

**HOLMES COUNTY  
DISTRICT SCHOOL BOARD**

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

For the Fiscal Year Ended  
June 30, 2018



Sherrill F. Norman, CPA  
Auditor General

## **Board Members and Superintendent**

During the 2017-18 fiscal year, Terry L. Mears served as Superintendent and the following individuals served as Board members:

	<u>District No.</u>
Rusty Williams	1
Wilburn G. Baker	2
Alan Justice, Vice Chair from 11-21-17	3
Shirley Owens, Chair from 11-21-17, Vice Chair through 11-20-17	4
Sid Johnson, Chair through 11-20-17	5

The team leader was Alice Pounds, CPA, and the examination was supervised by Aileen B. Peterson, CPA, CPM.

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

This report and other reports prepared by the Auditor General are available at:

[FLAuditor.gov](http://FLAuditor.gov)

Printed copies of our reports may be requested by contacting us at:

**State of Florida Auditor General**

**Claude Pepper Building, Suite G74 · 111 West Madison Street · Tallahassee, FL 32399-1450 · (850) 412-2722**

**HOLMES COUNTY DISTRICT SCHOOL BOARD**  
**TABLE OF CONTENTS**

Page  
No.

SUMMARY .....	i
<b>INDEPENDENT AUDITOR’S REPORT ON FULL-TIME EQUIVALENT STUDENT ENROLLMENT .....</b>	<b>1</b>
SCHEDULE A – POPULATIONS, TEST SELECTION, AND TEST RESULTS	
Reported Full-Time Equivalent Student Enrollment .....	4
Schools and Students.....	4
Teachers .....	4
Proposed Adjustments.....	5
SCHEDULE B – EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FULL-TIME EQUIVALENT STUDENT ENROLLMENT .....	6
SCHEDULE C – PROPOSED ADJUSTMENTS BY SCHOOL .....	7
SCHEDULE D – FINDINGS AND PROPOSED ADJUSTMENTS	
Overview .....	8
Findings.....	8
SCHEDULE E – RECOMMENDATIONS AND REGULATORY CITATIONS.....	10
NOTES TO SCHEDULES.....	13
<b>INDEPENDENT AUDITOR’S REPORT ON STUDENT TRANSPORTATION .....</b>	<b>16</b>
SCHEDULE F – POPULATIONS, TEST SELECTION, AND TEST RESULTS .....	19
SCHEDULE G – FINDINGS AND PROPOSED ADJUSTMENTS	
Overview .....	21
Findings.....	21
SCHEDULE H – RECOMMENDATIONS AND REGULATORY CITATIONS .....	25
NOTES TO SCHEDULES.....	26
MANAGEMENT’S RESPONSE .....	27

# HOLMES COUNTY DISTRICT SCHOOL BOARD

## LIST OF ABBREVIATIONS

DIT	Days in Term
DOE	Department of Education
DJJ	Department of Juvenile Justice
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
PK	Prekindergarten
SBE	State Board of Education

# SUMMARY

---

## SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in ESE Support Levels 4 and 5 and student transportation, the Holmes 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, including teacher certification, and student transportation as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2018. Specifically, we noted:

- 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 one of the two students in our ESE Support Levels 4 and 5 test.
- Exceptions involving the reported ridership classification or eligibility for State transportation funding for 30 of the 190 students in our student transportation test, in addition to 139 students identified in our general tests.

The District did not report any charter schools; therefore, all our tests relate to District schools other than charter schools and the District's virtual instruction program. Noncompliance related to the reported FTE student enrollment resulted in four findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled negative .0834 but has a potential impact on the District's weighted FTE of negative 1.5464. Noncompliance related to student transportation resulted in six findings and a proposed net adjustment of negative 169 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, 2018, was \$4,203.95 per FTE. For the District, the estimated gross dollar effect of our proposed adjustments to the reported FTE student enrollment is negative \$6,501 (negative 1.5464 times \$4,203.95).

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 Holmes 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 Holmes 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 seven schools other than charter schools and two virtual education cost centers serving PK through 12th-grade students. The District did not report any charter schools.

For the fiscal year ended June 30, 2018, State funding totaling \$18.1 million was provided through the FEFP to the District for the District-reported 3,137.96 unweighted FTE as recalibrated. 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 DJJ 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 DJJ 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 DJJ 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. The District received \$722,237 for student transportation as part of the State funding through the FEFP.

THIS PAGE INTENTIONALLY LEFT BLANK



Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

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 Holmes 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 including teacher certification reported under the Florida Education Finance Program for the fiscal year ended June 30, 2018. 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 2017-18* 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 including teacher certification 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 noncompliance 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 students in our Exceptional Student Education Support Levels 4 and 5 test 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 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 Exceptional Student Education Support Levels 4 and 5, the Holmes 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 including teacher certification reported under the Florida Education Finance Program for the fiscal year ended June 30, 2018.

## **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

---

<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 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 Exceptional Student Education Support Levels 4 and 5. 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 including teacher certification 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  
October 30, 2019

# 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, 2018, the Holmes County District School Board (District) reported to the DOE 3,137.96 unweighted FTE as recalibrated at seven District schools and two virtual education cost centers. The District did not report any charter schools.

### 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, 2018. (See NOTE B.) The population of schools (nine) consisted of the total number of brick and mortar schools in the District that offered courses as well as the virtual education cost centers in the District that offered virtual instruction in the FEFP-funded programs. The population of students (1,759) consisted of the total number of students in each program at the schools and cost centers in our tests.

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 one of the two students in our ESE Support Levels 4 and 5 test.<sup>2</sup>

Our populations and tests of schools and students are summarized as follows:

Programs	Number of Schools		Number of Students at Schools Tested		Students With Exceptions	Recalibrated Unweighted FTE		Proposed Adjustments
	Population	Test	Population	Test		Population	Test	
Basic	9	5	1,546	73	1	2,535.1700	34.0132	4.0472
Basic with ESE Services	9	5	211	17	0	467.2200	12.1516	(4.0592)
ESE Support Levels 4 and 5	2	2	2	2	1	2.7600	1.7672	.0000
Career Education 9-12	6	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>132.8100</u>	<u>.0000</u>	<u>(.0714)</u>
All Programs	9	5	<u>1,759</u>	<u>92</u>	<u>2</u>	<u>3,137.9600</u>	<u>47.9320</u>	<u>(.0834)</u>

### Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (70) 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

<sup>2</sup> For ESE Support Levels 4 and 5, the material noncompliance is disclosed in Finding 1 on *SCHEDULE D*.

taught courses to ELL students. From the population of teachers, we selected 59 and found exceptions for 5 teachers.

### **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.

## SCHEDULE B

---

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

<u>No. Program (1)</u>	<u>Proposed Net Adjustment (2)</u>	<u>Cost Factor</u>	<u>Weighted FTE (3)</u>
102 Basic 4-8	.0503	1.000	.0503
103 Basic 9-12	3.9969	1.001	4.0009
112 Grades 4-8 with ESE Services	(.1337)	1.000	(.1337)
113 Grades 9-12 with ESE Services	(3.9255)	1.001	(3.9294)
254 ESE Support Level 4	.7672	3.619	2.7765
255 ESE Support Level 5	(.7672)	5.526	(4.2395)
300 Career Education 9-12	(.0714)	1.001	(.0715)
Total	(.0834)		(1.5464)

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

---

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

<u>No.</u> <u>Program</u>	<u>Proposed Adjustments (1)</u>		
	<u>#0041</u>	<u>#7023</u>	<u>Total</u>
102 Basic 4-8	.....	.0503	.0503
103 Basic 9-12	.....	3.9969	3.9969
112 Grades 4-8 with ESE Services	.....	(.1337)	(.1337)
113 Grades 9-12 with ESE Services	.....	(3.9255)	(3.9255)
254 ESE Support Level 4	.7672	.....	.7672
255 ESE Support Level 5	(.7672)	.....	(.7672)
300 Career Education 9-12	.....	(.0714)	(.0714)
Total	<u>.0000</u>	<u>(.0834)</u>	<u>(.0834)</u>

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

# SCHEDULE D

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

### Overview

Holmes County District School Board (District) management is responsible for determining that the FTE student enrollment including teacher certification 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 2017-18* 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 2017 reporting survey periods and the February and June 2018 reporting survey periods (See NOTE A6.). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2017 reporting survey period, the February 2018 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)**

#### Bethlehem High School (#0041)

1. [Ref. 4101] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:

254 ESE Support Level 4	.7672	
255 ESE Support Level 5	<u>(.7672)</u>	<u>.0000</u>
		<u>.0000</u>

#### Holmes Virtual Franchise (#7004)

2. [Ref. 700471/72] Our test of teacher certification disclosed that one teacher’s identifier number (expressed as a contracted services number – CS9996153) was incorrectly associated with 47 identifiable teachers rather than each teacher being assigned a unique contracted services number. As such, we tested all 47 teachers’ qualifications and determined that 2 teachers were not properly certified and were not approved by the School Board to teach out of field in Health (Ref. 700471) or Any Health Occupation (Ref. 700472). In addition, the parents were not notified of the teachers’ out-of-field status. Since the students were reported in Basic education programs, we present this disclosure finding with no proposed adjustments.

.0000

.0000

**Proposed Net  
Adjustments  
(Unweighted FTE)**

**Findings**

**Holmes Virtual Instruction Program (#7023)**

3. [Ref. 702301] The FTE for one Basic virtual education student was incorrectly reported. The student had successfully completed one semester-long course; however, the student was reported for two semesters. We propose the following adjustment:

102 Basic 4-8	(.0834)	(.0834)
---------------	---------	---------

4. [Ref. 702371/72/73] Three teachers were not properly certified and were not approved by the School Board to teach out of field. Specifically, we noted:

- a. One teacher (Ref. 702371) was not approved to teach out of field in Math, Middle Grade General Science, Chemistry, Social Science, Physical Education, Health, Biology, or ESE. In addition, the teacher was not approved to teach out of field in English Grades 6-12 until December 19, 2017, which was after the October 2017 reporting survey period.
- b. Two teachers were not approved to teach out of field in English and Physics (Ref. 702372) or ESE (Ref. 702373). One of the teachers (Ref. 702373) also taught out of field in Health, Math, Spanish, Physical Education, Reading, Biology, and General Science in the 2015-16 school year and did not earn the required college credits towards certification in these areas.

In addition, the parents of the students were not notified of the teachers' out-of-field status. We propose the following adjustments:

<u>Ref. 702371</u>		
102 Basic 4-8	.1337	
103 Basic 9-12	2.4525	
112 Grades 4-8 with ESE Services	(.1337)	
113 Grades 9-12 with ESE Services	(2.3811)	
300 Career Education 9-12	(.0714)	.0000

<u>Ref. 702372</u>		
103 Basic 9-12	.0796	
113 Grades 9-12 with ESE Services	(.0796)	.0000

<u>Ref. 702373</u>		
103 Basic 9-12	1.4648	
113 Grades 9-12 with ESE Services	(1.4648)	.0000

(.0834)

**Proposed Net Adjustment**

**(.0834)**

# SCHEDULE E

---

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

### RECOMMENDATIONS

We recommend that Holmes County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) ESE students are reported in accordance with the students' *Matrix of Services* forms; (2) FTE for students in virtual education programs is accurately reported; (3) teachers are properly certified or, if teaching out of field, are timely approved by the School Board to teach out of field; (4) parents are timely notified when their children are assigned to teachers teaching out of field; and (5) teachers who previously taught in an out of field certification area earn the required college credits towards certification in the out-of-field area(s) according to each teacher's training timeline prior to being assigned to teach out of field in a subsequent school year.

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 including teacher certification 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*

*FTE General Instructions 2017-18*

#### **Attendance**

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

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

*FTE General Instructions 2017-18*

*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 2017-18*

### **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 (2017 Edition)*

### **Teacher Certification**

Section 1010.215(1)(c), Florida Statutes, *Educational Funding Accountability*

Section 1012.01(2)(a), Florida Statutes, *Definitions (Classroom Teachers)*

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

Section 1012.55, Florida Statutes, *Positions for Which Certificates Required*

Section 1012.56, Florida Statutes, *Educator Certification Requirements*

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-4.0021, FAC, *Florida Teacher Certification Examinations*

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

---

<b>NOTE A – SUMMARY</b> <b>FULL-TIME EQUIVALENT STUDENT ENROLLMENT</b>
---

A summary discussion of the significant features of the Holmes 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 Holmes 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 Holmes 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 seven schools other than charter schools and two virtual education cost centers serving PK through 12th-grade students.

For the fiscal year ended June 30, 2018, State funding totaling \$18.1 million was provided through the FEFP to the District for the District-reported 3,137.96 unweighted FTE as recalibrated. 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 DJJ 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 DJJ 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 DJJ 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 2017-18 school year were conducted during and for the following weeks: Survey 1 was performed July 10 through 14, 2017; Survey 2 was performed October 9 through 13, 2017; Survey 3 was performed February 5 through 9, 2018; and Survey 4 was performed June 11 through 15, 2018.

#### **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>
--

Our examination procedures for testing provided for the selection of schools, students, and teachers using judgmental methods for testing the FTE student enrollment including teacher certification as reported under the FEFP to the DOE for the fiscal year ended June 30, 2018. 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 including teacher certification as reported under the FEFP. The following schools were selected for testing:

<u>School</u>	<u>Findings</u>
1. Poplar Springs High School	NA
2. Bethlehem High School	1
3. Holmes County High School	NA
4. Holmes Virtual Franchise	2
5. Holmes Virtual Instruction Program	3 and 4



Sherrill F. Norman, CPA  
Auditor General

# AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722  
Fax: (850) 488-6975

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 Holmes 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, 2018. 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 *FTE General Instructions 2017-18 (Appendix F)* 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 noncompliance 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 Holmes 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, 2018.

## **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>3</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

---

<sup>3</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  
October 30, 2019

# SCHEDULE F

---

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

Any student who is transported by the Holmes 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, 2018. (See NOTE B.) The population of vehicles (112) 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 2017 and February and June 2018 reporting survey periods would be counted in the population as four vehicles. Similarly, the population of students (3,464) 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>
IDEA – PK through Grade 12, Weighted	12
All Other FEFP Eligible Students	<u>3,452</u>
Total	<u>3,464</u>

Students with exceptions are students with exceptions affecting their ridership category. Students cited only for incorrect reporting of DIT, 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 30 of 190 students in our student transportation test.<sup>4</sup>

---

<sup>4</sup> For student transportation, the material noncompliance is composed of Findings 2, 3, 4, 5, and 6 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	(11)	-	-
Our tests included 190 of the 3,464 students reported as being transported by the District.	-	30	(30)
In conjunction with our general tests of student transportation we identified certain issues related to 139 additional students.	-	<u>139</u>	<u>(139)</u>
Total	<u>(11)</u>	<u>169</u>	<u>(169)</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

---

## FINDINGS AND PROPOSED ADJUSTMENTS STUDENT TRANSPORTATION

### Overview

Holmes 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 *FTE General Instructions 2017-18 (Appendix F)* 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*.

### Findings

### Students Transported Proposed Net Adjustments

*Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey period. Our detailed tests involved verification of the specific ridership categories reported for students in our tests from the July and October 2017 reporting survey periods and the February and June 2018 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 2017 reporting survey period and once for the February 2018 reporting survey period) will be presented in our Findings as two test students.*

1. [Ref. 51] The number of DIT for 1,670 students in the February 2018 reporting survey period were incorrectly reported for 90 DIT rather than 87 DIT in accordance with the District's instructional calendar. We propose the following adjustment:

#### **February 2018 Survey**

##### 90 Days in Term

IDEA - PK through Grade 12, Weighted	(6)	
All Other FEFP Eligible Students	(1,664)	

##### 87 Days in Term

IDEA - PK through Grade 12, Weighted	6	
All Other FEFP Eligible Students	<u>1,664</u>	0

2. [Ref. 52] Seven PK students (one student was in our test) were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students were not classified as IDEA students, were not the children of students enrolled in the Teen Parent Program, and were not otherwise eligible for State transportation funding. We propose the following adjustment:

**Students  
Transported  
Proposed Net  
Adjustments**

**Findings**

**October 2017 Survey**

90 Days in Term

All Other FEFP Eligible Students	(7)	(7)
----------------------------------	-----	-----

3. [Ref. 53] Our review of bus driver reports disclosed that seven of the reports, covering five buses and two vans incorrectly classified as buses and cited in Finding No. 5, were not signed by the bus drivers. Consequently, the ridership of the 139 students (15 students were in our test) reported on these vehicles could not be validated. In addition, 3 of the students were incorrectly reported in the IDEA - PK through Grade 12, Weighted ridership category. Specifically, 2 students' IEPs were not reviewed on an annual basis and the IEP for 1 student did not indicate that the student met one of the five criteria required for reporting in a weighted ridership category. We propose the following adjustments:

**October 2017 Survey**

90 Days in Term

IDEA - PK through Grade 12, Weighted	(6)	
All Other FEFP Eligible Students	(84)	

**February 2018 Survey**

87 Days in Term

IDEA - PK through Grade 12, Weighted	(3)	
All Other FEFP Eligible Students	(46)	(139)

4. [Ref. 54] Ten students (four students were in our test) were not marked as riding a bus (six students) or were not listed on the bus driver reports (four students). In addition, one student lived less than 2 miles from the student's assigned school and was not otherwise eligible for State transportation funding. We propose the following adjustments:

**October 2017 Survey**

90 Days in Term

All Other FEFP Eligible Students	(6)	
----------------------------------	-----	--

**February 2018 Survey**

87 Days in Term

All Other FEFP Eligible Students	(4)	(10)
----------------------------------	-----	------

5. [Ref. 55] The number of buses in operation was overstated by 11 buses. Specifically, we noted the following:

**Findings**

- a. Seven passenger vans (four vans in the October reporting survey and three vans in the February reporting survey) were incorrectly reported as buses, and two of the van driver reports were not available at the time of our examination and could not be subsequently located. However, we determined that all but three students (one student was in our test) were marked on other bus driver reports.
- b. Three bus driver reports (two reports in the October 2017 reporting survey period and one report in the February 2018 reporting survey period) were not available at the time of our examination and could not be subsequently located. Consequently, we could not validate that the respective three buses were in operation. However, all but one student reported under these bus numbers were marked as riding other buses.
- c. One bus was reported with an incorrect bus number and the one student reported under this bus number was marked as riding another bus.

We propose the following adjustments:

<b>a.</b>	<b>October 2017 Survey</b>		
	Number of Buses in Operation	(4)	
	<b>February 2018 Survey</b>		
	Number of Buses in Operation	(3)	
	<u>87 Days in Term</u>		
	All Other FEFP Eligible Students	<u>(3)</u>	(3)
<b>b.</b>	<b>October 2017 Survey</b>		
	Number of Buses in Operation	(2)	
	<u>90 Days in Term</u>		
	All Other FEFP Eligible Students	(1)	(1)
	<b>February 2018 Survey</b>		
	Number of Buses in Operation	(1)	
<b>c.</b>	<b>February 2018 Survey</b>		
	Number of Buses in Operation	<u>(1)</u>	
		<u>(11)</u>	

6. [Ref. 56] Nine students in our test were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students lived less than 2 miles from their assigned schools and were not otherwise eligible for State transportation funding. We propose the following adjustments:

		<b>Students Transported Proposed Net Adjustments</b>
<b><u>Findings</u></b>		
<b>October 2017 Survey</b>		
<u>90 Days in Term</u>		
All Other FEFP Eligible Students	(4)	
<b>February 2018 Survey</b>		
<u>87 Days in Term</u>		
All Other FEFP Eligible Students	(5)	<u>(9)</u>
<b>Proposed Net Adjustment</b>		<b><u>(169)</u></b>

# SCHEDULE H

---

## RECOMMENDATIONS AND REGULATORY CITATIONS STUDENT TRANSPORTATION

### RECOMMENDATIONS

We recommend that Holmes County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) the number of buses and the number of DIT are accurately reported; (2) 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; (3) all bus driver reports documenting student ridership during the reporting survey periods are signed and dated by the bus drivers attesting to the validity and correctness of the students' ridership; (4) only those students who are documented as enrolled in school and recorded on bus driver reports as having been transported by the District at least 1 day during the reporting survey period are reported for State transportation funding; (5) the distance from home to school is verified prior to students being reported in the All Other FEFP Eligible Students ridership category based on living 2 or more miles from their assigned schools; and (6) students reported in the IDEA – PK through Grade 12, Weighted ridership category are appropriately documented as meeting at least one of the five criteria required for weighted classification as supported on the students' IEPs.

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*

*FTE General Instructions 2017-18 (Appendix F)*

## NOTES TO SCHEDULES

### NOTE A - SUMMARY STUDENT TRANSPORTATION

A summary discussion of the significant features of the Holmes 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 Holmes County

For the fiscal year ended June 30, 2018, the District received \$722,237 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 2017	-	-	-
October 2017	54	1,794	276
February 2018	58	1,670	290
June 2018	-	-	-
Totals	<u>112</u>	<u>3,464</u>	<u>566</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, 2018. 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

---



## Holmes County School Board

701 East Pennsylvania Avenue  
Bonifay, FL 32425  
TEL (850) 547-9341  
FAX (850) 547-0381  
[www.hdsb.org](http://www.hdsb.org)

### SUPERINTENDENT

Terry L. Mears

### BOARD MEMBERS

Shirley Owens, Chair  
Alan Justice, Vice-Chair  
Wilburn Baker  
Kaci Johnson  
Leesa Lee

---

October 30, 2019

Sherrill F. Norman, CPA  
Auditor General  
Claude Denson Pepper Building, Suite G74  
111 West Madison Street  
Tallahassee, Florida 32399-1450

Dear Ms. Norman:

This letter is in response to the preliminary and tentative findings, adjustments, and recommendations related to the full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and student transportation for the fiscal year ended June 30, 2018.

After careful review, we accept the findings and proposed adjustments presented in this preliminary report. We do, however, plan to appeal to the Florida Department of Education to reconsider the adjustments proposed in Transportation Finding 3 [Ref. 53]. While the district acknowledges this finding and will take corrective actions to ensure ridership validations in future audits, it is our hope that the funding awarded for these riders, now verified by the driver, can remain with the District. Additional information is found in the attached Statement of Explanation and Planned Corrective Actions.

The Holmes County School District is committed to accurate reporting of all FTE in accordance with state law and state regulations, as well as operating in an effective and efficient manner. The following pages contain corrective actions already in progress or planned for the very near future to address the recommendations made in the preliminary and tentative report.

If any further information is needed regarding these responses, please do not hesitate to contact us.

Sincerely,



Terry L. Mears  
Superintendent of Schools

The Holmes County School Board is an Equal Education/Employment Institution

**Holmes District School Board  
Statement of Explanation and Planned Corrective Actions  
FTE/FEFP/Student Transportation--Preliminary and Tentative Report  
For the Fiscal Year Ended June 30, 2018**

**Full-Time Equivalent Student Enrollment**

The District is in agreement with the following findings and will implement the following corrective actions:

Finding #	Ref. #	Finding Summary	Response/Corrective Action
1	4101	ESE student not reported in accordance with Matrix of Services	This error in reporting is clerical. The ESE Administrator will review and stress the importance of quality data entry to all appropriate personnel. In addition, verification reports will be printed and reviewed prior to Survey Reporting. Person Responsible: Donnita Butorac Expected Completion: February 1, 2020
2	700471 700472	Franchise courses taught by teachers lacking appropriate certification in HVIP-7004	Holmes District Schools offers its Virtual Program through contract with the PAEC-FLVS Franchise and inappropriately depended on PAEC staff to provide and verify certified teachers for all courses taught through that program. Going forward, Holmes District Administration will verify certification status for all instructors used in the PAEC-FLVS Franchise (7004). Person Responsible: Pam Short Expected Completion: Ongoing
3	702301	Duplicate course record reported in HVIP-7023	This simply was data entry error. The course was entered and reported twice on the student's course transcript. District staff will stress the importance of quality data entry to all appropriate personnel. Person Responsible: Pam Short Expected Completion: February 1, 2020
4	702371 702372 702373	Credit recovery courses taught by teachers lacking appropriate certification in HVIP-7023	Several District staff members were misinformed that credit recovery courses did not require certification in the various subject areas. Appropriate personnel have been informed and proper procedures will be followed with regard to teacher certifications and out-of-field instances requiring board approval and notification of parents. Person Responsible: Pamela Price Expected Completion: February 1, 2020

**Student Transportation**

The District is in agreement with the following findings and will implement the following corrective actions:

Finding #	Ref. #	Finding Summary	Response/Corrective Action
1	51	Inaccurate DIT reported	<p>The District had three cancellations of school days in the 2017-2018 school year due to weather or climate conditions. While the days were removed from the reported days of instruction, the number of Days In Term reported were not reduced in the transportation reported data element. This oversight has been noted and will be discussed and stressed with appropriate personnel to ensure DIT are appropriately adjusted when unforeseen cancellations occur in the transportation calendar.</p> <p>Person Responsible: Jalisa Brannon Expected Completion: February 1, 2020</p>
2	52	Ineligible PK students reported	<p>This was a data entry error. PK students were enrolled and assigned the wrong transportation membership category upon enrollment. The District will provide training and review for data clerks with regard to this finding. In addition, preliminary reports will be pulled prior to each survey to verify transportation data such as Transportation Membership Category.</p> <p>Person Responsible: Phillip Byrd, Jalisa Brannon Expected Completion: February 1, 2020/Ongoing</p>
3	53	Unsigned bus rosters/reports	<p>In a year of personnel transition, several bus rosters were not signed and then were overlooked by district personnel. The District has already begun to emphasize the importance of verification to drivers, and will implement procedures for making sure ALL rosters are signed when they are submitted for entry into the system.</p> <p>We understand that bus roster/ridership reports should be verified and signed by the driver so that the data reported can be validated. However, we believe the transportation ridership reported in 2017-2018 referenced in this finding, was accurately reported and the District has since obtained verification of the rosters (signatures) from the drivers who submitted the ridership at the time of survey reporting. <b>Therefore, by way of appeal, we would like for FLDOE to reconsider the adjustments proposed in this finding.</b></p> <p>Responsible Person: Jalisa Brannon Expected Completion: February 1, 2020</p>

**Student Transportation, Continued**

Finding #	Ref. #	Finding Summary	Response/Corrective Action
4	54	Ineligible students reported-did not ride	Procedures for data entry have been put in place to help remedy this problem. However, the importance of quality data entry and accurate state reporting shall be addressed with appropriate personnel. In addition, a review will be conducted to update those living 2 miles or less in our system and procedures will be established for maintaining that data element. Person Responsible: Phillip Byrd Expected Completion: February 1, 2020
5	55	Number of buses over-reported	Several bus numbers of students who re-enrolled in the district were not updated upon enrollment, therefore causing buses no longer in operation to be reported in survey. Also, bus numbers may be duplicated due to inconsistent naming conventions used by data entry (XX as opposed to 00XX). These duplicates have been resolved and the re-enrollment issue will be addressed with appropriate personnel. Pulling and reviewing preliminary verification reports will resolve these issues. Person Responsible: Phillip Byrd Expected Completion: February 1, 2020/Ongoing
6	56	Ineligible students reported-less than two miles	In 2017-2018, two of our largest schools were combined and relocated across town. This drastically changed the status of students' Transportation Membership Category with regard to two miles or less. Not all of them were updated at the time of state reporting, but this has been addressed. A review of the data is currently being conducted and procedures will be implemented to ensure the accuracy of this data element going forward. Person Responsible: Phillip Byrd Expected Timeline: February 1, 2020