AUDITOR GENERAL

WILLIAM O. MONROE, CPA

DESOTO 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: Rodney Word Hollingsworth (Vice-Chair from 11-16-04); Geraldine M. Scott (Chair through 11-15-04); Karen K. Chancey (from 11-16-04); Lenora P. Brewer (Vice-Chair to 11-15-04, Chair from 11-16-04); Robert Heine, Jr. (to 11-15-04); William Stanko (from 11-16-04); Ronny R. Allen; and Adrian H. Cline, Superintendent.

This examination was conducted by Linda Nearing, CPA, and supervised by J. David Hughes, CPA. Please address inquiries regarding this report to Joe Williams, CPA, 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.

DeSoto County District School Board
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DeSoto County District School Board
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2005

IEP – Individual Educational Plan

ESE – Exceptional Student Education

LEP – Limited English Proficient

FES – Fluent English Speaking

ESOL – English for Speakers of Other Languages

PK – Prekindergarten

OJT – On-the-Job Training

IDEA – Individuals with Disabilities Education Act

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
DESOTO COUNTY DISTRICT SCHOOL BOARD
FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated February 3, 2006, that the DeSoto 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.

Our examination procedures disclosed the following instances of material noncompliance:

Teachers

Seven of the 52 teachers in our sample did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, or notification of parents regarding out-of-field teachers. (See SCHEDULE D, finding Nos. 17, 26, 27, 28, and 31.)

Students

We noted exceptions involving 49 of the 120 students in our sample for ESOL, and all 15 of the students in our Vocational OJT sample. These exceptions included reporting errors and records that were not properly and accurately prepared or were missing and could not be located. (For ESOL, see SCHEDULE D, finding Nos. 2, 3, 4, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 20, 21, 22, 23, 24, and 25. For Vocational OJT, see SCHEDULE D, finding No. 6.)

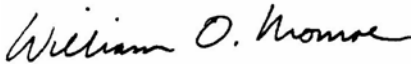
In our opinion, except for the instances of material noncompliance mentioned above involving teachers and the reporting of, and preparation and maintenance of documentation for, students in ESOL and Vocational OJT, the DeSoto County District School Board complied, in all material respects, with State 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 other instances of noncompliance with the State requirements mentioned above. We considered these other 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.

In accordance with *Government Auditing Standards*, we are required to report deficiencies in internal control that are material to management's assertion. The instances of material noncompliance mentioned above, and identified by finding number, are indicative of such deficiencies in the District's internal controls related to teacher assignments and the reporting of, and the maintenance of supporting documentation for, students in ESOL and Vocational OJT. The relevant populations, samples, and exception totals that pertain to these instances of noncompliance are presented in SCHEDULE A herein. We performed our examination to express an opinion on the District's compliance with the State requirements previously mentioned and not for the purpose of expressing an opinion on the District's related internal controls; accordingly, we express no such opinion.

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 DeSoto 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
June 5, 2006

SCHEDULE A

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

Description[1]	Number of Schools	% of Pop.	Number of Students (w/Exceptions)	% of Pop. (Sample)	Number of Unweighted FTE[2]	% of Pop. (Sample)
1. Basic						
Population[3]	11	100.00%	4,168	100.00%	3,604.9637	100.00%
Sample Size[4]	6	54.55%	136	3.26%	112.3414	3.12%
Net Audit Adjustments[5]	-	-	(6)	(4.41%)	19.2402	-
2. English for Speakers of Other Languages (ESOL)						
Population[3]	5	100.00%	501	100.00%	240.0453	100.00%
Sample Size[4]	5	100.00%	120	23.95%	57.0331	23.76%
Net Audit Adjustments[5]	-	-	(49)	(40.83%)	(17.0125)	-
3. Exceptional - Basic with ESE Services						
Population[3]	12	100.00%	932	100.00%	1,026.9105	100.00%
Sample Size[4]	6	50.00%	98	10.52%	82.8224	8.07%
Net Audit Adjustments[5]	-	-	(11)	(11.22%)	(1.5278)	-
4. Exceptional - ESE Support Levels 4 and 5						
Population[3]	6	100.00%	9	100.00%	11.1652	100.00%
Sample Size[4]	5	83.33%	9	100.00%	7.7652	69.55%
Net Audit Adjustments[5]	-	-	(1)	(11.11%)	(.2652)	-
5. Vocational 9-12 On-the-Job Training (OJT)						
Population[3]	5	100.00%	60	100.00%	20.3183	100.00%
Sample Size[4]	1	20.00%	15	25.00%	4.0912	20.14%
Net Audit Adjustments[5]	-	-	(15)	(100.00%)	(2.7296)	-
6. Vocational 9-12 (Excluding OJT)						
Population[3]	5	100.00%	0	0.00%	147.4004	100.00%
Sample Size[4]	0	0.00%	0	0.00%	0.0000	0.00%
Net Audit Adjustments[5]	-	-	(0)	(0.00%)	(0.0000)	-
All Programs						
Population[3]	13	100.00%	5,670	100.00%	5,050.8034	100.00%
Sample Size[4]	6	46.15%	378	6.67%	264.0533	5.23%
Net Audit Adjustments[5]	-	-	(82)	(21.69%)	(2.2949)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

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

Description[1]	Number of Schools	% of Pop.	Number of Teachers (w/Exceptions)	% of Pop. (Sample)	Number of Unweighted FTE[2]
Teacher Certification					
Population	13	100.00%	152	100.00%	-
Sample Size[4]	6	46.15%	52	34.21%	-
Net Audit Adjustments[5]	-	-	(7)	(13.46%)	-
Basic	-	-	-	-	13.0359
ESOL	-	-	-	-	(10.9555)
Basic with ESE Services	-	-	-	-	(2.0804)
					.0000
Non-Sampled Students					
Net Audit Adjustments[5]					
Basic	-	-	-	-	(1.2336)
Basic with ESE Services	-	-	-	-	(1.4456)
Vocational 9-12	-	-	-	-	(.1564)
			-	-	(2.8356)
Net Audit Adjustments					(5.1305)

[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 District schools and District-wide educational programs 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 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 ESE or Vocational education or taught courses to 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

DeSoto 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

No.	Program[1]	Net Audit Adjustment[2]	Cost Factor	Weighted FTE[3]
101	Basic K-3	25.4735	1.012	25.7792
102	Basic 4-8	3.3251	1.000	3.3251
103	Basic 9-12	2.2439	1.132	2.5401
111	Grades K-3 with ESE Services	(1.0000)	1.012	(1.0120)
112	Grades 4-8 with ESE Services	(.6112)	1.000	(.6112)
113	Grades 9-12 with ESE Services	(3.4426)	1.132	(3.8970)
130	ESOL	(27.9680)	1.302	(36.4143)
255	ESE Support Level 5	(.2652)	5.591	(1.4827)
300	Vocational 9-12	(2.8860)	1.187	(3.4257)
Total		(5.1305)		(15.1985)

[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

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

		Audit Adjustments[1]		
No. Program	**#0031**	**#0061**	**#0081**	**Balance Forward**
101 Basic K-3	.....	2.5604	8.0589	10.6193
102 Basic 4-8	.....	.3617	.2886	.6503
103 Basic 9-12	1.5269	.....	.....	1.5269
111 Grades K-3 with ESE Services	.....	(1.0000)	.....	(1.0000)
112 Grades 4-8 with ESE Services	.....	.....	.....	.0000
113 Grades 9-12 with ESE Services	.....	.....	.....	.0000
130 ESOL	(.5304)	(1.9221)	(8.3475)	(10.8000)
255 ESE Support Level 5	(.2652)	.....	.....	(.2652)
300 Vocational 9-12	(2.7204)	.....	.....	(2.7204)
Total	(1.9891)	.0000	.0000	(1.9891)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

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

Program No.	Brought Forward	Audit Adjustments[1] #0161	#0181	#0271	Total
101	10.6193	.....	14.8542	.....	25.4735
102	.6503	.6668	2.1470	(.1390)	3.3251
103	1.5269	.....	.....	.7170	2.2439
111	(1.0000)	.....	.....	.....	(1.0000)
112	.0000	(.5000)	.....	(.1112)	(.6112)
113	.0000	.....	.....	(3.4426)	(3.4426)
130	(10.8000)	(.1668)	(17.0012)	.....	(27.9680)
255	(.2652)	.....	.....	.....	(.2652)
300	(2.7204)	.....	.....	(.1656)	(2.8860)
Total	(1.9891)	.0000	.0000	(3.1414)	(5.1305)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

DeSoto 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. Except for instances of material noncompliance involving teachers and the reporting of, and preparation and maintenance of documentation for, students in ESOL and Vocational OJT, the DeSoto 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 18.

Findings — **Net Audit Adjustment (Unweighted FTE)**

Our examination included the July and October 2004 surveys and the February and June 2005 surveys. (See NOTE A5.) Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2004 survey or the February 2005 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Desoto High School (#0031)

1. [Ref. 3101] The course schedules for two OJT students in our Basic sample were reported using an incorrect priority. The students' OJT, off-campus time was funded prior to the students' on-campus instruction. We also noted the students' timecards for the October survey were missing and could not be located, and the students did not attend school during the February survey period. We made the following audit adjustments:

103 Basic 9-12	(.4710)	
300 Vocational 9-12	(.8522)	(1.3232)

2. [Ref. 3102] Two LEP students were beyond the six-year period allowed for State funding of ESOL. We made the following audit adjustments:

103 Basic 9-12	.1768	
130 ESOL	(.1768)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustment (Unweighted FTE)
Desoto High School (#0031) (Continued)		
3. [Ref. 3103] The parents of one LEP student were not notified of their child's placement in ESOL. We made the following audit adjustments:		
103 Basic 9-12	.1768	
130 ESOL	(.1768)	.0000
4. [Ref. 3104] Two students were reported incorrectly in ESOL. The students' English language assessment tests indicated that they were FES and competent in reading and writing. We also noted that the students' LEP Committees, which recommended their ESOL-placement, did not consider at least two of the ESOL-placement criteria specified by State Board of Education Rule 6A-6.0902(2)3., Florida Administrative Code. We made the following audit adjustments:		
103 Basic 9-12	.1768	
130 ESOL	(.1768)	.0000
5. [Ref. 3105] One student was not in attendance and should not have been reported. We made the following audit adjustment:		
255 ESE Support Level 5	(.2652)	(.2652)
6. [Ref. 3106] The course schedules for 15 students in the OJT program were funded using an incorrect priority. The students' OJT, off-campus time was funded prior to the students' on-campus instruction. We also noted the timecards for three of the students were missing and could not be located, and one of the students was reported for more OJT time than was supported by that student's timecard. We made the following audit adjustments:		
103 Basic 9-12	1.4675	
300 Vocational 9-12	(1.8682)	(.4007)
		(1.9891)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustment (Unweighted FTE)
West Elementary School (#0061)		
7. [Ref. 6101] The files for two ESE students contained documentation that indicated the students had been dismissed from ESE prior to the reporting survey. We made the following audit adjustments:		
101 Basic K-3	1.0000	
111 Grades K-3 with ESE Services	(1.0000)	.0000
8. [Ref. 6102] The file for one student in ESOL did not contain a supporting *LEP Student Plan*. We made the following audit adjustments:		
102 Basic 4-8	.3617	
130 ESOL	(.3617)	.0000
9. [Ref. 6103] The *LEP Student Plans* for four students in the October survey were not reviewed and updated for the 2004-05 school year until after the October survey; consequently, the students' ESOL-reporting was not adequately supported. We made the following audit adjustments:		
101 Basic K-3	1.5604	
130 ESOL	(1.5604)	.0000
		.0000
Memorial Elementary School (#0081)		
10. [Ref. 8101] The files for two students who were reported in ESOL contained no documentation indicating they were eligible for, or had been placed in, that program. We made the following audit adjustments:		
101 Basic K-3	1.1940	
130 ESOL	(1.1940)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustment (Unweighted FTE)
Memorial Elementary School (#0081) (Continued)		
11. [Ref. 8102] Three students were reported incorrectly in the ESOL. They had been dismissed from ESOL in September 2004. We made the following audit adjustments:		
101 Basic K-3	.9839	
130 ESOL	(.9839)	.0000
12. [Ref. 8103] One student's *LEP Student Plan* was not reviewed and updated for the 2004-05 school year until December 22, 2004; consequently, the student's ESOL-reporting in the October survey was not adequately supported. We made the following audit adjustments:		
101 Basic K-3	.2635	
130 ESOL	(.2635)	.0000
13. [Ref. 8104] Two students' *LEP Student Plans* were not reviewed and updated for the 2004-05 school year; consequently, the student's ESOL-reporting was not adequately supported. We made the following audit adjustments:		
101 Basic K-3	.6670	
130 ESOL	(.6670)	.0000
14. [Ref. 8105] The file for one student did not contain documentation justifying the student's continued placement in ESOL for a fourth year. The student was assessed on March 10, 2004, as FES and dismissed from the ESOL program on October 29, 2004. We also noted the *LEP Student Plan* had not been reviewed and updated for the 2004-05 school year. We made the following audit adjustments:		
102 Basic 4-8	.2886	
130 ESOL	(.2886)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustment (Unweighted FTE)
Memorial Elementary School (#0081) (Continued)		
15. [Ref. 8106] The parental notification letter and *LEP Student Plan* for one LEP student in the October survey were prepared after that survey on January 6, 2005; consequently, the student's ESOL-reporting for the October survey was not adequately supported. We made the following audit adjustments:		
101 Basic K-3	.2635	
130 ESOL	(.2635)	.0000
16. [Ref. 8107] The file for one LEP student in the October and February surveys did not contain evidence that the student's parents had been notified of the student's re-enrollment in ESOL following a break-in-service of more than one year. We also noted the student's *LEP Student Plan* was not reviewed and updated until December 20, 2004, after the October survey. We made the following audit adjustments:		
101 Basic K-3	.6670	
130 ESOL	(.6670)	.0000
17. [Ref. 8171/72] Two teachers taught Language Arts to classes that included LEP students; however, the teachers were not properly certified to teach LEP students and were not approved by the School Board to teach such students out-of-field. We made the following audit adjustments:		
Ref. 8171		
101 Basic K-3	1.9800	
130 ESOL	(1.9800)	.0000
Ref. 8172		
101 Basic K-3	2.0400	
130 ESOL	(2.0400)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustment (Unweighted FTE)
Desoto Middle School (#0161)		
18. [Ref. 16101] The parents of one LEP student were not notified of their child's placement in ESOL. We made the following audit adjustments:		
102 Basic 4-8	.1668	
130 ESOL	(.1668)	.0000
19. [Ref. 16102] The file for one ESE student did not contain an IEP that covered the reporting survey. We made the following audit adjustments:		
102 Basic 4-8	.5000	
112 Grades 4-8 with ESE Services	(.5000)	.0000
		.0000
Nocatee Elementary School (#0181)		
20. [Ref. 18101] The *LEP Student Plans* for 22 students in ESOL were not reviewed and updated for the 2004-05 school year until after the reporting survey. We made the following audit adjustments:		
101 Basic K-3	6.0282	
102 Basic 4-8	1.4136	
130 ESOL	(7.4418)	.0000
21. [Ref. 18102] One student was reported incorrectly in ESOL. The student was FES and had not been recommended for ESOL-placement by the LEP Committee. We made the following audit adjustments:		
101 Basic K-3	.6402	
130 ESOL	(.6402)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustment (Unweighted FTE)
Nocatee Elementary School (#0181) (Continued)		
22. [Ref. 18103] One student was reported incorrectly in ESOL in the October survey. The student's file contained documentation showing that the student had been dismissed from ESOL during the previous school year. We made the following audit adjustments:		
102 Basic 4-8	.3767	
130 ESOL	(.3767)	.0000
23. [Ref. 18104] One LEP student was beyond the six-year period allowed for State funding of ESOL. We made the following audit adjustments:		
102 Basic 4-8	.3567	
130 ESOL	(.3567)	.0000
24. [Ref. 18105] One student's *LEP Student Plan* was not reviewed and updated for the 2004-05 school year until after the reporting surveys. We made the following audit adjustments:		
101 Basic K-3	.9302	
130 ESOL	(.9302)	.0000
25. [Ref. 18106] The parents of one LEP student in the October survey were not notified of their child's placement in ESOL. We also noted the student's *LEP Student Plan* was not reviewed and updated until December 4, 2004, approximately two months after that survey. We made the following audit adjustments:		
101 Basic K-3	.3201	
130 ESOL	(.3201)	.0000
26. [Ref. 18171] The parents of the LEP students who were taught Language Arts by an out-of-field teacher were not notified of the teacher's out-of-field status. We made the following audit adjustments:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustment (Unweighted FTE)
Nocatee Elementary School (#0181) (Continued)		
101 Basic K-3	1.6005	
130 ESOL	(1.6005)	.0000

27. [Ref. 18172] One teacher taught Language Arts to classes that included LEP students, but was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field. We made the following audit adjustments:

101 Basic K-3	5.0149	
130 ESOL	(5.0149)	.0000

28. [Ref. 18173] One teacher taught Language Arts to classes that included three LEP students during the school term covered by the October survey, but was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field until October 26, 2004, after that survey. We made the following audit adjustments:

101 Basic K-3	.3201	
130 ESOL	(.3201)	.0000
		.0000

Dual Diagnosed Correctional Facility (#0271)

29. [Ref. 27101] One ESE student was reported incorrectly in program No. 103 (Basic 9-12) in the July survey. We made the following audit adjustments:

103 Basic 9-12	(.1668)	
113 Grades 9-12 with ESE Services	.1668	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustment (Unweighted FTE)
Dual Diagnosed Correctional Facility (#0271) (Continued)		
30. [Ref. 27102] The Correctional Facility did not make up five instructional days that were lost due to hurricanes. Consequently, only 875 hours of instruction were provided for the 2004-05 school year rather than the required 900 hours (i.e., 450 hours for the school term covered by the October survey plus 450 hours for the school term covered by the February survey). We applied the missing 25 instructional hours to the District's October reporting because the missed hurricane days occurred during the school term covered by the October survey. The students in that school term were provided only 425 instructional hours (i.e., 450 scheduled hours minus 25 hours missed during the five hurricane days). We made the following audit adjustments:		
102 Basic 4-8	(.1390)	
103 Basic 9-12	(1.1966)	
112 Grades 4-8 with ESE Services	(.1112)	
113 Grades 9-12 with ESE Services	(1.5290)	
300 Vocational 9-12	(.1656)	(3.1414)
31. [Ref. 27171/72] Two teachers were not properly certified and were not approved by the School Board to teach out-of-field. The teachers held certification in Social Science and English, respectively, but taught courses that required certification in ESE. We also noted that the parents of the ESE students taught by these teachers were not notified of the teachers' out-of-field status. We made the following audit adjustments:		
Ref. 27171		
103 Basic 9-12	1.9970	
113 Grades 9-12 with ESE Services	(1.9970)	.0000
Ref. 27172		
103 Basic 9-12	.0834	
113 Grades 9-12 with ESE Services	(.0834)	.0000
		(3.1414)
		(5.1305)

The accompanying notes are an integral part of this schedule.

SCHEDULE E

DeSoto 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 and take corrective action, as appropriate, to ensure that: (1) instructional days lost due to hurricanes or other disasters are made up; (2) timecards for students in OJT programs are properly completed and retained in readily accessible files; (3) the course schedules for OJT students are reported using the correct funding priority; (4) students are reported in the proper funding categories and have adequate documentation to support that reporting, particularly with regard to students in ESOL and ESE programs; (5) teachers are properly certified or, if out-of-field, have School Board approval to teach out-of-field; and (6) the parents of students taught by out-of-field teachers are properly notified of the teachers' out-of-field status prior to the survey reported.

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)

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

Regulatory Citations (Continued)

English for Speakers of Other Languages (ESOL)

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

Rule 6A-6.0901, F.A.C. .....Definitions Which Apply to Programs for Limited English Proficient Students

Rule 6A-6.0902, F.A.C. .....Requirements for Identification, Assessment, and Programmatic Assessment of Limited English Proficient Students

Rule 6A-6.0904, F.A.C. .....Equal Access to Appropriate Programming for Limited English Proficient Students

Vocational On-the-Job Attendance

Rule 6A-1.044(6)(c), F.A.C. .....Pupil Attendance Records

Exceptional Education

Section 1003.57(5), F.S. .....Exceptional Students Instruction

Section 1011.62, F.S. .....Funds for Operation of Schools

Section 1011.62(1)(e), F.S. .....Funding Model for Exceptional Student Education Programs

Rule 6A-6.03028, F.A.C. .....Development of Individual Educational Plans for Exceptional 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 Exceptional Students

Rule 6A-6.0331, F.A.C. .....Identification and Assignment of Exceptional Students to Special Programs

Rule 6A-6.0334, F.A.C. .....Temporary Assignment of Transferring Exceptional Students

Rule 6A-6.03411, F.A.C. .....Special Programs and Procedures for Exceptional 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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

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

Regulatory Citations (Continued)

Teacher Certification (Continued)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE F

DeSoto 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 beginning on page 38 of this report.

The accompanying notes are an integral part of this schedule.

DeSoto 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 DeSoto County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of DeSoto 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 DeSoto County. For the fiscal year ended June 30, 2005, the District operated 11 schools and 2 District-wide educational programs, reported 5,050.8034 unweighted full-time equivalent (FTE) students, and received approximately $17.9 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.

DeSoto 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. The District used the period April 4-8, 2005, as an alternative survey three for its juvenile justice facilities, pursuant to the approval of the Department of Education.

DeSoto 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:

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

NOTE B - SAMPLING (Continued)

School Name/Description	Finding Number(s)
1. Desoto High School	1 through 6
2. West Elementary School	7 through 9
3. Memorial Elementary School	10 through 17
4. Desoto Middle School	18 and 19
5. Nocatee Elementary School	20 through 28
6. Dual Diagnosed Correctional Facility	29 through 31

WILLIAM O. MONROE, CPA
AUDITOR GENERAL

AUDITOR GENERAL
STATE OF FLORIDA

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111 West Madison Street
Tallahassee, Florida 32399-1450

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Fax: 488-6975/SC 278-6975

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

INDEPENDENT AUDITOR'S REPORT
DESOTO COUNTY DISTRICT SCHOOL BOARD
STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated February 3, 2006, that the DeSoto 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.

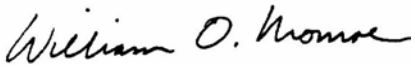
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, 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 DeSoto 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 DeSoto 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
June 5, 2006

SCHEDULE A

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

Description	Number of Vehicles	% of Pop.	No. of Students Transp.	% of Pop. (Sample)
Population[1]	72	100.00%	3,873	100.00%
Sample[2]	24	33.33%	226	5.84%
General Tests				
Students w/ Exceptions[3]	-	-	-	-
Net Audit Adjustments	-	-	7	NM
Detailed Tests – Sample Students				
Students w/ Exceptions	-	-	12	(5.31%)
Net Audit Adjustments	-	-	(2)	NM
Detailed Tests - Non-Sample Students				
Students w/ Exceptions	-	-	23	NM
Net Audit Adjustments	-	-	(21)	NM
General and Detailed Tests				
Total Net Audit Adjustments	-	-	(16)	NM

NM - *Not Meaningful*

[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 3,873 students in the following ridership categories: 85 in IDEA (K-12), Weighted; 8 in IDEA (K-12), Unweighted; 65 in IDEA (PK), Weighted; 46 in Teenage Parents and Infants; 165 in Hazardous Walking; 3,503 in Two Miles or More; and 1 in Center to Center (IDEA), Weighted. The District also reported operating a total of 72 vehicles (69 buses and 3 passenger cars). (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

DeSoto 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 DeSoto 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 34.

Findings	**Students Transported Net Audit Adjustment**
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 and 2. 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 Nos. 3 through 8.	

General Tests

1. [Ref. 51] Our reconciliation of the District's reported student ridership data for the October and February surveys to the supporting records for those surveys disclosed various posting and clerical errors that caused a net understatement of seven students and two cars in the District's reporting for February. We made the following audit adjustments:

February 2005 Survey			
Number of Passenger Cars in Operation	(2)	--	--

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

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

Findings		Students Transported Net Audit Adjustment
General Tests (Continued)		
February 2005 Survey		
90 Days-in-Term (Buses)		
IDEA (K-12), Weighted	(2)	
IDEA (PK), Weighted	2	
Two Miles or More	1	
Center to Center (IDEA), Weighted	(1)	0
90 Days-in-Term (Passenger Cars)		
IDEA (K-12), Weighted	1	
Two Miles or More	6	7

2. [Ref. 58] The number of days-in-term was reported incorrectly for 381 students in the June survey. The District reported a 30-day term for each of these students, but their actual terms varied, as shown below. We made the following audit adjustments:

June 2005 Survey		
30 Days-in-Term		
IDEA (K-12), Weighted	(20)	
IDEA (PK), Weighted	(14)	
Hazardous Walking	(27)	
Two Miles or More	(320)	(381)
13 Days-in-Term		
IDEA (K-12), Weighted	14	
16 Days-in-Term		
IDEA (K-12), Weighted	2	
18 Days-in-Term		
Two Miles or More	42	
22 Days-in-Term		
IDEA (K-12), Weighted	4	
IDEA (PK), Weighted	14	
Hazardous Walking	27	
Two Miles or More	278	381
Net Audit Adjustments from General Tests		7

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

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

Findings		Students Transported Net Audit Adjustment
Detailed Tests		
3. [Ref. 52] Five students (four in the October survey and one in the February survey) were incorrectly reported in IDEA weighted categories. The students' IEPs did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification. However, we noted that all of the five students were eligible to be reported in other categories. We made the following audit adjustments:		
October 2004 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted	(2)	
IDEA (PK), Weighted	(2)	
IDEA (PK), Unweighted	2	
Two Miles or More	2	0
February 2005 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted	(1)	
Two Miles or More	1	0
4. [Ref. 53] Twenty-five students (22 in the October survey and 3 in the February survey) were reported incorrectly in Two Miles or More. All of the students lived less than two miles from school; however, three were eligible for Hazardous Walking. We made the following audit adjustments:		
October 2004 Survey		
90 Days-in-Term		
Two Miles or More	(1)	
Two Miles or More *(Non-Sample)*	(21)	(22)
February 2005 Survey		
90 Days-in-Term		
Hazardous Walking	1	
Hazardous Walking (*Non-Sample)*	2	
Two Miles or More	(1)	
Two Miles or More (*Non-Sample)*	(2)	0

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

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

Findings		Students Transported Net Audit Adjustment
Detailed Tests (Continued)		
5. [Ref. 55] The IEP for one student in IDEA (K-12) Weighted in the October survey was not valid for that survey; consequently, the student's IDEA-reporting was not adequately supported. We made the following audit adjustment:		
October 2004 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted	(1)	(1)
6. [Ref. 56] Two students in the June Survey were reported incorrectly in IDEA (PK), Weighted. The students' IEPs indicated they did not meet one or more of the five criteria required for weighted classification. However, we noted that the students were eligible for IDEA (PK), Unweighted. We made the following audit adjustments:		
June 2005 Survey		
22 Days-in-Term		
IDEA (PK), Weighted	(2)	
IDEA (PK), Unweighted	2	0
7. [Ref. 57] One student was reported incorrectly in Two Miles or More in the June survey. The student lived less than two miles from school; however, we noted the student was eligible for Hazardous Walking. We made the following audit adjustments:		
June 2005 Survey		
22 Days-in-Term		
Hazardous Walking	1	
Two Miles or More	(1)	0
8. [Ref. 59] One prekindergarten student in the June survey was reported incorrectly in the IDEA, (K-12), Weighted. We made the following audit adjustments:		

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

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

Findings		Students Transported Net Audit Adjustment
Detailed Tests (Continued)		
June 2005 Survey		
22 Days-in-Term		
IDEA (K-12), Weighted	(1)	
IDEA (PK), Weighted	1	0
Net Audit Adjustments from Detailed Tests		(23)

The accompanying notes are an integral part of this schedule.

SCHEDULE C

DeSoto 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 and take corrective action, as appropriate, to ensure that: (1) the District's student ridership reporting for each survey agrees with the supporting records; (2) the number of days-in-term for summer school sessions is appropriately documented and accurately reported; (3) ESE students are reported in IDEA-weighted ridership categories only when eligible for such classification, pursuant to their IEPs; and (4) transported students are reported in the correct ridership categories.

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

DeSoto County District School Board
STUDENT 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 beginning on page 38 of this report.

The accompanying notes are an integral part of this schedule.

DeSoto 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 Exceptional 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 DeSoto County

For the fiscal year ended June 30, 2005, the District received approximately $810,000 in State transportation funding. The District's transportation reporting by survey was as follows:

Survey Period	No. of Vehicles	No. of Students
July 2004	0	0
October 2004	31	1,754
February 2005	28	1,738
June 2005	13	381
Total	72	3,873

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

DeSoto 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

The School District of DeSoto
Adrian H. Cline
Superintendent

June 20, 2006

Mr. William O. Monroe, CPA
Auditor General
Office of the Auditor General
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Mr. Monroe:

I am in receipt of the draft audit report entitled *Report on Florida Educational Finance Program Full-Time Equivalent Students and Student Transportation for the Fiscal Year Ended June 30, 2005,* and appreciate the opportunity to respond to the findings.

I am aware of the instances of non-compliance in the report, which involve the reporting of, and the preparation and maintenance of supporting documentation for: Limited English Proficient Students, Exceptional Students in ESE support Level 255, students who were enrolled in vocational (6-12) courses, and the correctional facility instructional days missed due to hurricanes

Instances of material non-compliance:

1. **Teachers:** (Finding Nos. 17, 26, 27, 28, and 31) Seven (7) teachers did not meet applicable provision regarding qualified instructional personnel, School Board approval of out-of-field teacher assignments, or notification of parents regarding out-of field teachers.

   The district will continue to make every effort to meet provisions regarding qualified instructional personnel, identify out-of-field teachers, and obtain Board approval in a timely manner.

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2. **Students:** (ESOL Finding Nos. 2, 3, 4, 8, 9, 10, 11, 12, 13, 14, 15, 16, 18, 20, 21, 22, 23, 24, and 25) (ESE Finding Nos. 5, 7, 19, and 29) (OJT Finding Nos. 1, 6) (DJJ Finding No 29) Review and update of LEP students plans and ESOL program placements, notification letters to parents, adequate supporting documentation, and accurate reporting.

   The report findings have been discussed with applicable staff and they will be taking an aggressive approach to address the instances of non-compliance. Corrective measures will include: review edit functions, enhance monitoring of records, review FTE guidelines and procedures, and provide continued in-service training. Every effort will be made to ensure that any deficiencies noted in the report do not reoccur.

   (DJJ Finding No. 30) The DeSoto Dual Diagnosed Correctional Facility (Carlstrom Center #0271) did not make up five instructional days that were lost due to hurricanes. It was our belief that in applying for the 10 day waiver that this center would be covered by the initial 5 day waiver issued by the Department of Education. The Director of Student Services will work closely with Carlstrom Center staff to comply with the 900 hour minimum instructional requirements in the future.

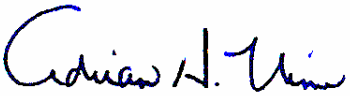
   Transportation: The District will exercise more care in ridership reporting and maintaining appropriate documentation in meeting eligibility classifications.

In closing, Hurricane Charley caused significant destruction in 2004 to DeSoto County and destroyed the facility that housed our curriculum and other program staff. The staff worked under extraordinary circumstances to move their work sites to a temporary facility and continued to work under adverse conditions. Other school sites and area residences incurred significant damages with students being disrupted three more times due to hurricanes, missing a total of fifteen school days within the short time frame of August 13, 2004, through September 28, 2004. We appreciate the commitment of the Department of Education to our staff and educational needs of our students during our recovery from these natural disasters.

The district does not contest or appeal any of the findings listed in this report. We do, however, reserve the right to appeal the final audit report, as we deem appropriate.

If you have additional questions or concerns, please do not hesitate to contact my office.

Sincerely,



Adrian H. Cline,
Superintendent