

**JEFFERSON COUNTY
DISTRICT SCHOOL BOARD
AND
JEFFERSON COUNTY K-12,
A SOMERSET SCHOOL**

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, Marianne Arbulu served as Superintendent and the following individuals served as Board members:

	<u>District No.</u>
Gladys Roann-Watson, Chair through 11-12-17	1
Sandra G. Saunders, Chair from 11-13-17, Vice Chair through 11-12-17	2
Shirley A. Washington, Vice Chair from 11-13-17	3
Bill E. Brumfield	4
Charles Boland	5

Jefferson County K-12, A Somerset School, Board of Directors and Principal

In addition, during that fiscal year, Cory Oliver served as Principal of the Jefferson County K-12, A Somerset School and the following individuals served on the Board of Directors:

Lourdes Isla-Marrero, Chair
Todd German, Vice Chair (Florida) and Treasurer
Louis Marin, Vice Chair (Texas)
Ana Diaz, Secretary
David Concepcion
Matthew Cox from 4-27-18
Jennifer Esquijarosa
Dr. Bernard Kimmel
Tony Morales through 11-17-17^a
George B. Ozuna through 4-26-18

^a Student Alumni Board member not replaced after that date.

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 or by telephone at (850) 412-2971.

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**JEFFERSON COUNTY DISTRICT SCHOOL BOARD
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JEFFERSON COUNTY DISTRICT SCHOOL BOARD

LIST OF ABBREVIATIONS

CMW	Class Minutes, Weekly
DEUSS	Date Entered United States School
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 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 Basic with ESE Services, ESOL, and ESE Support Levels 4 and 5, the Jefferson 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 as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2018. 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 required in-service training points in ESOL strategies were not met for 12 of the 18 teachers in our test. Thirteen (72 percent) of the 18 teachers in our test taught at charter schools and 9 (75 percent) of the 12 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. The table below shows the total number of students included in each of our tests, as well as the number and percentage of students who attended charter schools who were included in our tests. The table also shows the number of students with exceptions in each of our tests, as well as the number and percentage of students with exceptions who attended charter schools.

Program Tested	Number of Students			Number of Students		
	Included in Test	Who Attended Charter Schools	Percentage	With Exceptions	Who Attended Charter Schools	Percentage
Basic with ESE Services	12	10	83%	6	5	83%
ESOL	9	9	100%	9	9	100%
ESE Support Levels 4 and 5	5	5	100%	1	1	100%
Totals	<u>26</u>	<u>24</u>		<u>16</u>	<u>15</u>	

Records supporting the ridership of students during the October 2017, February 2018, and June 2018 reporting survey periods were not available for our examination. As a result, we were unable to obtain sufficient appropriate evidence to provide a basis for an opinion on the 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.

Noncompliance related to the reported FTE student enrollment resulted in 14 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled negative .1667 (all applicable to the District's virtual education cost center) but has a potential impact on the District's weighted FTE of negative 4.3079 (.1668 applicable to the District's virtual education cost center and 4.1411 applicable to charter schools). Noncompliance related to student transportation resulted in two findings and a proposed net adjustment of negative 1 student.

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 \$18,110 (negative 4.3079 times \$4,203.95), of which \$701 is applicable to the District's virtual education cost center and \$17,409 is applicable to 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 Jefferson 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 Jefferson County.

The governing body of the District is the District School Board (School Board) that is composed of five elected members. The executive officer of the School Board is the elected Superintendent of Schools. The District had three charter schools and one virtual education cost center serving PK through 12th-grade students.

Pursuant to State law,¹ in February 2017, the School Board submitted to the SBE the District 2016-17 fiscal year turnaround option plan (Plan) for the Jefferson County Elementary School and the Jefferson County Middle/High School. According to the Plan, the School Board selected the option to close and reopen the District schools as one or more charter schools, each with a governing board.

In April 2017, the School Board entered into a 5-year agreement with Somerset Academy, Inc. to turn over day-to-day operations of the District schools effective July 2017. Pursuant to the agreement, Somerset Academy, Inc. would operate three separate charter schools: a charter elementary school, a charter middle school, and a charter high school. The School Board approved a separate charter for each of the three charter schools in April 2017.

The Jefferson County K-12, A Somerset School (Somerset School) is a combination of the three charter schools that operate at the location of the Jefferson Middle/High School by Somerset Academy, Inc. The

¹ Section 1002.33(4), Florida Statutes.

governing body of Somerset School is the Somerset Academy, Inc. Board of Directors, which is composed of nine directors.

The District reported one virtual education cost center (Jefferson Virtual Instruction Program) that operated under a Memorandum of Understanding between Somerset School and Somerset Virtual Academy. The Jefferson Virtual Instruction Program was not included in the agreement between the School Board and Somerset Academy, Inc. to operate as a virtual charter school. As such, the governing board of the Jefferson Virtual Instruction Program is the School Board.

For the fiscal year ended June 30, 2018, State funding totaling \$2.6 million was provided through the FEFP to the District for the District-reported 729.29 unweighted FTE as recalibrated, which included 710.32 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 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. 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 \$219,979 for student transportation as part of the State funding through the FEFP.

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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 Jefferson 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 teachers and students in our Basic with ESE Services, English for Speakers of Other Languages, and Exceptional Student Education Support Levels 4 and 5 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 Basic with Exceptional Student Education Services, English for Speakers of Other Languages, and Exceptional Student Education Support Levels 4 and 5, the Jefferson 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 weaknesses² 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

² 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.

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 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 Basic with Exceptional Student Education Services, English for Speakers of Other Languages, and 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
November 18, 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 Jefferson County District School Board (District) reported to the DOE 729.29 unweighted FTE as recalibrated, which included 710.32 unweighted FTE as recalibrated for charter schools, at three charter schools and one virtual education cost center.

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 (four) consisted of the total number of brick and mortar schools in the District that offered courses, including charter schools, as well as the virtual education cost center in the District that offered virtual instruction in the FEFP-funded programs. The population of students (909) 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 6 of the 12 students in our Basic with ESE Services test,³ all of the 9 students in our ESOL test,⁴ and 1 of the 5 students in our ESE Support Levels 4 and 5 test.⁵ Ten (83 percent) of the 12 students in our Basic with ESE Services test attended charter schools and 5 (83 percent) of the 6 students with exceptions attended charter schools. All of the students in our ESOL and ESE Support Levels 4 and 5 tests 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	4	4	774	37	0	616.0400	29.4203	6.0063
Basic with ESE Services	4	4	109	12	6	80.8100	7.3245	3.1975
ESOL	3	3	21	9	9	12.0200	5.5600	(6.1188)
ESE Support Levels 4 and 5	1	1	5	5	1	4.4900	4.4931	(1.2136)
Career Education 9-12	1	0	<u>0</u>	<u>0</u>	<u>0</u>	<u>15.9300</u>	<u>.0000</u>	<u>(2.0381)</u>
All Programs	4	4	<u>909</u>	<u>63</u>	<u>16</u>	<u>729.2900</u>	<u>46.7979</u>	<u>(.1667)</u>

³ For Basic with ESE Services, the material noncompliance is composed of Findings 2, 4, 7, and 13 on *SCHEDULE D*.

⁴ For ESOL, the material noncompliance is composed of Findings 3, 5, 8, and 9 on *SCHEDULE D*.

⁵ For ESE Support Levels 4 and 5, the material noncompliance is disclosed in Finding 10 on *SCHEDULE D*.

Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (47, of which 14 are applicable to the District's virtual education cost center and 33 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 required in-service training points in ESOL strategies were not met for 12 of the 18 teachers in our test.⁶ Thirteen (72 percent) of the 18 teachers in our test taught at charter schools and 9 (75 percent) of the 12 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.

⁶ For teachers, the material noncompliance is composed of Findings 1, 11, 12, and 14 on *SCHEDULE D.*

SCHEDULE B

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

<u>District Virtual Education Cost Center</u>	<u>Proposed Net</u>	<u>Cost</u>	<u>Weighted</u>
<u>No. Program (1)</u>	<u>Adjustment (2)</u>	<u>Factor</u>	<u>FTE (3)</u>
103 Basic 9-12	.0736	1.001	.0737
113 Grades 9-12 with ESE Services	<u>(.2403)</u>	1.001	<u>(.2405)</u>
Subtotal	<u>(.1667)</u>		<u>(.1668)</u>

<u>Charter Schools</u>	<u>Proposed Net</u>	<u>Cost</u>	<u>Weighted</u>
<u>No. Program (1)</u>	<u>Adjustment (2)</u>	<u>Factor</u>	<u>FTE (3)</u>
101 Basic K-3	1.9458	1.107	2.1540
102 Basic 4-8	2.0559	1.000	2.0559
103 Basic 9-12	1.9310	1.001	1.9329
111 Grades K-3 with ESE Services	2.4613	1.107	2.7247
112 Grades 4-8 with ESE Services	.5054	1.000	.5054
113 Grades 9-12 with ESE Services	.4711	1.001	.4715
130 ESOL	(6.1188)	1.212	(7.4160)
254 ESE Support Level 4	(1.1416)	3.619	(4.1315)
255 ESE Support Level 5	(.0720)	5.526	(.3979)
300 Career Education 9-12	<u>(2.0381)</u>	1.001	<u>(2.0401)</u>
Subtotal	<u>.0000</u>		<u>(4.1411)</u>

<u>Total of Schools</u>	<u>Proposed Net</u>	<u>Cost</u>	<u>Weighted</u>
<u>No. Program (1)</u>	<u>Adjustment (2)</u>	<u>Factor</u>	<u>FTE (3)</u>
101 Basic K-3	1.9458	1.107	2.1540
102 Basic 4-8	2.0559	1.000	2.0559
103 Basic 9-12	2.0046	1.001	2.0066
111 Grades K-3 with ESE Services	2.4613	1.107	2.7247
112 Grades 4-8 with ESE Services	.5054	1.000	.5054
113 Grades 9-12 with ESE Services	.2308	1.001	.2310
130 ESOL	(6.1188)	1.212	(7.4160)
254 ESE Support Level 4	(1.1416)	3.619	(4.1315)
255 ESE Support Level 5	(.0720)	5.526	(.3979)
300 Career Education 9-12	<u>(2.0381)</u>	1.001	<u>(2.0401)</u>
Total	<u>(.1667)</u>		<u>(4.3079)</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

PROPOSED ADJUSTMENTS BY SCHOOL FULL-TIME EQUIVALENT STUDENT ENROLLMENT

<u>No.</u> <u>Program</u>	<u>District</u> <u>Wide*</u>	<u>Proposed Adjustments (1)</u>		<u>Balance</u> <u>Forward</u>
		<u>#0021*</u>	<u>#0024*</u>	
101 Basic K-3	.4611	.....	.....	.4611
102 Basic 4-8	.3113	1.7446	.....	2.0559
103 Basic 9-12	2.0381	.....	(.1071)	1.9310
111 Grades K-3 with ESE Services	.....	.....	.....	.0000
112 Grades 4-8 with ESE Services	.....	.5054	.....	.5054
113 Grades 9-12 with ESE Services	.....	.....	.4711	.4711
130 ESOL	(.5588)	(2.2500)	(.3640)	(3.1728)
254 ESE Support Level 4	(.1416)	.....	.....	(.1416)
255 ESE Support Level 5	(.0720)	.....	.....	(.0720)
300 Career Education 9-12	<u>(2.0381)</u>	<u>.....</u>	<u>.....</u>	<u>(2.0381)</u>
Total	<u>.0000</u>	<u>.0000</u>	<u>.0000</u>	<u>.0000</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>#0111*</u>	<u>#7001</u>	
101 Basic K-3	.4611	1.4847	.....	1.9458
102 Basic 4-8	2.0559	.....	.....	2.0559
103 Basic 9-12	1.9310	.....	.0736	2.0046
111 Grades K-3 with ESE Services	.0000	2.4613	.....	2.4613
112 Grades 4-8 with ESE Services	.5054	.....	.....	.5054
113 Grades 9-12 with ESE Services	.4711	.....	(.2403)	.2308
130 ESOL	(3.1728)	(2.9460)	.....	(6.1188)
254 ESE Support Level 4	(.1416)	(1.0000)	.....	(1.1416)
255 ESE Support Level 5	(.0720)	.....	.....	(.0720)
300 Career Education 9-12	<u>(2.0381)</u>	.....	.....	<u>(2.0381)</u>
Total	<u>.0000</u>	<u>.0000</u>	<u>(.1667)</u>	<u>(.1667)</u>

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

*Charter School

SCHEDULE D

FINDINGS AND PROPOSED ADJUSTMENTS FULL-TIME EQUIVALENT STUDENT ENROLLMENT

Overview

Jefferson 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)**

District Wide – Teacher Certification

1. [Ref. 101] The District entered into three charter agreements with the Somerset Academy, Inc. on April 18, 2017, on behalf of the Jefferson County Elementary, Middle, and High Schools. The agreements were effective July 1, 2017, and specify that “unless otherwise provided by law, the teachers employed by or under contract to the Schools shall be certified as required by Chapter 1012.” Section 1012.55(1)(b), Florida Statutes, requires that each person employed or occupying a position, such as a teacher or other position in which the employee serves in an instructional capacity, in any public school of any district of this State shall hold the certificate required by laws and by rules of the SBE in fulfilling the requirements of the law for the type of service rendered. Teacher certification requirements are specified in Section 1012.56, Florida Statutes.

Effective July 1, 2017, Chapter 2017-116, Laws of Florida, created Section 1002.333, Florida Statutes, which relates to persistently low-performing schools, authorizes the SBE to designate hope operators,⁷ and authorizes hope operators to establish schools of hope
(Finding Continues on Next Page)

⁷ A hope operator is a nonprofit organization with tax exempt status under Section 501(c)(3) of the Internal Revenue Code that operates three or more charter schools that serve students in grades K-12 in Florida or other states with a record of serving students from low-income families and is designated by the SBE as a hope operator based on meeting certain criteria.

Findings

District Wide – Teacher Certification (Continued)

in specified areas and to employ certain staff. Section 1002.333(6)(d), Florida Statutes, states that a hope operator may employ school administrators and instructional personnel who do not meet the requirements of Section 1012.56, Florida Statutes, if the school administrators and instructional personnel are not ineligible for such employment under Section 1012.315, Florida Statutes.

Somerset Academy, Inc. was notified by letter, dated February 28, 2018, from the DOE that its application to be designated a hope operator for the purpose of operating one or more schools of hope met the requirements set forth in Section 1002.333(2), Florida Statutes, and SBE Rule 6A-1.0998271(2), FAC. The letter also indicated that the application would be considered by the SBE at its March 27, 2018, meeting. During this meeting, the Somerset Academy, Inc. was approved and designated a hope operator. However, the timing of the approval by the SBE was subsequent to the October 2017 and February 2018 reporting survey periods; consequently, the hope operator designation was not in place at the time of the teachers' instructional placement.

Our test of teacher certifications disclosed exceptions for nine teachers. Eight of the teachers were not properly certified and were not approved by the Charter School Board to teach out of field. In addition, the students' parents were not notified of the teachers' out-of-field status and one of the teachers did not earn the appropriate number of in-service training points in ESOL strategies to teach a Basic subject area course to ELL students pursuant to SBE Rule 6A-6.0907, FAC, and the teacher's in-service training timeline. Specifically, we noted the following:

- **Elementary School.** Two teachers held certification in Elementary Education and two teachers held certification in Primary Education but taught courses that required certification in Art and Music (three teachers) or ESOL (one teacher).
- **Middle School.** One teacher held certification in English but taught a course that required certification in ESOL and Reading; one teacher did not obtain the proper certification in Math until May 2018, which was after the February 2018 reporting survey period; and one teacher taught a Basic subject area class that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by SBE Rule 6A 6.0907, FAC, and the teacher's in-service training timeline.

Findings

District Wide – Teacher Certification (Continued)

- **High School**. One teacher held certification in Social Science but taught a course that required certification in Business Education, and one teacher held certification in Reading but taught a course that required certification in ESOL.

Accordingly, we propose the following adjustments:

101 Basic K-3	.4611	
102 Basic 4-8	.3113	
103 Basic 9-12	2.0381	
130 ESOL	(.5588)	
254 ESE Support Level 4	(.1416)	
255 ESE Support Level 5	(.0720)	
300 Career Education 9-12	<u>(2.0381)</u>	.0000
		<u>.0000</u>

Jefferson County Middle A Somerset Charter School (#0021)

2. [Ref. 2101] The course schedule for one ESE student was incorrectly reported in Program No. 102 (Basic 4-8) rather than Program No. 112 (Grades 4-8 with ESE Services) in the October 2017 reporting survey period. We propose the following adjustment:

102 Basic 4-8	(.5054)	
112 Grades 4-8 with ESE Services	<u>.5054</u>	.0000

3. [Ref. 2102] The *ELL Student Plans* for three students were not available at the time of our examination and could not be subsequently located. In addition, the English language proficiency of one student was not assessed and an ELL Committee was not convened within 30 school days prior to the student’s DEUSS anniversary date to consider the student’s continued ESOL placement beyond 3 years from the student’s DEUSS. We propose the following adjustment:

102 Basic 4-8	2.2500	
130 ESOL	<u>(2.2500)</u>	.0000
		<u>.0000</u>

Jefferson County High A Somerset Charter School (#0024)

4. [Ref. 2401] The course schedule for one ESE student was incorrectly reported in Program No. 103 (Basic 9-12) rather than Program No. 113 (Grades 9-12 with ESE Services) in the October 2017 reporting survey period. We propose the following adjustment:

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

Jefferson County High A Somerset Charter School (#0024) (Continued)

103 Basic 9-12	(.4711)	
113 Grades 9-12 with ESE Services	<u>.4711</u>	.0000

5. [Ref. 2402] The *ELL Student Plan* for one student was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

103 Basic 9-12	.3640	
130 ESOL	<u>(.3640)</u>	.0000
		<u>.0000</u>

Jefferson County Elementary A Somerset Charter School (#0111)

6. [Ref. 11101] The course schedules for several students were incorrectly reported. The School’s daily instructional schedule supported 1,830 CMW for students in grades K-5 and 2,050 CMW for students in PK and met the minimum reporting of CMW; however, the students’ course schedules were not reported in agreement with the School’s daily instructional schedule. The students were generally reported between 1,515 and 1,845 CMW for students in grades K-5 and for 2,220 CMW for PK students. Student course schedules, which are necessary for the recalibration process to work properly, should reflect the correct number of CMW according to the School’s daily instructional 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. 11102] The course schedules for three ESE students were incorrectly reported in the October 2017 reporting survey period. The course schedules for two of the students were incorrectly reported in Program No. 101 (Basic K-3) rather than Program No. 111 (Grades K-3 with ESE Services). The other student’s schedule included a portion of the student’s instructional time in Program No. 101 (Basic K-3); however, the course schedules of ESE students should be reported entirely in ESE. We propose the following adjustment:

101 Basic K-3	(1.4613)	
111 Grades K-3 with ESE Services	<u>1.4613</u>	.0000

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

Jefferson County Elementary A Somerset Charter School (#0111) (Continued)

8. [Ref. 11103] The file for one ELL student enrolled in the ESOL Program was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

101 Basic K-3	.8058	
130 ESOL	<u>(.8058)</u>	.0000

9. [Ref. 11104] School records did not demonstrate that the *ELL Student Plans* for four students were timely prepared. We propose the following adjustment:

101 Basic K-3	2.1402	
130 ESOL	<u>(2.1402)</u>	.0000

10. [Ref. 11105] The *Matrix of Services* form for one ESE student reported in Program No. 254 (ESE Support Level 4) did not accurately reflect the services required by the student's IEP. We inquired with School management who determined that the student's *Matrix of Services* form should have totaled 16 points. Consequently, the student should have been reported in Program No. 111 (Grades K-3 with ESE Services). We propose the following adjustment:

111 Grades K-3 with ESE Services	1.0000	
254 ESE Support Level 4	<u>(1.0000)</u>	.0000
		<u>.0000</u>

Jefferson Virtual Instruction Program (#7001)

11. [Ref. 700172] One teacher was not properly certified and was not approved by the School Board to teach English out of field. In addition, the parents of the students were not notified of the teacher's out-of-field status. Since the students were reported for Basic funding, we present this disclosure finding with no proposed adjustment.

.0000

12. [Ref. 700173] One teacher did not hold a valid Florida teaching certificate and was not otherwise qualified to teach. Since the students were reported for Basic funding, we present this disclosure finding with no proposed adjustment.

.0000

Findings

Jefferson Virtual Instruction Program (#7001) (Continued)

13. [Ref. 700101] One ESE virtual education student was incorrectly reported for more than 1.0 FTE. The student enrolled in a course at Jefferson Virtual Instruction Program on April 23, 2018; however, this course was funded for FTE in the October 2017 reporting survey period when the student attended a brick and mortar school in Gadsden County and in the February 2018 reporting survey period when the student attended a brick and mortar school in Leon County. In addition, we noted that the student was not reported by the District using the student’s Florida Education Identifier Number as required by the DOE *Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook*. As a result, the student’s schedule and corresponding FTE was not recalibrated and was ultimately funded for 1.1667 FTE, exceeding the 1.0 FTE cap. We propose the following adjustment:

113 Grades 9-12 with ESE Services	<u>(.1667)</u>	(.1667)
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14. [Ref. 700171] One teacher was not properly certified and was not approved by the School Board to teach Social Science out of field. In addition, the students’ parents were not notified of the teacher’s out-of-field status. We propose the following adjustment:

103 Basic 9-12	.0736	
113 Grades 9-12 with ESE Services	<u>(.0736)</u>	<u>.0000</u>
		<u>(.1667)</u>

Proposed Net Adjustment		<u>(.1667)</u>
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SCHEDULE E

RECOMMENDATIONS AND REGULATORY CITATIONS FULL-TIME EQUIVALENT STUDENT ENROLLMENT

RECOMMENDATIONS

We recommend that Jefferson County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) student course schedules are reported in accordance with the schools' daily instructional schedules; (2) ESE students are reported in the proper FEFP funding categories in accordance with each student's ESE documentation; (3) the services indicated on the *Matrix of Services* forms accurately reflect the IEP services in effect during the reporting survey period; (4) *ELL Student Plans* are timely prepared and documentation that supports each student's reporting in the ESOL Program is retained in each student's file; (5) the English language proficiency of students being considered for continuation of their ESOL placements beyond the 3-year base period is timely assessed and ELL Committees are timely convened subsequent to the assessments; (6) the course schedules and associated FTE of students who are enrolled in virtual education programs are accurately reported and properly coded to ensure that students are not reported in excess of 1.0 FTE as recalibrated; (7) teachers are appropriately certified or, if teaching out of field, are timely approved by the School Board or Charter School Board to teach out of field; (8) parents are timely notified when their children are assigned to teachers teaching out of field; and (9) teachers earn the required in-service training points in ESOL strategies in accordance with SBE Rule 6A-6.0907, FAC, and the teachers in-service training timelines.

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*

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

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*
Section 1002.333(2), Florida Statutes, *Hope Operator*

NOTES TO SCHEDULES

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

A summary discussion of the significant features of the Jefferson 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 Jefferson 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 Jefferson County.

The governing body of the District is the District School Board (School Board) that is composed of five elected members. The executive officer of the Board is the elected Superintendent of Schools. The District had three charter schools, and one virtual education cost center serving PK through 12th-grade students.

Pursuant to State law,⁸ in February 2017, the School Board submitted to the SBE the District 2016-17 fiscal year turnaround option plan (Plan) for the Jefferson County Elementary School and the Jefferson County Middle/High School. According to the Plan, the School Board selected the option to close and reopen the District schools as one or more charter schools, each with a governing board.

In April 2017, the School Board entered into a 5-year agreement with Somerset Academy, Inc. to turn over day-to-day operations of the District schools effective July 2017. Pursuant to the agreement, Somerset Academy, Inc. would operate three separate charter schools: a charter elementary school, a charter middle school, and a charter high school. The School Board approved a separate charter for each of the three charter schools in April 2017.

The Jefferson County K-12, A Somerset School (Somerset School) is a combination of the three charter schools that operate at the location of the Jefferson Middle/High School by Somerset Academy, Inc. The governing body of Somerset School is the Somerset Academy, Inc. Board of Directors, which is composed of nine directors.

The District reported one virtual education cost center (Jefferson Virtual Instruction Program) that operated under a Memorandum of Understanding between Somerset School and Somerset Virtual Academy. The Jefferson Virtual Instruction Program was not included in the agreement between the Board and Somerset Academy, Inc. to operate as a virtual charter school. As such, the governing board of the Jefferson Virtual Instruction Program is the School Board.

For the fiscal year ended June 30, 2018, State funding totaling \$2.6 million was provided through the FEFP to the District for the District-reported 729.29 unweighted FTE as recalibrated, which included

⁸ Section 1002.33(4), Florida Statutes.

710.32 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 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*

NOTE B – TESTING FTE STUDENT ENROLLMENT

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>
District Wide – Teacher Certification	1
1. Jefferson County Middle A Somerset Charter School*	2 and 3
2. Jefferson County High A Somerset Charter School*	4 and 5
3. Jefferson County Elementary A Somerset Charter School*	6 through 10
4. Jefferson Virtual Instruction Program	11 through 14

* Charter School



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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 were engaged to examine the Jefferson 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 conducting an examination 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.

Basis for Disclaimer of Opinion

We were unable to obtain records supporting the ridership of students during the October 2017, February 2018, and June 2018 reporting survey periods. Specifically, none of the 27 bus driver reports were available for our examination. Consequently, the student ridership of the 1,006 students reported on these buses could not be validated.

Disclaimer of Opinion

Because of the significance of the matter described in the “Basis for Disclaimer of Opinion” paragraph, we were unable to obtain sufficient appropriate evidence to provide a basis for an opinion on the 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. Accordingly, we do not express an opinion on the District’s compliance.

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 weaknesses⁹ 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 were engaged to examine 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. However, the significant matter mentioned above is indicative of a material weakness in the District’s internal controls related to students’ reported ridership 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 *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 our findings has not been subjected to our examination procedures and, accordingly, we express no opinion on it.

⁹ 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.

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
November 18, 2019

SCHEDULE F

POPULATIONS, TEST SELECTION, AND TEST RESULTS STUDENT TRANSPORTATION

Any student who is transported by the Jefferson 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.)

We were engaged to examine student transportation as reported to the DOE for the fiscal year ended June 30, 2018. (See NOTE B.) We were able to examine the transportation records for the July 2017 reporting survey period. However, bus driver reports, which validate the ridership of students, were not available for our examination for the October 2017, February 2018, and June 2018 reporting survey periods.

The population of vehicles (34) 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 (1,008) 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	6
All Other FEFP Eligible Students	<u>1,002</u>
Total	<u>1,008</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.

Our examination results are summarized below:

<u>Description</u>	<u>Students</u>	
	<u>With Exceptions</u>	<u>Proposed Net Adjustment</u>
Our tests included the 2 students reported as being transported by the District during the July 2017 reporting survey period.	<u>2</u>	<u>(1)</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

Jefferson 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 2017 reporting survey period.

1. [Ref. 51/53] Two students in our test were incorrectly reported in the IDEA - PK through Grade 12, Weighted ridership category for the July 2017 reporting survey period. Specifically:

- a. One student (Ref. 51) was transported by a District-owned passenger van and as such, was not eligible to be reported in a weighted ridership category. In addition, the number of DIT for this student was incorrectly reported as 28 DIT but should have been reported for 8 DIT in accordance with the District’s instructional calendar.
- b. One student (Ref. 53) was a resident of Leon County and was transported to a Leon County school. Accordingly, the student was not eligible to be reported by the District for State transportation funding.

We propose the following adjustment:

Ref. 51		
July 2017 Survey		
<u>28 Days in Term</u>		
IDEA - PK through Grade 12, Weighted	(1)	
<u>8 Days in Term</u>		
All Other FEFP Eligible Students	<u>1</u>	0

<u>Findings</u>	<u>Students Transported Proposed Net Adjustments</u>
<p><u>Ref. 53</u> <u>July 2017 Survey</u> <u>28 Days in Term</u> IDEA - PK through Grade 12, Weighted</p>	<p>(1) (1)</p>
<p>2. [Ref. 52] The 27 bus driver reports for the October 2017, February 2018, and June 2018 reporting survey periods were not available for our examination. Consequently, the student ridership of the 1,006 students reported on these buses could not be validated and we present this finding with no proposed adjustment.</p>	<p><u>0</u></p>
<p>Proposed Net Adjustment</p>	<p><u>(1)</u></p>

SCHEDULE H

RECOMMENDATIONS AND REGULATORY CITATIONS STUDENT TRANSPORTATION

RECOMMENDATIONS

We recommend that Jefferson County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) all bus driver reports are available to document student ridership during the reporting survey periods and are timely completed, indicate the specific days in which the students rode the bus, are signed and dated by the bus drivers who provided the actual transportation, and are retained in readily accessible files; (2) the number of DIT are accurately reported; (3) students reported in the IDEA – PK through Grade 12, Weighted ridership category are transported by bus; and (4) only students that are residents of Jefferson County and are transported to a Jefferson County School or to a school in a neighboring District as required by the student's IEP are reported for transportation funding

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)

NOTE TO SCHEDULES

NOTE A - SUMMARY STUDENT TRANSPORTATION
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A summary discussion of the significant features of the Jefferson 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 Jefferson County

For the fiscal year ended June 30, 2018, the District received \$219,979 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	1	2	-
October 2017	14	481	9
February 2018	16	518	71
June 2018	<u>3</u>	<u>7</u>	<u>36</u>
Totals	<u>34</u>	<u>1,008</u>	<u>116</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*

MANAGEMENT'S RESPONSE

Jefferson County School District

Marianne Arbulu, Superintendent
1490 W. Washington Street
Monticello, FL 32344
www.jeffersonschooldistrict.org

November 13, 2019

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

Re: District Response to Audit Report FY 2017-2018 FTE and Transportation

Dear Ms. Norman:

As a prelude to the audit response, it is important to understand the conditions in place during the subject year. The 2017-2018 school year was the implementation year of the new organizational structure of the Jefferson County School District, as directed by the state. Under the new structure, the District's staffing was severely limited to only the newly elected superintendent and newly hired administrative assistant. The charter governing board hired new administrators to oversee the three charter schools, with more than 50 percent of instructional and support staff being new to the district. The district lost not only all of its district level administrators and support staff, but also all of its institutional memory, left to learn every responsibility and procedure anew. The charter administration, to some degree, experienced similar circumstances, but unlike the district, the charter administration had human and financial resources available to them.

In accordance with the terms of the charter agreements, any financial adjustments, resulting from this or any other audit, will be the responsibility of the charter school and will deducted from future disbursements. It is also important to note the district's monitoring limitations, as the charter agreement does not include intermediate level consequences for charter non-compliance – the only remedy being charter termination, an inappropriate consequence for many contractual infractions. This lack of enforcement ability encourages continued non-compliance and discourages authentic monitoring.

The district will continue to work with the department and the charter organization to adopt appropriate remedies to resolve compliance problems before they reach a terminal level. Context is important; in Jefferson County, it reveals the first-year conditions both the charter and the district faced while working together to build a new, improved and compliant educational system.

BOARD MEMBERS

District 1
Gladys Roann-Watson

District 2
Sandra Saunders

District 3
Shirley Washington

District 4
Bill Brumfield

District 5
Charles Boland

As requested, the district offers following summarized responses to the findings:

Teacher Certifications and Failure to Notify Parents:

The district agrees with this finding, but also acknowledges the impact from the Schools of Hope (SOH) designation. The agreement calls for certified instructional staff, but conditioned for changes in law – to accommodate a Schools of Hope designation. The district's interpretation is that SOH neutralizes the contractual certification requirement. As a result, while certification is no longer a requirement, the district will monitor instructional quality and out of field status by obtaining quarterly updates on instructional staff assignments. We will also request a legal determination regarding SOH responsibility for out of field parental notices.

Virtual Instruction, FTE and ESE Survey and Schedule Reporting:

The District concurs with these findings. Since learning of the finding, the District amended FOCUS to include virtual school 7004 to eliminate any further questions related to student reporting. Further, the district will secure additional training in survey and schedule reporting for all responsible staff, as well as require the charter school principal certify as to the accuracy of survey information.

Student Ridership Documentation:

The District agrees with these findings. There is a transportation lease agreement in effect between the District and the charter that gives the charter full responsibility for transportation operations, but during the subject year, the charter outsourced transportation to School District Services (SDS). During the year, the District repeatedly requested file documentation to monitor transportation activity, as required in the lease agreement. In spite of several transportation non-compliance matters, the District expected that the charter administration was acting prudently, given the third party contract, by verifying student ridership. To clarify, the District was not a party to the SDS agreement. Prospectively, with the termination of the SDS agreement, the District will require copies of the bus driver's student ridership reports for review, and further require the principal certify the accuracy of transportation survey data.

Sincerely,



Marianne Arbulu



JEFFERSON COUNTY ELEMENTARY
JEFFERSON COUNTY MIDDLE
JEFFERSON COUNTY HIGH
SOMERSET CHARTER SCHOOLS

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A Tuition Free Public Charter School

Florida Office of the Auditor General

Response to Initial FEFP Audit Findings 2017-2018

c/o Sherrill F. Norman

11/14/2019

Greetings:

On teachers being in field and certified: note that just as when a teacher receives a certification during the school year it counts for the entire school year, even if the certification is not received until May, the School of Hope designation, which had the effect of deeming all Jefferson K-12: a Somerset School teachers certified during the school year, should be considered to apply to the entire school year in which Jefferson K-12: a Somerset School received the SOH designation.

In the case of transportation, Jefferson K-12: A Somerset School entirely understands the need to maintain driver records and related materials, and Somerset terminated the transportation contract with the private provider partly for the failure to maintain and provide the documents required to be provided under the contract and is still considering further legal action against the company for failure to provide records. A public records request has been submitted, and no response from School District Services, c/o Ivery Luckey, has been given to Jefferson K-12: a Somerset School.

We appreciate your willingness to allow us to respond to the final report findings. As always, if there is any additional information you need from us, you may always reach out via phone, or email. Thank you.

Principal Cory Oliver



CORY OLIVER, PRINCIPAL
ANDRÉ GAINEY, VICE PRINCIPAL
COURTNEY OLIVER, ASSISTANT PRINCIPAL

