, Determination of Eligibility, Reevaluation and the Provision of Exceptional Student Education Services*

SBE Rule 6A-6.0334, FAC, *Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students*

SBE Rule 6A-6.03411, FAC, *Definitions, ESE Policies and Procedures, and ESE Administrators*

SBE Rule 6A-6.0361, FAC, *Contractual Agreements with Nonpublic Schools and Residential Facilities Matrix of Services Handbook (2015 Edition)*

## **Teacher Certification**

Section 1012.42(2), Florida Statutes, *Teacher Teaching Out-of-Field; Notification Requirements*

Section 1012.55, Florida Statutes, *Positions for Which Certificates Required*  
SBE Rule 6A-1.0502, FAC, *Non-certificated Instructional Personnel*  
SBE Rule 6A-1.0503, FAC, *Definition of Qualified Instructional Personnel*  
SBE Rule 6A-4.001, FAC, *Instructional Personnel Certification*  
SBE Rule 6A-6.0907, FAC, *Inservice Requirements for Personnel of Limited English Proficient Students*

### **Virtual Education**

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

### **Charter Schools**

Section 1002.33, Florida Statutes, *Charter Schools*

# NOTES TO SCHEDULES

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<p style="text-align: center;">NOTE A – SUMMARY FULL-TIME EQUIVALENT STUDENT ENROLLMENT</p>
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A summary discussion of the significant features of the Madison County District School Board (District), the FEFP, the FTE, and related areas is provided below.

## 1. The District

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Madison County, Florida. Those services are provided primarily to PK through 12th-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 SBE. The geographic boundaries of the District are those of Madison 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. The District had 8 schools other than charter schools, 2 charter schools, 1 cost center, and 1 virtual education cost center serving PK through 12th-grade students.

For the fiscal year ended June 30, 2017, State funding totaling \$13.2 million was provided through the FEFP to the District for the District-reported 2,671.86 unweighted FTE as recalibrated, which included 478.45 unweighted FTE as recalibrated for charter schools. 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 receive State funding through the FEFP to serve PK 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 on 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 PK 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 courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses 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**

School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The DOE combines all FTE student enrollment reported for the student by all school districts, including the Florida Virtual School. If the combined reported FTE for the student exceeds 1.0 FTE, the DOE recalibrates the reported FTE student enrollment for each student to 1.0 FTE. The FTE student enrollment reported by the Department of Juvenile Justice for FTE student enrollment earned beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

All FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the Department of Juvenile Justice for students beyond the 180-day school year. However, if a student only has FTE student enrollment reported in one survey of the 180-day school year (Survey 2 or Survey 3), the FTE student enrollment reported will be capped at .5000 FTE, even if FTE student enrollment is reported in Survey 1 or Survey 4, with the exception of FTE student enrollment reported by the Department of Juvenile Justice for students beyond the 180-day school year.

#### **5. Calculation of FEFP Funds**

The amount of State and local FEFP funds is calculated by the DOE 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 2016-17 school year were conducted during and for the following weeks: Survey 1 was performed July 11 through 15, 2016; Survey 2 was performed October 10 through 14, 2016; Survey 3 was performed February 6 through 10, 2017; and Survey 4 was performed June 12 through 16, 2017.

#### **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 of significance 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*

SBE Rules, Chapter 6A-1, FAC, *Finance and Administration*

SBE Rules, Chapter 6A-4, FAC, *Certification*

SBE Rules, Chapter 6A-6, FAC, *Special Programs I*

<b>NOTE B – TESTING FTE STUDENT ENROLLMENT</b>
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Our examination procedures for testing provided for the selection of schools, students, and teachers using judgmental methods for testing the FTE student enrollment as reported under the FEFP to the DOE for the fiscal year ended June 30, 2017. 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. The following schools were selected for testing:

<u>School</u>	<u>Findings</u>
Districtwide – Certification of Attendance	1
1. Madison County High School	2 through 5
2. Lee Elementary School	6 through 8
3. James Madison Preparatory High School*	9
4. Twin Oaks Academy	10 and 11
5. Madison Virtual Instruction Program	12
6. Other	13

\* Charter School



Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

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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

### Report on Student Transportation

We have examined the Madison County District School Board's (District's) compliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the Florida Education Finance Program for the fiscal year ended June 30, 2017. 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 2016-17* issued by the Department of Education.

### **Management's Responsibility for Compliance**

District management is responsible for the District's compliance with the aforementioned State requirements, including the design, implementation, and maintenance of internal control to prevent, or detect and correct, noncompliance due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the District's compliance with State requirements based on our examination. Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the classification, assignment, and verification of student transportation reported by the District under the Florida Education Finance Program complied with State requirements in all material respects.

An examination involves performing procedures to obtain evidence about whether the District complied with State requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for

our opinion. Our examination does not provide a legal determination on the District's compliance with State requirements. The legal determination of the District's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

An examination by its nature does not include a review of all records and actions of District management and staff and, as a consequence cannot be relied upon to identify all instances of noncompliance, fraud, abuse, or inefficiency. Because of these limitations and the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with attestation standards.

### ***Opinion***

Our examination disclosed material noncompliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the Florida Education Finance Program involving the students' reported ridership classification or eligibility for State transportation funding.

In our opinion, except for the material noncompliance with State requirements described in the preceding paragraph involving the students' reported ridership classification or eligibility for State transportation funding, the Madison County District School Board complied, in all material respects, with State requirements relating to the classification, assignment, and verification of student transportation as reported under the Florida Education Finance Program for the fiscal year ended June 30, 2017.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with attestation standards established by *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses<sup>5</sup> 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 District's compliance with State requirements. 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 the District's compliance with State requirements and not for the purpose of expressing an opinion on the District's related internal control over compliance with State requirements; accordingly, we express no such opinion. 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. However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to students' reported ridership classification or eligibility for State transportation funding. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and all findings, along with the views of responsible officials, are described in

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<sup>5</sup> 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 G* and *MANAGEMENT'S RESPONSE*, respectively. The impact of this noncompliance with State requirements on the District's reported student transportation 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.

**Purpose of this Report**

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 American Institute of Certified Public Accountants require us to indicate that the purpose of this report is to provide an opinion on the District's compliance with State requirements. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA  
Tallahassee, Florida  
December 7, 2018

# SCHEDULE F

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## POPULATIONS, TEST SELECTION, AND TEST RESULTS STUDENT TRANSPORTATION

Any student who is transported by the Madison County District School Board (District) must meet one or more of the following conditions in order to be eligible for State transportation funding: live 2 or more miles from school, be classified as a student with a disability under the IDEA, 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(2), Florida Statutes. (See NOTE A1.)

As part of our examination procedures, we tested student transportation as reported to the DOE for the fiscal year ended June 30, 2017. (See NOTE B.) The population of vehicles (76) consisted of the total number of vehicles (buses, vans, or passenger cars) reported by the District for all reporting survey periods. For example, a vehicle that transported students during the July and October 2016 and February and June 2017 reporting survey periods would be counted in the population as four vehicles. Similarly, the population of students (2,906) consisted of the total number of funded students reported by the District as having been transported for all reporting survey periods. (See NOTE A2.) The District reported students in the following ridership categories:

<u>Ridership Category</u>	<u>Number of Funded Students Transported</u>
Teenage Parents and Infants	4
IDEA – PK through Grade 12, Weighted	10
All Other FEFP Eligible Students	<u>2,892</u>
Total	<u>2,906</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 in our error-rate determination.

We noted the following material noncompliance: exceptions involving the reported ridership classification or eligibility for State transportation funding for 44 of 217 students in our student transportation test.<sup>6</sup>

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<sup>6</sup> For student transportation, the material noncompliance is composed of Findings 1, 2, 3, 4, 5, 6, 7, and 8 on *SCHEDULE G*.

Our examination results are summarized below:

<u>Description</u>	<u>Buses</u>	<u>Students</u>	
	<u>Proposed Net Adjustment</u>	<u>With Exceptions</u>	<u>Proposed Net Adjustment</u>
We noted that the reported number of buses in operation was overstated.	(3)	-	-
Our tests included 217 of the 2,906 students reported as being transported by the District.	-	44	(41)
In conjunction with our general tests of student transportation we identified certain issues related to 195 additional students.	-	<u>195</u>	<u>(194)</u>
Total	<u>(3)</u>	<u>239</u>	<u>(235)</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 DOE.

# SCHEDULE G

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## FINDINGS AND PROPOSED ADJUSTMENTS STUDENT TRANSPORTATION

### Overview

Madison County District School Board (District) management is responsible for determining that student transportation as reported under the FEFP is in compliance with State requirements. These requirements are found primarily in Chapter 1006, Part I, E. and Section 1011.68, Florida Statutes; SBE Rules, Chapter 6A-3, FAC; and the *Student Transportation General Instructions 2016-17* issued by the DOE. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action as presented in *SCHEDULE H*.

### Students Transported Proposed Net Adjustments

### Findings

*Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey period. Our detailed tests involved verification of the specific ridership categories reported for students in our tests from the July and October 2016 reporting survey periods and the February and June 2017 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 included in our tests twice (e.g., once for the October 2016 reporting survey period and once for the February 2017 reporting survey period) will be presented in our Findings as two test students.*

1. [Ref. 51] Our review of the bus drivers' reports disclosed that the reports for five buses (three in the October 2016 reporting survey period and two in the February 2017 reporting survey period) were not signed by the bus drivers attesting to the accuracy of the ridership reflected on the reports. Consequently, the ridership of the 128 students (10 students were in our test) reported on these buses could not be validated. In addition, 2 students reported on one of the buses were not listed on the bus driver's report and one student lived less than 2 miles from school and was not otherwise eligible for State transportation funding. Also, the number of buses in operation was understated by one bus in the October 2016 reporting survey period and overstated by one bus in the February 2017 reporting survey period due to misreporting a bus as a van and a van as a bus, respectively. We propose the following adjustments:

#### **October 2016 Survey**

Number of Buses in Operation 1

#### 90 Days in Term

All Other FEFP Eligible Students (61)

		<b>Students Transported Proposed Net Adjustments</b>
<b>Findings</b>		
<b>February 2017 Survey</b>		
Number of Buses in Operation	(1)	
<u>90 Days in Term</u>		
Teenage Parents and Infants	(1)	
All Other FEFP Eligible Students	<u>(66)</u>	(128)
2. [Ref. 52] Our general tests of reported ridership disclosed that 31 students (24 students were in our test) were enrolled in 3rd grade summer reading camp, which is not eligible for State transportation funding. We propose the following adjustments:		
<b>July 2016 Survey</b>		
<u>10 Days in Term</u>		
All Other FEFP Eligible Students	(10)	
<b>June 2017 Survey</b>		
<u>12 Days in Term</u>		
All Other FEFP Eligible Students	<u>(21)</u>	(31)
3. [Ref. 53] Our general test of reported ridership disclosed that 54 PK students (1 student was in our test) reported in the All Other FEFP Eligible Students ridership category were not IDEA students and their parents were not enrolled in a Teenage Parent Program; consequently, the students were not eligible for State transportation funding. We propose the following adjustments:		
<b>October 2016 Survey</b>		
<u>90 Days in Term</u>		
All Other FEFP Eligible Students	(27)	
<b>February 2017 Survey</b>		
<u>90 Days in Term</u>		
All Other FEFP Eligible Students	<u>(27)</u>	(54)
4. [Ref. 54] Our examination disclosed that ten students (one student was in our test) were not enrolled in school during the reporting survey periods and were not eligible to be reported for State transportation funding. We propose the following adjustments:		
<b>October 2016 Survey</b>		
<u>90 Days in Term</u>		
All Other FEFP Eligible Students	(7)	

**Students  
Transported  
Proposed Net  
Adjustments**

**Findings**

**February 2017 Survey**

90 Days in Term

All Other FEFP Eligible Students	(3)	(10)
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5. [Ref. 55] Three students (two students were in our test) were incorrectly reported in the IDEA – PK through Grade 12, Weighted ridership category. The students were transported to school in District-owned passenger vans, which are ineligible for reporting in a weighted ridership category. In addition, two of the students’ IEPs applicable to the October 2016 reporting survey period did not indicate that the students met at least one of the five criteria required for reporting in a weighted ridership category. We determined that these three students were otherwise eligible to be reported in the All Other FEFP Eligible Students ridership category. In addition, the above-noted passenger vans (three) were incorrectly reported as buses (2 vans in the October 2016 reporting survey period and 1 van in the February 2017 reporting survey period) resulting in the number of buses in operation to be overreported. We propose the following adjustments:

**October 2016 Survey**

Number of Buses in Operation	(2)	
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90 Days in Term

IDEA - PK through Grade 12, Weighted	(2)	
All Other FEFP Eligible Students	2	

**February 2017 Survey**

Number of Buses in Operation	<u>(1)</u>	
	<u>(3)</u>	

90 Days in Term

IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	<u>1</u>	0

6. [Ref. 56] Our examination disclosed that one student in our test was incorrectly reported in the IDEA - PK through Grade 12, Weighted ridership category as the student’s IEP did not indicate that the student met at least one of the five criteria required for reporting in a weighted ridership category. We propose the following adjustment:

**October 2016 Survey**

90 Days in Term

IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	<u>1</u>	0

**Students  
Transported  
Proposed Net  
Adjustments**

**Findings**

7. [Ref. 57] Our general tests disclosed that nine students (two students were in our test) were either not marked on the bus drivers' reports as riding the bus (three students) or not listed on the bus drivers' reports (six students). We propose the following adjustments:

**October 2016 Survey**

90 Days in Term

All Other FEFP Eligible Students (5)

**February 2017 Survey**

90 Days in Term

All Other FEFP Eligible Students (4) (9)

8. [Ref. 58] Three students in our test were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students lived less than 2 miles from school and were not otherwise eligible for State transportation funding. We propose the following adjustments:

**October 2016 Survey**

90 Days in Term

All Other FEFP Eligible Students (2)

**February 2017 Survey**

90 Days in Term

All Other FEFP Eligible Students (1) (3)

**Proposed Net Adjustment**

**(235)**

# SCHEDULE H

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## RECOMMENDATIONS AND REGULATORY CITATIONS STUDENT TRANSPORTATION

### RECOMMENDATIONS

We recommend that Madison County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) all bus drivers' reports documenting student ridership during the reporting survey periods are retained and timely completed, signed, and dated by the bus drivers who provided the transportation; (2) the number of buses in operation are accurately reported; (3) only those students who are in membership and are documented as having been transported at least 1 day during the reporting survey period are reported for State transportation funding; (4) students reported in the IDEA – PK through Grade 12, Weighted ridership category are transported by bus and the students' IEPs appropriately document that the students met one of the five criteria required for reporting in a weighted ridership category; (5) only ESE students whose IEPs document the need for extended school year services and transportation as a related service while attending eligible instructional programs are reported for State transportation funding during the summer reporting survey periods; (6) only PK students who are classified as students with disabilities under the IDEA or whose parents are enrolled in a Teenage Parent Program are reported for State transportation funding; and (7) the distance from home to school is verified prior to students being reported 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 relating to the classification, assignment, and verification of student transportation as reported under the FEFP.

### REGULATORY CITATIONS

Section 1002.33, Florida Statutes, *Charter Schools*  
Chapter 1006, Part I, E., Florida Statutes, *Transportation of Public K-12 Students*  
Section 1011.68, Florida Statutes, *Funds for Student Transportation*  
SBE Rules, Chapter 6A-3, FAC, *Transportation*  
*Student Transportation General Instructions 2016-17*

## NOTES TO SCHEDULES

### NOTE A - SUMMARY STUDENT TRANSPORTATION

A summary discussion of the significant features of the Madison County District School Board (District) student transportation and related areas is provided below.

#### 1. Student Eligibility

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 2 or more miles from school, be classified as a student with a disability under the IDEA, 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(2), Florida Statutes.

#### 2. Transportation in Madison County

For the fiscal year ended June 30, 2017, the District received \$588,271 for student transportation as part of the State funding through the FEFP. The District's student transportation reported by survey period was as follows:

<u>Survey Period</u>	<u>Number of Vehicles</u>	<u>Number of Funded Students</u>	<u>Number of Courtesy Riders</u>
July 2016	4	10	2
October 2016	34	1,440	131
February 2017	34	1,435	126
June 2017	<u>4</u>	<u>21</u>	<u>1</u>
Totals	<u>76</u>	<u>2,906</u>	<u>260</u>

#### 3. Statutes and Rules

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

Section 1002.33, Florida Statutes, *Charter Schools*

Chapter 1006, Part I, E., Florida Statutes, *Transportation of Public K-12 Students*

Section 1011.68, Florida Statutes, *Funds for Student Transportation*

SBE Rules, Chapter 6A-3, FAC, *Transportation*

### NOTE B – TESTING STUDENT TRANSPORTATION

Our examination procedures for testing provided for the selection of students using judgmental methods for testing student transportation as reported to the DOE for the fiscal year ended June 30, 2017. 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 student transportation as reported under the FEFP.

# MANAGEMENT'S RESPONSE

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## District School Board of Madison County

Dr. Karen Todd Pickles  
*Superintendent*  
Karen.Pickles@mcsbfl.us

210 NE Duval Avenue  
Madison, Florida 32340  
Main: 850/973-5022 or Fax: 850/973-5027  
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*An Equal Opportunity Employer*



December 7, 2018

Ms. Sherrill F. Norman, CPA  
Auditor General  
Claude Denson Pepper Building, Room 476A  
111 West Madison Street  
Tallahassee, FL 32399-1450

Attn: J. David Hughes

Dear Ms. Norman:

Please accept the Madison County School District response to the Preliminary and Tentative Findings as follows:

### SCHEDULE D

**Ref. 1:** A procedure will be created to outline the required steps per the *DOE Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook*. The procedure will be presented to each principal within the school district.

**Ref. 1101, 1102, 1103:** Procedures will be put into place requiring the teacher and the principal, or the principal's designee, to verify gainful employment of OJT students. Procedures will include the verification of signatures of both the student and the employer. The procedures will also include verification that time sheets/time cards match the work records for each student in the program. The district will ensure that out-of-field notification is given to parents as well as posting a list of out-of-field teachers on the district website. School board approval will be requested for all out-of-field teachers.

**Ref. 1171, 12171/72, 90071, 90072:** The MCHS teacher subsequently received local district certification to teach both Robotics and Power and Energy.

JMPHS Ag teacher received state certification to teach Agriculture in April 2017. JMPHS Technology Education and Printing teacher is no longer teaching courses discovered during the audit.

Teachers at Twin Oaks Vocational Academy (TOVA) without proper certification are no longer employed at TOVA.

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Mr. Reginald Daniels  
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Mr. Bart Alford  
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**Ref. 10101:** The principal will ensure that the bell schedule matches the current student schedules and is accurate on the master schedule of the school. All minutes will be accounted for in the bell schedule.

**Ref. 10102:** The principal will ensure that all students are coded correctly in the Skyward student system. The district ESE department will also verify that students are coded correctly.

**Ref. 10103:** ELL plans will contain the exact date of the origination of the plan rather than just the school year. In the event the parent is not able to attend in person, documentation will be made of when phone contact is made along with a summary of the phone call. A signature will be required on the documentation.

**Ref. 700101:** Madison County will revise the student eligibility form for virtual education to include the updated version of Florida Statute 1002.455. Procedures will be reviewed to ensure compliance with the state statute.

## SCHEDULE E

**Ref. 51, 52, 53, 54, 55, 56, 57, 58:** Procedures will be put into place to ensure that all reports are signed by bus drivers. Reports will be reviewed by transportation personnel to ensure that all students are reported correctly. Addresses will be verified to ensure that no student living within the 2-mile radius is reported for funding and to ensure that buses/vans are reported correctly. Transportation personnel will work with Academic Services personnel to ensure that students enrolled in summer reading camp are not reported for funding. Pre-Kindergarten students will be verified with the ESE and Academic Services departments to ensure that only IDEA and Teen Parent Program pre-k students are reported for funding. Procedures will be put into place to ensure that ridership attendance is accurately recorded. Transportation personnel will work with ESE personnel to ensure that only eligible students are reported for weighted transportation funding and are reported correctly.

## OTHER

**Ref. 13: Agree with the finding:**

All contracts will be initiated with Human Resource staff to ensure validity in credentials. In addition, we have updated contracts to include License Number and License Expiration Date, if applicable. Additional measures will include, adding copies of licenses and/or certificates to all contracts presented for board approval.

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The individual in question initially was employed in 2011 with a DOE Certificate, upon which time the social security number recorded in FOCUS was incorrectly entered. Upon discovery of the social security error, the District MIS Coordinator verbally notified and worked with the DOE Bureau of Accountability Reporting Office to correct the issue. The District will monitor all data entry for accuracy as we move forward.

I appreciate the work of the Auditor General's Office. The findings and suggestions provide the District with the opportunity to improve operations to ensure the delivery of a quality education to the students of Madison County.

Sincerely,

A handwritten signature in cursive script that reads 'Dr. Karen Pickles'.

Karen T. Pickles, PhD  
Superintendent of Schools

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