



AUDITOR GENERAL
WILLIAM O. MONROE, CPA



DIXIE COUNTY DISTRICT SCHOOL BOARD
FLORIDA EDUCATION FINANCE PROGRAM (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
AND
STUDENT TRANSPORTATION

For the Fiscal Year Ended June 30, 2005

The governing body of the District is the District School Board, which is composed of five elected members. The executive officer of the Board is the elected Superintendent of Schools. The Board members and Superintendent of Schools who served during the examination period were: Timothy W. Alexander, Chair; Bonnie F. Williams (to 11-15-04), Vice-Chair; Glenn Osteen, Vice-Chair (from 11-16-04); Patrick W. Bell (from 11-16-04); David Keen; Dwayne Rollison; and Mr. Dennis W. Bennett, Superintendent.

This examination was conducted by Jennifer Taylor, CPA, and supervised by J. David Hughes, CPA. Please address inquiries regarding this report to Joe Williams, Audit Manager, via e-mail at joewilliams@aud.state.fl.us or by telephone at (850) 414-9941.

This report, as well as other audit reports prepared by the Auditor General, can be obtained on our Web site (<http://www.state.fl.us/audgen>); by telephone at (850) 487-9024; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Dixie County District School Board
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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 DIXIE COUNTY DISTRICT SCHOOL BOARD FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated September 20, 2005, that the Dixie County District School Board complied with the State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2005. 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* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements. Our responsibility is to express an opinion on the District's compliance 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 and, accordingly, included examining, on a test basis, evidence about the District's compliance with the aforementioned State requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. The legal determination of the District's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

In our opinion, the Dixie County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2005.

The results of our examination disclosed instances of noncompliance with the State requirements mentioned above. We considered these instances of noncompliance in forming our opinion regarding management's assertion and these items did not affect our opinion as stated above. All of the instances of noncompliance disclosed by our examination procedures are discussed in SCHEDULE D. The impact of those instances of noncompliance on the District's reported number of full-time equivalent (FTE) students is presented in SCHEDULE A, SCHEDULE B, SCHEDULE C, and SCHEDULE D.

This report is intended for the information of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and the Dixie County District School Board. Copies of this report are available pursuant to Section 11.45(4)(c), Florida Statutes, and its distribution is not limited.

Respectfully submitted,



William O. Monroe, CPA
May 15, 2006

SCHEDULE A

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

<u>Description¹</u>	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Students (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>	<u>Number of Unweighted FTE²</u>	<u>% of Pop. (Sample)</u>
1. <u>Basic</u>						
Population ³	4	100.00%	1,712	100.00%	1,524.6500	100.00%
Sample Size ⁴	4	100.00%	93	5.43%	83.9640	5.51%
Net Audit Adjustments ⁵	-	-	(1)	(1.08%)	.0584	-
2. <u>English for Speakers of Other Languages (ESOL)</u>						
Population ³	0	0.00%	0	0.00%	.0000	0.00%
Sample Size ⁴	0	0.00%	0	0.00%	.0000	0.00%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	.0000	-
3. <u>Exceptional - Basic with ESE Services</u>						
Population ³	5	100.00%	475	100.00%	423.4100	100.00%
Sample Size ⁴	4	80.00%	55	11.58%	48.6484	11.49%
Net Audit Adjustments ⁵	-	-	(1)	(1.82%)	1.6616	-
4. <u>Exceptional - ESE Support Levels 4 and 5</u>						
Population ³	5	100.00%	35	100.00%	26.6800	100.00%
Sample Size ⁴	4	80.00%	31	88.57%	22.6750	85.00%
Net Audit Adjustments ⁵	-	-	(5)	(16.13%)	(2.0900)	-
5. <u>Vocational On-the-Job Training (OJT)</u>						
Population ³	1	100.00%	12	100.00%	4.0700	100.00%
Sample Size ⁴	1	100.00%	5	41.67%	1.6983	41.73%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	.0000	-
6. <u>Vocational (Excluding OJT)</u>						
Population ³	1	100.00%	0	0.00%	78.7800	100.00%
Sample Size ⁴	0	0.00%	0	0.00%	0.0000	0.00%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	.0000	-

<u>All Programs</u>						
Population ³	5	100.00%	2,234	100.00%	2,057.5900	100.00%
Sample Size ⁴	4	80.00%	184	8.24%	156.9857	7.63%
Net Audit Adjustments ⁵	-	-	(7)	(3.80%)	(.3700)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Dixie County District School Board
**FULL-TIME EQUIVALENT (FTE) STUDENTS
 POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS**
 For the Fiscal Year Ended June 30, 2005

Description¹	Number of Schools	% of Pop.	Number of Teachers (w/Exceptions)	% of Pop. (Sample)	Number of Unweighted FTE²
Teacher Certification					
Population	5	100.00%	40	100.00%	-
Sample Size ⁴	4	80.00%	17	42.50%	-
Net Audit Adjustments ⁵	-	-	(3)	(17.65%)	-
Basic	-	-	-	-	.4085
Basic with ESE Services	-	-	-	-	(.3201)
Vocational 9-12	-	-	-	-	(.0884)
					<u>.0000</u>
Net Audit Adjustments					<u>(.3700)</u>

¹ See NOTE A6.

² Unweighted full-time equivalent (FTE) students represents FTE prior to the application of the applicable cost factor for each program. (See SCHEDULE B and NOTE A4.)

³ The population shown for the number of schools is the total number of schools in the District which offered the courses in the program specified (i.e., Basic, ESOL, ESE, and Vocational). The population shown for the number of students is the total number of students in each program at the schools in our sample. Our Vocational sample was limited to only those students who participated in on-the-job-training (OJT). The population shown for full-time equivalent (FTE) students is the total FTE for all of the District's schools (sample schools plus nonsample schools) as reported for each survey conducted for the fiscal year ended June 30, 2005. The population shown for teachers is the total number of teachers at schools in our sample who taught courses in Exceptional education or Vocational education or taught courses to Limited English Proficient (LEP) students. (See NOTE A5.)

⁴ See NOTE B.

⁵ Our audit adjustments generally reclassify reported FTE to Basic education for all exceptions except for those involving a student's attendance or enrollment (the audit adjustments for which take the reported FTE to zero).

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
EFFECT OF AUDIT ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
 For the Fiscal Year Ended June 30, 2005

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
102 Basic 4-8	.1784	1.000	.1784
103 Basic 9-12	.2885	1.132	.3266
111 Grades K-3 with ESE Services	.5000	1.012	.5060
112 Grades 4-8 with ESE Services	.9216	1.000	.9216
113 Grades 9-12 with ESE Services	(.0801)	1.132	(.0907)
254 ESE Support Level 4	(1.5000)	3.948	(5.9220)
255 ESE Support Level 5	(.5900)	5.591	(3.2987)
300 Vocational 9-12	(.0884)	1.187	(.1049)
Total	(.3700)		(7.4837)

¹ See NOTE A6.

² These adjustments are for unweighted FTE. (See SCHEDULE C.)

³ Weighted FTE adjustments are presented for illustrative purposes only; they 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 audit adjustments. That computation is the responsibility of the Department of Education. (See NOTE A4.)

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2005

<u>No. Program</u>	<u>#0021</u>	<u>Audit Adjustments¹</u>		<u>Total</u>
		<u>#0101</u>	<u>#0111</u>	
102 Basic 4-8	.....	.0584	.1200	.1784
103 Basic 9-12	.2885	.....	.....	.2885
111 Grades K-3 with ESE Services	.....	.5000	.....	.5000
112 Grades 4-8 with ESE Services	.....	1.0416	(.1200)	.9216
113 Grades 9-12 with ESE Services	(.0801)	.....	.....	(.0801)
254 ESE Support Level 4	.....	(1.5000)	.....	(1.5000)
255 ESE Support Level 5	(.5000)	(.0900)	.....	(.5900)
300 Vocational 9-12	(.0884)	.....	.....	(.0884)
Total	(.3800)	.0100	.0000	(.3700)

¹ These adjustments are for unweighted FTE. (See NOTE A4.)

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

Overview

Management is responsible for determining and reporting the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) in compliance with State requirements. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the *FTE General Instructions* issued by the Department of Education. The Dixie County District School Board complied, in all material respects, with State requirements governing the determination and reporting of FTE for the fiscal year ended June 30, 2005. All of the instances of noncompliance disclosed by our examination procedures are discussed below and require management's attention and action, as recommended on page 10.

Findings

**Net Audit
Adjustment
(Unweighted FTE)**

Dixie County High School (#0021)

1. [Ref. 2101] One ESE student's reporting in the Hospital and Homebound program was not adequately supported. The physician's statement authorizing the student's placement had expired prior to the reporting survey. We also noted that the student was reported for 25 hours of homebound instruction (.5000 FTE), but the student's IEP supported only 6 hours of such instruction (.1200 FTE). We made the following audit adjustments:

113 Grades 9-12 with ESE Services	.1200	
255 ESE Support Level 5	(.5000)	(.3800)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>	
<u>Dixie County High School (#0021)</u> (Continued)		
2. [Ref. 2170] <u>One teacher taught Vocational courses to students who were in a Dropout Prevention program that was reportable under Basic education. We noted, however, that one of the students concerned was reported incorrectly in program No. 300 (Vocational 9-12). We made the following audit adjustments:</u>		
103 Basic 9-12	.0884	
300 Vocational 9-12	(.0884)	.0000
3. [Ref. 2171] <u>One teacher was not appropriately certified to teach Junior ROTC. We noted that the teacher had certification in Junior ROTC, but that certification had expired on May 3, 2004, prior to the 2004-05 school year. We made the following audit adjustments:</u>		
103 Basic 9-12	.2001	
113 Grades 9-12 with ESE Services	(.2001)	.0000
		(.3800)
<u>James M. Anderson Elementary School (#0101)</u>		
4. [Ref. 10101] <u>The course schedules for two students were incorrectly reported due to isolated data processing errors. We made the following audit adjustments:</u>		
102 Basic 4-8	.0584	
112 Grades 4-8 with ESE Services	.0416	.1000
5. [Ref. 10102] <u>The Matrix of Services forms for two students were incomplete. The Matrix form for one of the students was missing all of its pages but page one, and the Matrix form for the other student did not indicate the individual services that were authorized for each Domain. We made the following audit adjustments:</u>		
111 Grades K-3 with ESE Services	1.0000	
112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	(2.0000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>James M. Anderson Elementary School (#0101)</u> (Continued)	
6. [Ref. 10103] <u>One ESE student in the February survey was not reported in accordance with the student's <i>Matrix of Services</i> form. We made the following audit adjustments:</u>	
111 Grades K-3 with ESE Services	(.5000)
254 ESE Support Level 4	<u>.5000</u>
	.0000
7. [Ref. 10104] <u>One ESE student was reported in program No. 255 (ESE Support Level 5) in the Hospital and Homebound program; however, there was no documentation of provided instruction. We noted that the student's IEP authorized only on-campus instruction. We made the following audit adjustment:</u>	
255 ESE Support Level 5	<u>(.0900)</u>
	<u>(.0900)</u>
	<u>.0100</u>
<u>Ruth Rains Middle School (#0111)</u>	
8. [Ref. 11170] <u>One teacher was not properly certified and was not approved by the School Board to teach out-of-field. The teacher held certification in Physical Education, but taught courses which require certification in Emotionally Handicapped. We also noted that the parents of the student taught by this teacher were not notified of the teacher's out-of-field status. We made the following audit adjustments:</u>	
102 Basic 4-8	.1200
112 Grades 4-8 with ESE Services	<u>(.1200)</u>
	<u>.0000</u>
	<u>.0000</u>
	<u>(.3700)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Dixie County District School Board
**FULL-TIME EQUIVALENT (FTE) STUDENTS
RECOMMENDATIONS AND REGULATORY CITATIONS**
For the Fiscal Year Ended June 30, 2005

Recommendations

We recommend that management exercise more care to ensure that: (1) instruction is appropriately documented for students in the Hospital and Homebound program; (2) *Matrix of Services* forms are properly completed; and (3) ESE students are reported in accordance with their *Matrix* forms.

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 governing full-time equivalent (FTE) students and the Florida Education Finance Program (FEFP).

Regulatory Citations

Reporting

- Section 1011.60, F.S. Minimum Requirements of Florida Education Finance Program (FEFP)
- Section 1011.61, F.S. Definitions
- Section 1011.62, F.S. Funds for Operation of Schools
- Rule 6A-1.0451, F.A.C. FEFP Student Membership Surveys
- Rule 6A-1.04513, F.A.C. Maintaining Auditable FTE Records
- FTE General Instructions 2004-2005

Attendance

- Section 1003.23, F.S. Attendance Records and Reports
- Rules 6A-1.044(3)&(6)(c), F.A.C. . Pupil Attendance Records
- Rule 6A-1.04513, F.A.C. Maintaining Auditable FTE Records
- FTE General Instructions 2004-2005
- Comprehensive Management Information System: Automated Student Attendance Recordkeeping System

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
RECOMMENDATIONS AND REGULATORY CITATIONS
 For the Fiscal Year Ended June 30, 2005

Regulatory Citations (Continued)Exceptional Education

- Section 1003.57(5), F.S.ESE students Instruction
- Section 1011.62, F.S.Funds for Operation of Schools
- Section 1011.62(1)(e), F.S.Funding Model for ESE student Education Programs
- Rule 6A-6.03028, F.A.C.Development of Individual Educational Plans for ESE students
- Rule 6A-6.03029, F.A.C.Development of Family Support Plans for Children with Disabilities Ages Birth Through Five Years
- Rule 6A-6.0312, F.A.C.Course Modification for ESE students
- Rule 6A-6.0331, F.A.C.Identification and Assignment of ESE students to Special Programs
- Rule 6A-6.0334, F.A.C.Temporary Assignment of Transferring ESE students
- Rule 6A-6.03411, F.A.C.Special Programs and Procedures for ESE students

Teacher Certification

- Section 1003.56, F.S.English Language Instruction for Limited English Proficient Students
- Section 1011.62(1)(g), F.S.Education For Speakers of Other Languages
- Section 1012.42(2), F.S.Teacher Teaching Out-of-Field; Notification Requirements
- Section 1012.55, F.S.Positions for Which Certificates Required
- Rule 6A-1.0502, F.A.C.Noncertificated Instructional Personnel
- Rule 6A-1.0503, F.A.C.Qualified Instructional Personnel
- Rule 6A-4.001, F.A.C.Instructional Personnel Certification
- Rule 6A-6.0521, F.A.C.Definitions and Requirements Which Apply to All Dropout Prevention Programs

The accompanying notes are an integral part of this schedule.

SCHEDULE F

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2005

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 27 of this report.

The accompanying notes are an integral part of this schedule.

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE A - SUMMARY

A summary discussion of the significant features of the District, the Florida Education Finance Program (FEFP), full-time equivalent (FTE) students, and related areas follows:

1. School District of Dixie County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Dixie County, Florida. Those services are provided primarily to students attending kindergarten through high school, but also to adults seeking vocational-type training. The District is part of the State system of public education under the general direction and control of the State Board of Education. The geographic boundaries of the District are those of Dixie County. For the fiscal year ended June 30, 2005, the District operated five schools, reported 2,057.59 unweighted full-time equivalent (FTE) students, and received approximately \$8 million in State funding under the Florida Education Finance Program (FEFP) for those FTE. The primary sources of funding for the District are funds from FEFP, local ad valorem taxes, and Federal grants and donations.

2. Florida Education Finance Program (FEFP)

Florida school districts receive State funding through the Florida Education Finance Program (FEFP), which was established by the Florida Legislature in 1973. It is the intent of the law "to guarantee to each student in the Florida public school system the availability of programs and services appropriate to his educational needs which 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.

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE A - SUMMARY (Continued)

3. Full-Time Equivalent (FTE) Students

The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an FTE (full-time equivalent) student. For example, for kindergarten through third grade, one 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 four through twelve, one FTE is defined as one student in membership in a program or a group of programs for 25 hours per week for 180 days.

4. Calculation of FEFP Funds

The amount of State and local FEFP funds is calculated by the Department of Education by multiplying the number of unweighted full-time equivalent (FTE) students 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 this product 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.

5. FTE Surveys

FTE is determined and reported during the school year by means of four FTE membership surveys, which are conducted under the direction of district and school management. Each survey is a sampling of FTE membership for a period of one week. The surveys for the 2004-2005 school year were conducted during and for the following weeks: survey one was performed for July 12-16, 2004; survey two was performed for October 11-15, 2004; survey three was performed for February 7-11, 2005; and survey four was performed for June 13-17, 2005.

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2005

NOTE A - SUMMARY (Continued)

6. Educational Programs

The Florida Education Finance Program (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 as follows: (1) Basic; (2) English for Speakers of Other Languages (ESOL); (3) Exceptional; and (4) Vocational (9-12).

7. Statutes and Rules

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

Chapter 1000, F.S.	.....K-20 General Provisions
Chapter 1001, F.S.	.....K-20 Governance
Chapter 1002, F.S.	.....Student and Parental Rights and Educational Choices
Chapter 1003, F.S.	.....Public K-12 Education
Chapter 1006, F.S.	.....Support for Learning
Chapter 1007, F.S.	.....Articulation and Access
Chapter 1010, F.S.	.....Financial Matters
Chapter 1011, F.S.	.....Planning and Budgeting
Chapter 1012, F.S.	.....Personnel
Chapter 6A-1, F.A.C.	.....Finance and Administration
Chapter 6A-4, F.A.C.	.....Certification
Chapter 6A-6, F.A.C.	.....Special Programs I

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of schools, students, and teachers, using statistical and judgmental methods, for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2005. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements governing FTE and the Florida Education Finance Program (FEFP). The following schools were in our sample:

Dixie County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE B - SAMPLING (Continued)

<u>School Name/Description</u>	<u>Finding Number(s)</u>
1. Dixie County High School	1 through 3
2. Old Town Elementary School	NA
3. James M. Anderson Elementary School	4 through 7
4. Ruth Rains Middle School	8



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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 DIXIE COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated September 20, 2005, that the Dixie County District School Board complied with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2005. These requirements are found primarily in Chapter 1006 Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements. Our responsibility is to express an opinion on the District's compliance 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 and, accordingly, included examining, on a test basis, evidence about the District's compliance with the aforementioned State requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. The legal determination of the District's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

In our opinion, the Dixie County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2005.

The results of our examination disclosed instances of noncompliance with the State requirements mentioned above. We considered these instances of noncompliance in forming our opinion regarding management's assertion and these items did not affect our opinion as stated above. All of the instances of noncompliance disclosed by our examination procedures are discussed in SCHEDULE B. The impact of those instances of noncompliance on the District's reported number of transported students is presented in SCHEDULE A and SCHEDULE B.

This report is intended for the information of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and the Dixie County District School Board. Copies of this report are available pursuant to Section 11.45(4)(c), Florida Statutes, and its distribution is not limited.

Respectfully submitted,

A handwritten signature in black ink that reads "William O. Monroe". The signature is written in a cursive style.

William O. Monroe, CPA
May 15, 2006

SCHEDULE A

Dixie County District School Board
STUDENT TRANSPORTATION
POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

<u>Description</u>	<u>Number of Vehicles</u>	<u>% of Pop.</u>	<u>No. of Students Transp.</u>	<u>% of Pop. (Sample)</u>
Population ¹	51	100.00%	2,520	100.00%
Sample ²	24	47.06%	120	4.76%
<u>General Tests</u>				
Students w/ Exceptions ³	-	-	-	-
Net Audit Adjustments	-	-	(54)	2.14%
<u>Detailed Tests</u>				
Students w/ Exceptions	-	-	1	(0.83%)
Net Audit Adjustments	-	-	(1)	(0.83%)
<u>General and Detailed Tests</u>				
Net Audit Adjustments	-	-	(55)	2.18%

¹ The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2005. The District reported 2,520 students in the following ridership categories: 70 in IDEA (K-12), Weighted; 5 in IDEA (PK), Weighted; 108 in IDEA (PK), Unweighted; 1 in Teenage Parents and Infants; and 2,336 in Two Miles or More. The District also reported operating a total of 51 vehicles (50 buses and 1 passenger car). (IDEA stands for Individuals with Disabilities Education Act.)

² See NOTE B.

³ Our General Tests do not include the selection and testing of individual students; consequently, there are no test results presented above for General Tests/ Students with Exceptions.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Dixie County District School Board
STUDENT TRANSPORTATION
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

Overview

Management is responsible for determining and reporting the number of students transported in compliance with State requirements. These requirements are found primarily in Chapter 1006 Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. The Dixie County District School Board complied, in all material respects, with State requirements governing the determination and reporting of students transported for the fiscal year ended June 30, 2005. All of the instances of noncompliance disclosed by our examination procedures are discussed below and require management's attention and action, as recommended on page 23.

**Students
 Transported
 Net Audit
Adjustment**

Findings

Our examination procedures included both general tests and detailed tests. For our general tests, we made inquiries concerning the District's transportation of students and reconciled the District's reported ridership totals for the fiscal year ended June 30, 2005, to the supporting records. Our general tests disclosed the instances of noncompliance discussed in finding Nos. 1 through 3. Our detailed tests of the specific ridership categories for students sampled from the July, October, February, and June surveys disclosed the instances of noncompliance discussed in finding No. 4.

General Tests

1. [Ref. 51] One student in the October survey was incorrectly reported as being transported by a District-owned vehicle. The student was actually transported by private vehicle, as documented by mileage reimbursement vouchers submitted by the parent.

We made the following audit adjustments:

October 2004 Survey

90 Days-in-Term

Students Transported by Bus	(1)	-
Students Transported by Passenger Car	1	-

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Dixie County District School Board
STUDENT TRANSPORTATION
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

**Students
Transported
Net Audit
Adjustment**

FindingsGeneral Tests (Continued)

2. [Ref. 52] Our reconciliation of the District's reported ridership counts for the October and February surveys to the supporting records for those surveys disclosed various discrepancies between those counts and the bus drivers' reports for 5 of the 24 buses in our sample. We made the following audit adjustments:

October 2004 Survey90 Days-in-Term

IDEA (K-12), Weighted	1	
IDEA (PK), Unweighted	1	
Two Miles or More	(4)	

February 2005 Survey90 Days-in-Term

IDEA (K-12), Weighted	(2)	
IDEA (PK), Unweighted	7	
Teenage Parents and Infants	(1)	2

3. [Ref. 53] Fifty-six students (28 in the October survey and 28 in the February survey) were incorrectly reported in IDEA (PK), Unweighted. The students were not IDEA-classified and were enrolled in Early Intervention or School Readiness programs, which are not eligible for State transportation funding. We made the following audit adjustments:

October 2004 Survey90 Days-in-Term

IDEA (PK), Unweighted	(28)	
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February 2005 Survey90 Days-in-Term

IDEA (PK), Unweighted	(28)	(56)
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Net Audit Adjustments from General Tests		(54)
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The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Dixie County District School Board
STUDENT TRANSPORTATION
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

**Students
 Transported
 Net Audit
 Adjustment**

Findings

Detailed Tests

4. [Ref. 54] One student in the February survey was reported incorrectly in Two Miles or More. The student lived less than two miles from school and was not eligible to be reported for State transportation funding. We made the following audit adjustment:

February 2005 Survey

90 Days-in-Term

Two Miles or More

(1)

(1)

Net Audit Adjustments from Detailed Tests

(1)

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Dixie County District School Board
STUDENT TRANSPORTATION
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2005

Recommendations

We recommend that management exercise more care to ensure that: (1) PK students are reported for transportation funding only if they are classified as IDEA and are enrolled in eligible PK programs; and (2) students who are reported in Two Miles or More live two or more miles from school.

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 governing student transportation.

Regulatory Citations

- Chapter 1006, Part I, E., F.S.Transportation of Public K-12 Students
- Section 1011.68, F.S.Funds for Student Transportation
- Chapter 6A-3, F.A.C.Transportation
- Student Transportation General Instructions

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Dixie County District School Board
STUDENTS TRANSPORTATION
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2005

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 27 of this report.

The accompanying notes are an integral part of this schedule.

Dixie County District School Board
STUDENT TRANSPORTATION
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2005

NOTE A - SUMMARY

A summary discussion of the significant features of student transportation and related areas follows:

1. Student Eligibility

Any student who is transported by bus must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Vocational or ESE student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes.

2. Transportation in Dixie County District School Board

For the fiscal year ended June 30, 2005, the District received approximately \$553,000 in State transportation funding. The District's transportation reporting by survey was as follows:

<u>Survey Period</u>	<u>No. of Vehicles</u>	<u>No. of Students</u>
July 2004	0	0
October 2004	26	1,250
February 2005	25	1,270
June 2005	<u>0</u>	<u>0</u>
Total	<u>51</u>	<u>2,520</u>

3. Statutes and Rules

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

- Chapter 1006, Part I, E., F.S.Transportation of Public K-12 Students
- Section 1011.68, F.S.Funds for Student Transportation
- Chapter 6A-3, F.A.C.Transportation

Dixie County District School Board
STUDENT TRANSPORTATION
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of buses and students, using statistical and judgmental methods, for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2005. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements governing students transported.

MANAGEMENT'S RESPONSE

DIXIE DISTRICT SCHOOLS

Post Office Box 890
Cross City, Florida 32628-0890
Phone (352) 498-6131
FAX (352) 498-1308
Dennis W. Bennett, Superintendent

Our schools will provide a quality learning environment by providing opportunities through educational planning and community partnerships that ensures student success.

Chairman of Board
Timothy Alexander
Vice Chairman of Board
Glenn Osteen



Board Members
Patrick Bell
David Keen
Dwayne Rollison

May 16, 2006

William O. Monroe
Auditor General, Room 412C
Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

ATTN: Joe Williams (Section 321)

Dear Sir:

Listed below are the responses to the report on the examination of full-time equivalent (FTE) students and student transportation as reported by Dixie District Schools under the Florida Education Finance Program (FEFP) for the fiscal year that ended June 30, 2005.

Response to Findings:

Table with 3 columns: Reference #, School Name, and Response. Includes entries for Dixie County High School, Anderson Elementary School, and Ruth Rains Middle School, all with the response 'We agree with findings'.

Please contact my office if any additional information is needed.

Respectfully,

[Handwritten signature of Dennis W. Bennett]

Dennis W. Bennett
Superintendent

DWB/sm

An affirmative/equal opportunity employer