

**MARION COUNTY
DISTRICT SCHOOL BOARD**

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

For the Fiscal Year Ended
June 30, 2020



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2019-20 fiscal year, Dr. Heidi Maier served as Superintendent and the following individuals served as Board members:

	<u>District No.</u>
Nancy Stacy	1
Beth McCall	2
Eric Cummings, Chair from 11-19-19, Vice Chair through 11-18-19	3
Nancy Thrower, Vice Chair from 11-19-19	4
Kelly King, Chair through 11-18-19	5

The team leader was Alex Riggins, CPA, and the examination was supervised by Jennifer Taylor, CPA.

Please address inquiries regarding this report to Aileen B. Peterson, CPA, CPM, Audit Manager, by e-mail at aileenpeterson@aud.state.fl.us or by telephone at (850) 412-2972.

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MARION COUNTY DISTRICT SCHOOL BOARD

LIST OF ABBREVIATIONS

CMW	Class Minutes, Weekly
DEUSS	Date Entered United States School
DOE	Department of Education
DJJ	Department of Juvenile Justice
ELL	English Language Learner
EP	Educational Plan
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 ESOL and ESE Support Levels 4 and 5, the Marion 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, 2020. 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 12 of the 59 students in our ESOL test and 6 of the 58 students in our ESE Support Levels 4 and 5 test. One (2 percent) of the 59 students in our ESOL test attended charter schools and 1 (8 percent) of the 12 students with exceptions attended charter schools. None of the 58 students in our ESE Support Levels 4 and 5 test attended charter schools.

Noncompliance related to the reported FTE student enrollment resulted in 23 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled negative 5.0815 (.5811 applicable to District schools other than charter schools and 4.5004 applicable to charter schools) but has a potential impact on the District's weighted FTE of negative 14.2124 (9.0136 applicable to District schools other than charter schools and 5.1988 applicable to charter schools). Noncompliance related to student transportation resulted in 3 findings and a proposed net adjustment of negative 919 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, 2020, was \$4,279.49 per FTE. For the District, the estimated gross dollar effect of our proposed adjustments to the reported FTE student enrollment is negative \$60,822 (negative 14.2124 times \$4,279.49), of which \$38,574 is applicable to District schools other than charter schools and \$22,248 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 Marion 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 Marion 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 56 schools other than charter schools, 4 charter schools, 1 cost center, and 1 virtual education cost center serving PK through 12th-grade students.

For the fiscal year ended June 30, 2020, State funding totaling \$177.4 million was provided through the FEFP to the District for the District-reported 43,208.35 unweighted FTE as recalibrated, which included 536.02 unweighted FTE as recalibrated for charter schools. The primary sources of funding for the District are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

FEFP

FTE Student Enrollment

Florida school districts receive State funding through the FEFP to serve PK through 12th-grade students (adult education is not funded by the FEFP). The FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system, including charter schools, the availability of programs and services appropriate to the student's educational needs that are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per-student costs for equivalent educational programs due to sparsity and dispersion of student population.

The funding provided by the FEFP is based on the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE student enrollment. For brick and mortar school students, one student would be reported as 1.0 FTE if the student was enrolled in six courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be reported as a fraction of an FTE. Half-credit completions will be included in determining an FTE student enrollment. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The DOE combines all FTE student enrollment reported for the student by all school districts, including the Florida Virtual School.

The DOE then recalibrates all reported FTE student enrollment for each student to 1.0 FTE if the total reported FTE for the student exceeds 1.0 FTE. The FTE student enrollment reported by the Department of Juvenile Justice (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 FTE membership survey¹ 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 to be eligible for State transportation funding: live 2 or more miles from school, be classified as a student with a disability under 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 \$10.4 million for student transportation as part of the State funding through the FEFP.

¹ FTE is determined and reported during the school year by means of four FTE membership surveys that are conducted under the direction of district and school management. See Note A6. for more information on surveys.

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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 Marion 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, 2020. 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 2019-20* 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 modified 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, waste, 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 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 reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Language and Exceptional Student Education Support Levels 4 and 5, the Marion 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, 2020.

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 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 waste 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 reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages and 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
December 15, 2021

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, 2020, the Marion County District School Board (District) reported to the DOE 43,208.35 unweighted FTE as recalibrated, which included 536.02 unweighted FTE as recalibrated for charter schools, at 56 District schools other than charter schools, 4 charter schools, 1 cost center, and 1 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, 2020. (See NOTE B.) The population of schools (62) consisted of the total number of brick and mortar schools in the District that offered courses, including charter schools, cost centers, as well as the virtual education cost centers in the District that offered virtual instruction in the FEFP-funded programs. The population of students (8,215) 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 12 of the 59 students in our ESOL test³ and 6 of the 58 students in our ESE Support Levels 4 and 5 test.⁴ One (2 percent) of the 59 students in our ESOL test attended charter schools and 1 (8 percent) of the 12 students with exceptions attended charter schools. None of the students in our ESE Support Levels 4 and 5 test attended charter schools.

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	60	10	6,320	106	1	31,254.1400	79.1709	4.0449
Basic with ESE Services	62	10	1,681	87	2	8,509.6300	62.0271	1.3883
ESOL	55	9	141	59	12	1,365.3100	40.9263	(7.7051)
ESE Support Levels 4 and 5	50	8	73	58	6	708.5700	43.5991	(2.8096)
Career Education 9-12	12	-	-	-	-	<u>1,370.7000</u>	<u>.0000</u>	<u>.0000</u>
All Programs	62	10	<u>8,215</u>	<u>310</u>	<u>21</u>	<u>43,208.3500</u>	<u>225.7234</u>	<u>(5.0815)</u>

³ For ESOL, the material noncompliance is composed of Findings 2, 5, 6, 10, 11, 15, 17, 21, and 22 on *SCHEDULE D*.

⁴ For ESE Support Levels 4 and 5, the material noncompliance is composed of Findings 1, 4, 8, and 12 on *SCHEDULE D*.

Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (219, of which 216 are applicable to District schools other than charter schools and 3 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. From the population of teachers, we selected 87 and found exceptions for 6 teachers. Three (3 percent) of the 87 teachers in our test taught at charter schools and none of the 6 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.

SCHEDULE B

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

District Schools Other Than Charter Schools			
No. Program (1)	Proposed Net Adjustment (2)	Cost Factor	Weighted FTE (3)
101 Basic K-3	1.6226	1.120	1.8173
102 Basic 4-8	3.3143	1.000	3.3143
103 Basic 9-12	2.2333	1.005	2.2445
111 Grades K-3 with ESE Services	1.3743	1.120	1.5392
112 Grades 4-8 with ESE Services	.5810	1.000	.5810
113 Grades 9-12 with ESE Services	(.0670)	1.005	(.0673)
130 ESOL	(6.8300)	1.181	(8.0662)
254 ESE Support Level 4	(2.7286)	3.637	(9.9239)
255 ESE Support Level 5	(.0810)	5.587	(.4525)
Subtotal	(.5811)		(9.0136)

Charter Schools			
No. Program (1)	Proposed Net Adjustment (2)	Cost Factor	Weighted FTE (3)
101 Basic K-3	(4.0004)	1.120	(4.4804)
102 Basic 4-8	.8751	1.000	.8751
111 Grades K-3 with ESE Services	(.5000)	1.120	(.5600)
130 ESOL	(.8751)	1.181	(1.0335)
Subtotal	(4.5004)		(5.1988)

Total of Schools			
No. Program (1)	Proposed Net Adjustment (2)	Cost Factor	Weighted FTE (3)
101 Basic K-3	(2.3778)	1.120	(2.6631)
102 Basic 4-8	4.1894	1.000	4.1894
103 Basic 9-12	2.2333	1.005	2.2445
111 Grades K-3 with ESE Services	.8743	1.120	.9792
112 Grades 4-8 with ESE Services	.5810	1.000	.5810
113 Grades 9-12 with ESE Services	(.0670)	1.005	(.0673)
130 ESOL	(7.7051)	1.181	(9.0997)
254 ESE Support Level 4	(2.7286)	3.637	(9.9239)
255 ESE Support Level 5	(.0810)	5.587	(.4525)
Total	(5.0815)		(14.2124)

- 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>Balance Forward</u>
	<u>#0181</u>	<u>#0361</u>	<u>#0521</u>	
101 Basic K-3	.....	.....	.....	.0000
102 Basic 4-8	.....	1.4095	.....	1.4095
103 Basic 9-12	.....	.....	1.9312	1.9312
111 Grades K-3 with ESE Services	.5001	.....	.....	.5001
112 Grades 4-8 with ESE Services	.....	(.4190)	.....	(.4190)
113 Grades 9-12 with ESE Services	.....	.....	.....	.0000
130 ESOL	.....	(.9095)	(1.9312)	(2.8407)
254 ESE Support Level 4	(.5001)	.....	.....	(.5001)
255 ESE Support Level 5	.....	(.0810)	.....	(.0810)
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.)

No.	Brought Forward	<u>Proposed Adjustments (1)</u>				Balance Forward
		<u>#0531</u>	<u>#0541</u>	<u>#0561</u>	<u>#7004</u>	
101	.0000	.....	.7937	.8289	.....	1.6226
102	1.4095	.3437	.....	.8580	.....	2.6112
103	1.9312	.....	.....	.....	.....	1.9312
111	.5001	.5159	.....	.3583	.....	1.3743
112	(.4190)	1.0000	.....	.....	.....	.5810
113	.0000	.....	.....	.....	(.0670)	(.0670)
130	(2.8407)	(.3437)	(.7937)	(1.6869)	.....	(5.6650)
254	(.5001)	(1.5159)	.....	(.3722)	.....	(2.3882)
255	<u>(.0810)</u>	.....	.....	.....	.....	<u>(.0810)</u>
Total	<u>.0000</u>	<u>.0000</u>	<u>.0000</u>	<u>(.0139)</u>	<u>(.0670)</u>	<u>(.0809)</u>

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

<u>No.</u>	<u>Brought Forward</u>	<u>Proposed Adjustments (1)</u>			<u>Total</u>
		<u>#9401</u>	<u>#9680*</u>	<u>#9731</u>	
101	1.6226	.....	(4.0004)	.....	(2.3778)
102	2.6112	.....	.8751	.7031	4.1894
103	1.9312	.3021	.....	.....	2.2333
111	1.3743	.....	(.5000)	.....	.8743
112	.5810	.....	.....	.....	.5810
113	(.0670)	.....	.....	.....	(.0670)
130	(5.6650)	(.3021)	(.8751)	(.8629)	(7.7051)
254	(2.3882)	.....	.....	(.3404)	(2.7286)
255	<u>(.0810)</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>(.0810)</u>
Total	<u>(.0809)</u>	<u>.0000</u>	<u>(4.5004)</u>	<u>(.5002)</u>	<u>(5.0815)</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

Marion 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 2019-20* 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 2019 reporting survey periods and the February and June 2020 reporting survey periods (See NOTE A6.). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2019 reporting survey period, the February 2020 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)**

East Marion Elementary School (#0181)

1. [Ref. 18101] School records did not demonstrate that the *Matrix of Services* form for one ESE student was reviewed or updated when the student's IEP was reviewed. We propose the following adjustment:

111 Grades K-3 with ESE Services	.5001	
254 ESE Support Level 4	<u>(.5001)</u>	<u>.0000</u>
		<u>.0000</u>

Osceola Middle School (#0361)

2. [Ref. 36101] School records did not evidence that one ELL student's parents were invited to attend the student's ELL Committee meeting to consider the student's continued ESOL placement beyond 3 years from the student's DEUSS anniversary date. We propose the following adjustment:

102 Basic 4-8	.9095	
130 ESOL	<u>(.9095)</u>	<u>.0000</u>

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

Osceola Middle School (#0361) (Continued)

3. [Ref. 36102] School records did not demonstrate that the parents of one ESE student had participated in the student's EP meeting for the October 2019 reporting survey period. We propose the following adjustment:

102 Basic 4-8	.5000	
112 Grades 4-8 with ESE Services	<u>(.5000)</u>	.0000

4. [Ref. 36103] One ESE student's elective course was incorrectly reported in Program No. 255 (ESE Support Level 5) based on the student's *Matrix of Services* form relating to one-on-one services in the Hospital and Homebound Program. The student's IEP supported 60 minutes of weekly assistance with learning activities for United States History, Geometry, English, and Science at the student's home. The student completed the coursework for a Digital Information Technology/Level 2 course (course number 8207310) through a computer-based platform but School documentation did not evidence that the course was provided as a one-on-one service. Consequently, the course should have been reported in Program No. 112 Grades 4-8 with ESE Services. We propose the following adjustment:

112 Grades 4-8 with ESE Services	.0810	
255 ESE Support Level 5	<u>(.0810)</u>	.0000
		<u>.0000</u>

Dunnellon High School (#0521)

5. [Ref. 52101] School records did not evidence that two ELL students' parents were invited to attend the students' ELL Committee meeting to consider the students' continued ESOL placements beyond 3 years from each student's DEUSS anniversary date. We propose the following adjustment:

103 Basic 9-12	1.1522	
130 ESOL	<u>(1.1522)</u>	.0000

6. [Ref. 52102] English language proficiency was not assessed and ELL Committees were not convened within 30 school days prior to two students' DEUSS anniversary dates to consider the students' continued ESOL placements beyond 3 years from each student's DEUSS. We propose the following adjustment:

103 Basic 9-12	.6943	
130 ESOL	<u>(.6943)</u>	.0000

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

(Dunnellon High School (#0521)) (Continued)

7. [Ref. 52170] One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher held certification in English Middle Grades (5-9) but taught a course that required certification in English Grades 6-12. We also noted that the student’s parents were not properly notified of the teacher’s out-of-field status. Specifically, the out-of-field notification letter dated August 26, 2019, did not list the teacher’s out-of-field subject area. We propose the following adjustment:

103 Basic 9-12	.0847	
130 ESOL	<u>(.0847)</u>	<u>.0000</u>
		<u>.0000</u>

Fort McCoy School (#0531)

8. [Ref. 53101] The *Matrix of Services* forms for three ESE students were not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

111 Grades K-3 with ESE Services	.5159	
112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	<u>(1.5159)</u>	<u>.0000</u>

9. [Ref. 53170] The parents of ELL students taught by one out-of-field teacher were not properly notified of the teacher’s out-of-field status in Elementary Education. Specifically, the out-of-field letter dated September 3, 2019, did not list the teacher’s out-of-field subject area. We propose the following adjustment:

102 Basic 4-8	.3437	
130 ESOL	<u>(.3437)</u>	<u>.0000</u>
		<u>.0000</u>

Ocala Springs Elementary School (#0541)

10. [Ref. 54101] The files for two ELL students did not contain documentation to support the students’ placements in the ESOL Program. We propose the following adjustment:

101 Basic K-3	.7937	
130 ESOL	<u>(.7937)</u>	<u>.0000</u>
		<u>.0000</u>

Findings

Emerald Shores Elementary School (#0561)

11. [Ref. 56101] School records did not evidence that one ELL student’s parents were invited to attend the student’s ELL Committee meeting to consider the student’s continued ESOL placement beyond 3 years from the student’s DEUSS anniversary date. We propose the following adjustment:

102 Basic 4-8	.8580	
130 ESOL	<u>(.8580)</u>	.0000

12. [Ref. 56102] The course schedule for one PK ESE student was incorrectly reported for the February 2020 reporting survey period. The student was provided a total of 860 instructional minutes or .3583 FTE but was reported for a total of 890 instructional minutes or .3722 FTE. In addition, the *Matrix of Services* form for the student was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

111 Grades K-3 with ESE Services	.3583	
254 ESE Support Level 4	<u>(.3722)</u>	(.0139)

13. [Ref. 56170] The parents of ELL students taught by one out-of-field teacher were not properly notified of the teacher’s out-of-field status in PK Primary for the February 2020 reporting survey period. Specifically, the out-of-field letter dated November 1, 2019, did not list the teacher’s out-of-field subject area. In addition, a letter dated January 31, 2020, notified parents of the teacher’s out-of-field status in ESOL, but did not refer to the teacher’s out-of-field status in PK Primary. We propose the following adjustment:

101 Basic K-3	.8289	
130 ESOL	<u>(.8289)</u>	.0000
		<u>(.0139)</u>

Marion Virtual Franchise (#7004)

14. [Ref. 700401] One Basic with ESE Services virtual education student was incorrectly reported for FTE. The FEFP provides annual funding for a 180-day regular school year and for specific programs that extend beyond the regular school year, including virtual instruction programs, for the purposes of course completion and credit recovery. However, this course started prior to the beginning of the 180-day regular school year, was not for credit recovery purposes, and was not eligible to be reported for FEFP funding for the 2019-20 school year. We propose the following adjustment:

113 Grades 9-12 with ESE Services	<u>(.0670)</u>	<u>(.0670)</u>
		<u>(.0670)</u>

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

Marion Technical Institute (#9401)

15. [Ref. 940101] School records did not evidence that one ELL student’s parents were invited to attend the student’s ELL Committee meeting to consider the student’s continued ESOL placement beyond 3 years from the student’s DEUSS anniversary date. We propose the following adjustment:

103 Basic 9-12	.2319	
130 ESOL	<u>(.2319)</u>	.0000

16. [Ref. 940170] One teacher taught Language Arts to a class that included an ELL student but was not properly certified to teach ELL students and was not approved by the School Board to teach these students out of field. We propose the following adjustment:

103 Basic 9-12	.0702	
130 ESOL	<u>(.0702)</u>	<u>.0000</u>
		<u>.0000</u>

McIntosh Area School (#9680) Charter School

17. [Ref. 968001] An ELL Committee was not convened by October 1 to consider one ELL student’s continued ESOL placement beyond 3 years from the student’s DEUSS anniversary date. In addition, the student’s *ELL Student Plan* was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

102 Basic 4-8	.8751	
130 ESOL	<u>(.8751)</u>	.0000

18. [Ref. 968002] Our review of the School’s *Recorded Class Attendance Reports* disclosed that, for one substitute teacher, the attendance record-keeping procedures were not sufficient during the February 2020 reporting survey period. Inquiries with School Administration disclosed that the substitute teacher manually recorded the daily attendance on an *Attendance Sheet* (roster), but the roster was not signed and dated by the substitute teacher. Since the roster, as the original source document, was not signed and dated by the substitute teacher attesting to its accuracy and completeness, we could not place reliance on the document to validate the eligibility of these nine students. We propose the following adjustment:

101 Basic K-3	(4.0004)	
111 Grades K-3 with ESE Services	<u>(.5000)</u>	<u>(4.5004)</u>
		<u>(4.5004)</u>

Findings

New Leaf Center (#9731)

19. [Ref. 973104] Several students' course schedules were incorrectly reported. The School's daily instructional schedule supported 1,675 CMW for Grades K-5 and met the minimum reporting of CMW; however, the students' course schedules were not reported in agreement with the School's daily instructional schedule. We noted differences ranging from 115 to 175 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, 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 and we present this disclosure finding with no proposed adjustment. .0000

20. [Ref. 973101] School records did not evidence that one student was in attendance during the February 2020 reporting survey period; consequently, the student should not have been reported for FEFP funding. We propose the following adjustment:

102 Basic 4-8	(.5002)	(.5002)
---------------	---------	---------

21. [Ref. 973102] School records did not evidence that one ELL student's parents were invited to attend the student's ELL Committee meeting to consider the student's continued ESOL placement beyond 3 years from the student's DEUSS anniversary date. We propose the following adjustment:

102 Basic 4-8	.4165	
130 ESOL	(.4165)	.0000

22. [Ref. 973103] An ELL Committee was not convened by October 1 to consider one ELL student's continued ESOL placement beyond 3 years from the student's DEUSS anniversary date. In addition, the student's *ELL Student Plan* was dated November 1, 2019, which was after the October 2019 reporting survey period. We propose the following adjustment:

102 Basic 4-8	.4464	
130 ESOL	(.4464)	.0000

Findings

New Leaf Center (#9731) (Continued)

23. [Ref. 973170/71] Our testing of teacher qualifications disclosed that two teachers did not hold a valid Florida teaching certificate. School staff indicated that the teachers were hired as substitute teachers; however, our review of the teachers’ classroom placements indicated that the teachers were not assigned to fill in for absent teachers (i.e., in a limited temporary role), rather the placements demonstrated that the individuals were hired to fill an open teacher vacancy providing direct instructional services to students.

Sections 1010.215(1)(c) and 1012.01(2), Florida Statutes, provide that instructional personnel consists of classroom teachers, including substitutes, and means any K-12 staff member whose functions provide direct support in the learning process of students. Classroom teachers, including substitute teachers, are staff members assigned the professional activity of instructing students in courses in classroom situations, including basic instruction, ESE, career education, and adult education. Further, Section 1012.55(1)(b), Florida Statutes, indicates 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 SBE rules in fulfilling the requirements of the law for the type of service rendered. Such positions include personnel providing direct instruction to students through a virtual environment or through a blended virtual and physical environment.

Since the teachers were providing direct instructional services, did not hold any certification, and were not otherwise qualified to teach, we propose the following adjustments:

<u>Ref. 973170</u>		
102 Basic 4-8	.1702	
254 ESE Support Level 4	(.1702)	.0000
<u>Ref. 973171</u>		
102 Basic 4-8	.1702	
254 ESE Support Level 4	(.1702)	.0000
		<u>(.5002)</u>
Proposed Net Adjustment		<u>(5.0815)</u>

SCHEDULE E

RECOMMENDATIONS AND REGULATORY CITATIONS FULL-TIME EQUIVALENT STUDENT ENROLLMENT

RECOMMENDATIONS

We recommend that Marion 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 that are timely reviewed or completed and retained in readily accessible files; (2) the English language proficiency of students being considered for continuation of their ESOL placements beyond the initial 3-year base period is assessed by October 1 if the students DEUSS falls within the first 2 weeks of the school year, or within 30 school days prior to the students' DEUSS anniversary dates, ELL Committees are timely convened subsequent to these assessments, and students' parents are properly notified of the ELL Committee meeting; (3) students are reported in the proper FEFP funding categories for the correct amount of FTE and documentation is retained to support that reporting, particularly for students in ESOL and ESE programs; (4) all required participants are involved in the development of students' EPs and documentation of this participation is maintained in the students' files; (5) only virtual education courses that are successfully completed timely are reported for FEFP funding and such completion is supported by readily accessible and accurate documentation; (6) attendance records are properly prepared and retained in accordance with SBE rules, and the DOE's *Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook*; (7) student course schedules are reported in accordance with the schools' daily instructional and bell schedules; (8) only students who are in membership and in attendance at least 1 day of the reporting survey period are reported for FEFP funding; and (9) teachers, including substitute teachers, serving in a role consistent with that of a classroom teacher as provided by Florida Statutes and SBE rules, are properly certified, or if not properly certified, are approved by the School Board to teach out of field, and the students' parents are notified of the teachers' out-of-field placement.

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*

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 2019-20

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 2019-20

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*

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

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

A summary discussion of the significant features of the Marion 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 Marion 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 Marion 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 56 schools other than charter schools, 4 charter schools, 1 cost center, and 1 virtual education cost center serving PK through 12th-grade students.

For the fiscal year ended June 30, 2020, State funding totaling \$177.4 million was provided through the FEFP to the District for the District-reported 43,208.35 unweighted FTE as recalibrated, which included 536.02 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 Surveys

The FTE is determined and reported during the school year by means of four FTE membership surveys that are conducted under the direction of district and school management. Each survey is a determination of the FTE membership for a period of 1 week. The surveys for the 2019-20 school year were conducted during and for the following weeks: Survey 1 was performed July 8 through 12, 2019; Survey 2 was performed October 7 through 11, 2019; Survey 3 was performed February 3 through 7, 2020; and for applicable schools, Survey 4 was performed June 8 through 12, 2020.

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*

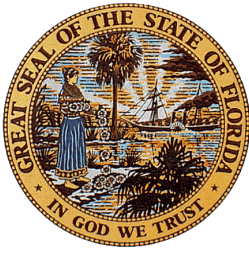
SBE Rules, Chapter 6A-6, FAC, *Special Programs I*

NOTE B – TESTING FTE STUDENT ENROLLMENT
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Our examination procedures for testing provided for the selection of schools, students, and teachers using judgmental methods for testing the FTE student enrollment including teacher certification as reported under the FEFP to the DOE for the fiscal year ended June 30, 2020. 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. East Marion Elementary School	1
2. Osceola Middle School	2 through 4
3. Dunnellon High School	5 through 7
4. Fort McCoy School	8 and 9
5. Ocala Springs Elementary School	10
6. Emerald Shores Elementary School	11 through 13
7. Marion Virtual Franchise	14
8. Marion Technical Institute	15 and 16
9. McIntosh Area School*	17 and 18
10. New Leaf Center	19 through 23

* Charter School



Sherrill F. Norman, CPA
Auditor General

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

Report on Student Transportation

We have examined the Marion 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, 2020. 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 2019-20 (Appendix G)* 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, waste, 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

In our opinion, the Marion County District School Board complied, in all material respects, with State requirements relating to the classification, assignment, and verification of student transportation reported under the Florida Education Finance Program for the fiscal year ended June 30, 2020.

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 weaknesses⁵ 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 waste 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. 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. 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. 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.

⁵ 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
December 15, 2021

SCHEDULE F

POPULATIONS, TEST SELECTION, AND TEST RESULTS STUDENT TRANSPORTATION

Any student who is transported by the Marion County District School Board (District) must meet one or more of the following conditions to be eligible for State transportation funding: live 2 or more miles from school, be classified as a student with a disability under 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, 2020. (See NOTE B.) The population of vehicles (602) 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 2019 and February and June 2020 reporting survey periods would be counted in the population as four vehicles. Similarly, the population of students (40,544) consisted of the total number of funded students reported by the District as having been transported for all reporting survey periods. (See NOTE A2.) The District reported students in the following ridership categories:

<u>Ridership Category</u>	<u>Number of Funded Students Transported</u>
Teenage Parents and Infants	5
IDEA – PK through Grade 12, Weighted	2,722
All Other FEFP Eligible Students	<u>37,817</u>
Total	<u>40,544</u>

Students with exceptions are students with exceptions affecting their ridership category. Students cited only for incorrect reporting of days in term, if any, are not included in our error-rate determination.

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.	(2)	-	-
Our tests included 295 of the 40,544 students reported as being transported by the District.	-	14	(8)
In conjunction with our general tests of student transportation we identified certain issues related to 912 additional students.	-	<u>912</u>	<u>(911)</u>
Total	<u>(2)</u>	<u>926</u>	<u>(919)</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

Marion 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 2019-20 (Appendix G)* 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

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 2019 reporting survey periods and the February 2020⁶ 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 2019 reporting survey period and once for the February 2020 reporting survey period) will be presented in our Findings as two test students.

1. [Ref. 51] Seven students (six were in our test) were incorrectly reported in the IDEA - PK through Grade 12, Weighted ridership category. The students' IEPs did not indicate that the students met at least one of the five criteria required for reporting in a weighted ridership category. We determined that the students were eligible to be reported in the All Other FEFP Eligible Students ridership category and propose the following adjustments:

October 2019 Survey

90 Days in Term

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

February 2020 Survey

90 Days in Term

IDEA - PK through Grade 12, Weighted	(4)	
All Other FEFP Eligible Students	<u>4</u>	0

⁶ Due to the COVID-19 pandemic, the District did not transport students during the June 2020 reporting survey period.

**Students
Transported
Proposed Net
Adjustments**

Findings

2. [Ref. 52] Our general review of transportation records evidenced that the ridership of 717 students (8 students were in our test) was not properly supported for State transportation funding. Specifically: the ridership dates for 635 students were subsequent to the dates on which the bus drivers signed the bus reports and attested to the accuracy of the ridership; 77 students were not marked as riding their assigned buses; and 5 students were not listed on the bus drivers' reports as riding the buses. We propose the following adjustments:

July 2019 Survey

8 Days in Term

IDEA - PK through Grade 12, Weighted (4)

October 2019 Survey

90 Days in Term

IDEA - PK through Grade 12, Weighted (25)

All Other FEFP Eligible Students (275)

February 2020 Survey

90 Days in Term

IDEA - PK through Grade 12, Weighted (22)

All Other FEFP Eligible Students (391) (717)

3. [Ref. 53] Our general tests disclosed that the ridership of 202 students was not adequately supported. Four bus driver route reports for two buses were missing and could not be subsequently located. As a result of the missing reports, the buses in operation were overstated by two buses. We propose the following adjustment:

October 2019 Survey

Number of Buses in Operation (2)

90 Days in Term

All Other FEFP Eligible Students (202) (202)

Proposed Net Adjustment

(919)

SCHEDULE H

RECOMMENDATIONS AND REGULATORY CITATIONS STUDENT TRANSPORTATION

RECOMMENDATIONS

We recommend that Marion County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) students who are reported in a weighted ridership category are documented as having met at least one of the five criteria required for weighted classification as indicated on each student's IEP; (2) all bus driver reports documenting student ridership during the reporting survey periods are timely signed and dated by the bus drivers attesting to the validity and correctness of the students' ridership and are retained in readily accessible files; (3) only those students who are in membership and are documented as having been transported at least 1 day during the reporting survey period are reported for State transportation funding; and (4) the number of buses in operation are accurately reported and documentation is maintained to support that reporting.

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 2019-20 (Appendix G)

NOTES TO SCHEDULES

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

For the fiscal year ended June 30, 2020, the District received \$10.4 million 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 2019	43	84	307
October 2019	283	20,369	1,769
February 2020	276	20,091	1,819
Totals	<u>602</u>	<u>40,544</u>	<u>3,895</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
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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, 2020. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the FEFP.

MANAGEMENT'S RESPONSE



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December 15, 2021

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

RE: Response – Preliminary and Tentative Report FEFP Fiscal Year Ended June 30, 2020

Dear Ms. Norman:

The tentative examination findings for student, staff and transportation have been reviewed and are accepted as presented. The findings continue to be in alignment with those presented during the exit interview meeting with the lead auditor, Alex Riggins.

The district will continue to do inter-departmental collaborative work, re-training, as well as, review and update established processes, all to ensure future compliance. Following the exit interview meeting in October the planning work began and some process changes and training have, already, been implemented. Each finding and the approach(es) to resolve similar findings in the future is outlined below, per the response guidelines.

Updated or Implemented Processes

- Findings #:
 - Student: 1, 2, 5, 7, 8, 9, 10, 11, 12, 13, 15, 16, 18, 21, 22
 - Transportation: 3

Training/Retraining

- Findings #:
 - Student: 1, 2, 3, 5, 8, 11, 12, 15, 17, 18, 19, 20, 21, 23
 - Transportation: 2, 3

Inter-departmental Collaborative Work

- Findings #
 - Student: 4, 6, 10, 14
 - Transportation: 1

Please contact Vickye Vaughns, Supervisor of Student Information and State Reporting, at 352-671-7700, with additional questions.

Sincerely,

Diane V. Gullett, Ed.D.
Superintendent

DG/vv

Dr. Diane Gullett Superintendent	Allison Campbell District 1	Don Browning District 2	Eric Cummings District 3	Nancy Thrower District 4	Kelly King District 5
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