AUDITOR GENERAL

WILLIAM O. MONROE, CPA

INDIAN RIVER 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 appointed Superintendent of Schools. The Board members and Superintendent of Schools who served during the examination period were: William D. Hughes, Chair (from 11/16/04); Dr. R. Craig McGarvey, Vice-Chair (from 11/16/04); Herbert Bailey (to 11/15/04); Steven Mohler, Vice Chairman (to 10/27/04); Lenora Quimby (from 11/16/04); Ann Reuter (from 11/16/04); Kathryn A. Wilson, Chair (to 11/15/04); and Thomas B. Maher, Superintendent.

This examination was conducted by Gail S. Collier, CPA; Richard Woods, CPA; and Bernice Rivas, 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.

Indian River County District School Board
TABLE OF CONTENTS
For the Fiscal Year Ended June 30, 2005

PAGE NO.

FULL-TIME EQUIVALENT (FTE) STUDENTS

Independent Auditor's Report....1

Schedule A - Populations, Samples, and Audit Adjustments....4

Schedule B - Effect of Audit Adjustments on Weighted FTE....6

Schedule C - Audit Adjustments by School....7

Schedule D - Findings and Audit Adjustments....10

Schedule E – Recommendations and Regulatory Citations....20

Schedule F – Summary of Management's Response....23

Notes to Schedules....24

STUDENT TRANSPORTATION

Independent Auditor's Report....28

Schedule A - Populations, Samples, and Audit Adjustments....30

Schedule B - Findings and Audit Adjustments....31

Schedule C – Recommendations and Regulatory Citations....35

Schedule D – Summary of Management's Response....36

Notes to Schedules....37

MANAGEMENT'S RESPONSE....39

Indian River 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

ESOL – English for Speakers of Other Languages

PK – Prekindergarten

OJT – On-the-Job Training

IDEA – Individuals with Disabilities Education Act

AUDITOR GENERAL
STATE OF FLORIDA

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

We have examined management's assertion, included in its representation letter dated March 6, 2006, that the Indian River 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

Ten of the 125 teachers in our sample did not meet State requirements governing certification; School Board approval of out-of-field teacher assignments; notification of parents regarding out-of-field teachers, or the earning of required in-service training points in ESOL strategies. (See SCHEDULE D, finding Nos. 6, 7, 8, 12, 16, 18, 21, 24, 28, and 29.)

Students

We noted exceptions involving 16 of the 105 students in our ESOL student sample 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. 3, 6, 10, 19, and 26; and for Vocational OJT, finding No. 2.)

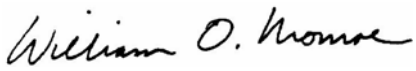
In our opinion, except for the instances of material noncompliance mentioned above involving teachers and the reporting of, and the preparation and maintenance of supporting documentation for, students in ESOL and Vocational OJT, the Indian River County District School Board complied, in all material 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 are indicative of such deficiencies in the District's internal controls related to teacher assignments and the reporting of, and the preparation and 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 Indian River 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 22, 2006

SCHEDULE A

Indian River 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]	25	100.00%	8,382	100.00%	12,188.5584	100.00%
Sample Size[4]	10	40.00%	229	2.73%	203.7633	1.67%
Net Audit Adjustments[5]	-	-	(2)	(0.87%)	8.9692	-
2. English for Speakers of Other Languages (ESOL)						
Population[3]	21	100.00%	349	100.00%	590.1865	100.00%
Sample Size[4]	10	47.62%	105	30.09%	73.4002	12.44%
Net Audit Adjustments[5]	-	-	(16)	(15.24%)	(6.8570)	-
3. Exceptional - Basic with ESE Services						
Population[3]	26	100.00%	2,440	100.00%	3,250.6125	100.00%
Sample Size[4]	11	42.31%	178	7.30%	150.6952	4.64%
Net Audit Adjustments[5]	-	-	(4)	(2.25%)	2.5812	-
4. Exceptional - ESE Support Levels 4 and 5						
Population[3]	18	100.00%	240	100.00%	150.7361	100.00%
Sample Size[4]	10	55.56%	144	60.00%	87.5324	58.07%
Net Audit Adjustments[5]	-	-	(16)	(11.11%)	(3.2934)	-
5. Vocational On-the-Job Training (OJT)						
Population[3]	4	100.00%	59	100.00%	12.9131	100.00%
Sample Size[4]	1	25.00%	15	25.42%	3.2751	25.36%
Net Audit Adjustments[5]	-	-	(15)	(100.00%)	(1.9792)	-
6. Vocational 9-12 (Excluding OJT)						
Population[3]	4	100.00%	0	0.00%	536.6521	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]	27	100.00%	11,470	100.00%	16,729.6587	100.00%
Sample Size[4]	11	40.74%	671	5.85%	518.6662	3.10%
Net Audit Adjustments[5]	-	-	(53)	(7.90%)	(.5792)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Indian River 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	27	100.00%	392	100.00%	-
Sample Size[4]	11	40.74%	125	31.89%	-
Net Audit Adjustments[5]	-	-	(10)	(8.00%)	-
Basic	-	-	-	-	7.4626
ESOL	-	-	-	-	(7.4626)
Basic with ESE Services	-	-	-	-	(1.3150)
					(1.3150)
District-Wide					
Net Audit Adjustments[5]					
Basic					.6400
ESOL					(.6400)
					.0000
Net Audit Adjustments					(1.8942)

[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 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

Indian River 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	9.5000	1.012	9.6140
102	Basic 4-8	4.3149	1.000	4.3149
103	Basic 9-12	3.2569	1.132	3.6868
111	Grades K-3 with ESE Services	(.3150)	1.012	(.3188)
112	Grades 4-8 with ESE Services	1.3968	1.000	1.3968
113	Grades 9-12 with ESE Services	.1844	1.132	.2087
130	ESOL	(14.9596)	1.302	(19.4774)
254	ESE Support Level 4	(.9334)	3.948	(3.6851)
255	ESE Support Level 5	(2.3600)	5.591	(13.1948)
300	Vocational 9-12	(1.9792)	1.187	(2.3493)
Total		(1.8942)		(19.8042)

[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

Indian River 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	**District-Wide**	**#0031**	**#0081**	**Balance Forward**
101 Basic K-3	.....	.....	.....	.0000
102 Basic 4-8	.....	.....	.3149	.3149
103 Basic 9-12	.6400	2.0442	.....	2.6842
111 Grades K-3 with ESE Services	.....	.....	.....	.0000
112 Grades 4-8 with ESE Services	.....	.3968	.....	.3968
113 Grades 9-12 with ESE Services	.....	.1760	.....	.1760
130 ESOL	(.6400)	(.9320)	(.3149)	(1.8869)
254 ESE Support Level 4	.....	(.4568)	.....	(.4568)
255 ESE Support Level 5	.....	(.1650)	.....	(.1650)
300 Vocational 9-12	.....	(1.9792)	.....	(1.9792)
Total	.0000	(.9160)	.0000	(.9160)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Indian River 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] #0121	#0131	#0151	#0201	Balance Forward
101	.0000	2.0000	.....	.....	2.0000	4.0000
102	.3149	2.0000	.....	.....	.....	2.3149
103	2.6842	.....	.....	.....	.....	2.6842
111	.0000	.....	(1.3000)	.4850	.....	(.8150)
112	.3968	.....	.0150	.....	.....	.4118
113	.1760	.....	.0084	.....	.....	.1844
130	(1.8869)	(3.0000)	.....	.....	(2.0000)	(6.8869)
254	(.4568)	.....	.9934	(.4850)	.....	.0516
255	(.1650)	(1.1200)	(1.0150)	.....	.....	(2.3000)
300	(1.9792)	.....	.....	.....	.....	(1.9792)
Total	(.9160)	(.1200)	(1.2982)	.0000	.0000	(2.3342)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

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

		Audit Adjustments[1]				
Program No.	**Brought Forward**	**#0221**	**#0291**	**#0301**	**#5003**	**Total**
101	4.0000	.....	.....	.....	5.5000	9.5000
102	2.3149	2.0000	.....	.....	.....	4.3149
103	2.6842	.....	.5727	.....	.....	3.2569
111	(.8150)	.....	.....	.....	.5000	(.3150)
112	.4118	.5000	.....	.4850	.....	1.3968
113	.1844	.....	.....	.....	.....	.1844
130	(6.8869)	(2.5000)	(.0727)	.....	(5.5000)	(14.9596)
254	.0516	.....	(.5000)	(.4850)	.....	(.9334)
255	(2.3000)	.....	(.0600)	.....	.....	(2.3600)
300	(1.9792)	.....	.....	.....	.....	(1.9792)
Total	(2.3342)	.0000	(.0600)	.0000	.5000	(1.8942)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Indian River 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 the preparation and maintenance of supporting documentation for, students in ESOL and Vocational OJT, the Indian River 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 20.

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.

Ineligible Courses Reported in ESOL (District-Wide)

1. [Ref. 149] Our examination procedures included an automated test to compare the course numbers reported in program No. 130 (ESOL) to the course numbers that have been designated for that program by the Department of Education. The results of this test disclosed that one of the District's schools reported four Basic courses incorrectly in ESOL. Pursuant to Section 1003.56, Florida Statutes, Basic subject area courses may be reported in ESOL only if they are in Reading, Mathematics, Science, Social Studies and Computer Literacy. We made the following audit adjustments:

103 Basic 9-12	.6400	
130 ESOL	(.6400)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
Vero Beach High School (#0031)		
2. [Ref. 3101] The reported course schedules for 17 students in OJT (15 of whom were in our Vocational OJT sample) were reported using an incorrect priority. The students' off-site OJT hours were funded prior to the students' on-campus instruction. The *FTE General Instructions* require that on-campus instruction be calculated for FTE Earned before any off-site time is considered. We also noted that the files for 8 of the 17 students either did not contain timecards to indicate that the students were employed or did not contain documentation that the students were engaged in an active job search during the reporting survey. We made the following audit adjustments:		
103 Basic 9-12	1.1462	
113 Grades 9-12 with ESE Services	(.0490)	
300 Vocational 9-12	(1.9792)	(.8820)
3. [Ref. 3103] We noted the following exceptions involving three students who were reported in ESOL: (1) two students had been dismissed from ESOL prior to the reporting survey and should have been reported in Basic education; and (2) one student was beyond the six-year period allowed for State funding of ESOL. We made the following audit adjustments:		
103 Basic 9-12	.8570	
130 ESOL	(.8570)	.0000
4. [Ref. 3104] We noted the following exceptions involving three ESE students, who received both Hospital and Homebound instruction and on-campus instruction:		
a. The on-campus instruction of two students was reported incorrectly in program No. 255 (ESE Support Level 5). This instruction should have been reported in program No. 113 (Grades 9-12 with ESE Services).		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
Vero Beach High School (#0031) (Continued)		
b. The course schedule for one student was reported incorrectly in program No. 254 (ESE Support Level 4). The student's Hospital and Homebound instruction should have been reported in program No. 255 (ESE Support Level 5) and the student's on-campus instruction in program No. 112 (Grades 4-8 with ESE Services).		
We made the following audit adjustments:		
a. 113 Grades 9-12 with ESE Services	.2250	
255 ESE Support Level 5	(.2250)	.0000
b. 112 Grades 4-8 with ESE Services	.3968	
254 ESE Support Level 4	(.4568)	
255 ESE Support Level 5	.0600	.0000
5. [Ref. 3106] One student was reported incorrectly for a dual-enrolled course at Indian River Community College. The student had withdrawn from that course prior to the reporting survey. We made the following audit adjustment:		
103 Basic 9-12	(.0340)	(.0340)
6. [Ref. 3171] One teacher taught Primary Language Arts to a class that included one LEP student, but had earned only 18 of the 300 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We made the following audit adjustments:		
103 Basic 9-12	.0750	
130 ESOL	(.0750)	.0000
		(.9160)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
Gifford Middle School (#0081)		
7. [Ref. 8171] One teacher taught Primary Language Arts to a class that included one LEP student, 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:		
102 Basic 4-8	.1588	
130 ESOL	(.1588)	.0000
8. [Ref. 8172] One teacher taught Social Science to a class that included one LEP student, but had earned none of the 60 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We made the following audit adjustments:		
102 Basic 4-8	.1561	
130 ESOL	(.1561)	.0000
		.0000
Pelican Island Elementary School (#0121)		
9. [Ref. 12101] The parental notification forms for six LEP students were not dated and we could not otherwise determine if the parents concerned had been notified of their children's ESOL-placement on a timely basis. We made the following audit adjustments:		
101 Basic K-3	2.5000	
102 Basic 4-8	1.5000	
130 ESOL	(4.0000)	.0000
10. [Ref. 12102] The course schedules for three LEP students were reported incorrectly in Basic education. The schedules should have been reported in ESOL. We made the following audit adjustments:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
Pelican Island Elementary School (#0121) (Continued)		
101 Basic K-3	(1.5000)	
130 ESOL	1.5000	.0000
11. [Ref. 12103] Two students in the Hospital and Homebound program were reported incorrectly in program No. 255 (ESE Support Level 5). The homebound instructor's logs indicated that neither student was provided home instruction during the reporting survey. We noted that the on-campus instruction provided to one of the students should have been reported under program No. 101 (Basic K-3). We made the following audit adjustments:		
101 Basic K-3	1.0000	
255 ESE Support Level 5	(1.1200)	(.1200)
12. [Ref. 12171] One teacher taught Primary Language Arts to a class that included two LEP students; however, the teacher was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field. We also noted the parents of the students taught by this teacher were not notified of the teacher's out-of-field status. We made the following audit adjustments:		
102 Basic 4-8	.5000	
130 ESOL	(.5000)	.0000
		(.1200)
Wabasso School (#0131)		
13. [Ref. 13101] The file for one student did not contain a *Matrix of Services* form that covered the reporting survey. We made the following audit adjustments:		
111 Grades K-3 with ESE Services	.0150	
254 ESE Support Level 4	(.0150)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
Wabasso School (#0131) (Continued)		
14. [Ref. 13102] The number of instructional minutes in one course was reported incorrectly for two students, resulting in the students' FTE being reported for less than .5000 FTE. We made the following audit adjustments:		
113 Grades 9-12 with ESE Services	.0084	
254 ESE Support Level 4	.0084	.0168
15. [Ref. 13103] Six ESE students were not reported in accordance with their *Matrix of Services* forms. We made the following audit adjustments:		
112 Grades 4-8 with ESE Services	.0150	
254 ESE Support Level 4	1.0000	
255 ESE Support Level 5	(1.0150)	.0000
16. [Ref. 13171] One teacher provided Speech and Language Therapy to 36 PK students, but did not possess either a Florida teaching certificate or a valid therapy license. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	(1.3150)	(1.3150)
		(1.2982)
Dodgertown Elementary School (#0151)		
17. [Ref. 15101] The file for one ESE student did not contain a *Matrix of Services* form that covered the reporting survey. We made the following audit adjustments:		
111 Grades K-3 with ESE Services	.4850	
254 ESE Support Level 4	(.4850)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
Glendale Elementary School (#0201)		
18. [Ref. 20171] One teacher taught Primary Language Arts to a class that included two LEP students, but had earned only 240 of the 300 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We made the following audit adjustments:		
101 Basic K-3	2.0000	
130 ESOL	(2.0000)	.0000
		.0000
Highlands Elementary School (#0221)		
19. [Ref. 22102] The parental notification forms for three LEP students were not dated and we could not otherwise determine if the parents concerned had been notified of their children's ESOL-placement on a timely basis. We made the following audit adjustments:		
102 Basic 4-8	2.5000	
130 ESOL	(2.5000)	.0000
20. [Ref. 22103] One ESE student was reported incorrectly in Basic education. We made the following audit adjustments:		
102 Basic 4-8	(.5000)	
112 Grades 4-8 with ESE Services	.5000	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
Sebastian River Senior High School (#0291)		
21. [Ref. 29172] One teacher was not properly certified to teach a Reading course and was not approved by the School Board to teach that course out-of-field. The teacher held certification in Physical Education. Since the Reading course in question had only Basic students enrolled, no audit adjustments were necessary.		
		.0000
22. [Ref. 29102] One ESE student was reported incorrectly in program No. 255 (ESE Support Level 5) under the Hospital and Homebound program. The homebound instructor's logs indicated that the student did not receive homebound instruction services during the reporting survey. We made the following audit adjustment:		
255 ESE Support Level 5	(.0600)	(.0600)
23. [Ref. 29103] One student was reported incorrectly in program No. 254 (ESE Support Level 4). The student had been dismissed from Exceptional education prior to the reporting survey and should have been reported in Basic education. We made the following audit adjustments:		
103 Basic 9-12	.5000	
254 ESE Support Level 4	(.5000)	.0000
24. [Ref. 29171] The parents of one LEP student were not notified that their child's Primary Language Arts teachers was out-of-field. We made the following audit adjustments:		
103 Basic 9-12	.0727	
130 ESOL	(.0727)	.0000
		(.0600)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
Liberty Magnet School (#0301)		
25. [Ref. 30101] One Exceptional student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustments:		
112 Grades 4-8 with ESE Services	.4850	
254 ESE Support Level 4	(.4850)	.0000
		.0000
North County Charter School (#5003)		
26. [Ref. 500301] The *LEP Student Plan* for one student in ESOL was not reviewed and updated for the 2004-05 school year. We made the following audit adjustments:		
101 Basic K-3	1.0000	
130 ESOL	(1.0000)	.0000
27. [Ref. 500302] One ESE student was incorrectly omitted from the results of the reporting survey. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	.5000	.5000
28. [Ref. 500371] One teacher taught Primary Language Arts out-of-field to a class that included four LEP students, but had earned only 60 of the 120 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We also noted that the parents of the LEP students taught by this teacher were not notified of the teacher's out-of-field status. We made the following audit adjustments:		
101 Basic K-3	4.0000	
130 ESOL	(4.0000)	.0000
29. [Ref. 500372] The parents of one LEP student were not notified that their child's Primary language Arts teacher was out-of-field. We made the following audit adjustments:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Indian River 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)
North County Charter School (#5003) (Continued)		
101 Basic K-3	.5000	
130 ESOL	(.5000)	.0000
		.5000
		(1.8942)

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Indian River 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) only eligible courses are reported in ESOL; (2) ESE students in ESE Support Levels 4 and 5 are reported in accordance with their *Matrix of Services* forms; (3) records for students in Hospital and Homebound are accurately prepared and maintained in readily accessible files; (4) students in OJT are reported in the correct priority and in accordance with their supporting time cards; (5) students are reported in the proper funding categories and have adequate documentation to support that reporting, particularly with regard to students in ESOL and Exceptional education programs; (6) teachers are either properly certified or are approved by the School Board to teach out-of-field; and (7) parents are appropriately notified when their children are assigned to out-of-field teachers.

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)

Indian River 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. .....ESE 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 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

Vocational Placement

Section 1011.62(1)(k), F.S. .....Funds for Operation of Schools; Instructions in Exploratory Education

Rule 6A-6.065, F.A.C. .....Instructional Components of Vocational Education

Vocational On-the-Job Funding Hours

Rule 6A-6.055(3), F.A.C. .....Definitions of Terms in Vocational Education Program

FTE General Instructions 2004-2005

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Indian River 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

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

The accompanying notes are an integral part of this schedule.

SCHEDULE F

Indian River 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 regarding full-time equivalent (FTE) students.

A copy of management's response may be found on page 39 of this report.

The accompanying notes are an integral part of this schedule.

Indian River 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 Indian River County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Indian River 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 Indian River County. For the fiscal year ended June 30, 2005, the District operated 27 schools, reported 16,729.6587 unweighted full-time equivalent (FTE) students, and received approximately $11.9 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.

Indian River 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.

Indian River 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:

Indian River 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)
-- Ineligible Courses Reported in ESOL	1
1. Vero Beach High School	2 through 6
2. Gifford Middle School	7 and 8
3. Pelican Island Elementary School	9 through 12
4. Wabasso School	13 through 16
5. Dodgertown Elementary School	17
6. Sebastian River Middle School	NA
7. Glendale Elementary School	18
8. Highlands Elementary School	19 and 20
9. Sebastian River Senior High School	21 through 24
10. Liberty Magnet School	25
11. North County Charter School	26 through 29

WILLIAM O. MONROE, CPA
AUDITOR GENERAL

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

INDEPENDENT AUDITOR'S REPORT
INDIAN RIVER COUNTY DISTRICT SCHOOL BOARD
STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated March 6, 2006, that the Indian River 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.

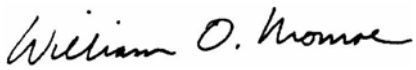
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, 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 Indian River 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 Indian River 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 22, 2006

SCHEDULE A

Indian River 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]	301	100.00%	14,758	100.00%
Sample[2]	60	19.93%	299	2.03%
General Tests				
Students w/ Exceptions[3]	-	-	-	-
Net Audit Adjustments	-	-	(80)	NM
Detailed Tests				
Students w/ Exceptions	-	-	13	(4.35%)
Net Audit Adjustments	-	-	(7)	(2.34%)
General and Detailed Tests				
Net Audit Adjustments	-	-	(87)	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 14,758 students in the following ridership categories: 507 in IDEA (K-12), Weighted; 38 in IDEA (K-12), Unweighted; 64 in IDEA (PK), Weighted; 67 in IDEA (PK), Unweighted; 44 in Teenage Parents and Infants; 1,140 in Hazardous Walking; and 12,898 in Two Miles or More. The District also reported operating a total of 301 vehicles (200 buses and 101 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

Indian River 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 Indian River 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 35.

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, 2, and 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 Nos. 4, 5, and 6.

General Tests

1. [Ref. 51] The number of days-in-term for the July survey was incorrectly reported, as follows: (a) an 11-day term was reported for 370 students and a 12-day term was reported for 67 students; however, both groups of students should have been reported for only a 7-day term; and (b) a 19-day term was reported for 18 students who were enrolled in an extended ESE program; however, they should have been reported for only a 16-day term. We made the following audit adjustments:

July 2004 Survey		
11 Days-in-Term		
IDEA (K-12), Weighted	(57)	
IDEA (PK), Weighted	(6)	
IDEA (PK), Unweighted	(3)	
Hazardous Walking	(12)	
Two Miles or More	(292)	(370)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Indian River 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)		
July 2004 Survey		
12 Days-in-Term		
IDEA (K-12), Weighted	(1)	
Two Miles or More	(66)	(67)
19 Days-in-Term		
IDEA (K-12), Weighted	(6)	
IDEA (K-12), Unweighted	(2)	
IDEA (PK), Weighted	(1)	
IDEA (PK), Unweighted	(2)	
Two Miles or More	(7)	(18)
7 Days-in-Term		
IDEA (K-12), Weighted	58	
IDEA (PK), Weighted	6	
IDEA (PK), Unweighted	3	
Hazardous Walking	12	
Two Miles or More	358	437
16 Days-in-Term		
IDEA (K-12), Weighted	6	
IDEA (K-12), Unweighted	2	
IDEA (PK), Weighted	1	
IDEA (PK), Unweighted	2	
Two Miles or More	7	18

2. [Ref. 52] Eighteen pre-kindergarten students (ten in the October and February surveys, five in the October survey, and three in the February survey) were enrolled in programs that were not eligible for State transportation funding (i.e., 17 were in a District Title 1 program and 1 was in a School Readiness program). We made the following audit adjustments:

October 2004 Survey	
90 Days-in-Term	
IDEA (PK), Unweighted	(15)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Indian River 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		
IDEA (PK), Unweighted	(13)	(28)

3. [Ref. 56] The District incorrectly reported 101 students in Two Miles or More (52 in the October survey and 49 in the February survey). The students were transported in private passenger vehicles to the Indian River Charter High School; and were not physically handicapped or isolated. The Department of Education subsequently disallowed the 49 students reported in the February survey. We made the following audit adjustments to disallow the 52 students in the October survey:

October 2004 Survey		
90 Days-in-Term		
Two Miles or More	(52)	(52)

Management's Response – See page 36.

Auditor's Resolution – See page 36. Our finding stands as presented above.

		0
Net Audit Adjustments from General Tests		(80)

Detailed Tests

4. [Ref. 53] Five students (two of whom were in our sample) were reported incorrectly in the October survey in Hazardous Walking. The students did not have to cross a hazard to reach school. We made the following audit adjustment:

October 2004 Survey		
90 Days-in-Term		
Hazardous Walking	(5)	(5)

5. [Ref. 54] Two students (one in the October survey and one in the June survey) were reported incorrectly in Two Miles or More. Neither student was enrolled in school during the respective survey. We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Indian River 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)		
October 2004 Survey		
90 Days-in-Term		
Two Miles or More	(1)	
June 2005 Survey		
12 Days-in-Term		
Two Miles or More	(1)	(2)

6. [Ref. 55] Nine ESE students were reported incorrectly in weighted IDEA categories (four in the October survey, two in the February survey, and three in the June survey). The students' IEPs did not indicate that they met one or more of the five eligibility criteria required for IDEA weighted classification. However, all of the students were eligible to be reported in other ridership categories, as follows: eight in Two Miles or More, and one in IDEA (K-12) Unweighted. We made the following audit adjustments:

October 2004 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted	(4)	
Two Miles or More	4	
February 2005 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted	(2)	
IDEA (K-12), Unweighted	1	
Two Miles or More	1	
June 2005 Survey		
12 Days-in-Term		
IDEA (K-12), Weighted	(3)	
Two Miles or More	3	0

Management's Response – See page 36.

Auditor's Resolution – See page 36. Our finding stands as presented above.

	0
Net Audit Adjustments from Detailed Tests	(7)

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Indian River 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 number of days-in-term is correctly reported for each survey; (2) only those students who were enrolled in school and rode a bus during a survey period are reported for State transportation funding; (3) only those ESE students who are properly classified and documented as disabled are reported in IDEA-related ridership categories; (4) only those ESE students who are in transportation-eligible, pre-kindergarten programs are reported in PK (IDEA), Unweighted; and (5) only those students who must cross an identified hazard to reach school are reported in Hazardous Walking.

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

Indian River 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, except for finding No. 3 (Ref. 56) and finding No. 6 (Ref. 55), as discussed below. A copy of management's response may be found on page 39 of this report.

Finding No. 3 (Ref. 56)

The District incorrectly reported 101 students in Two Miles or More (52 in the October survey and 49 in the February survey). The students were transported in private passenger vehicles to the Indian River Charter High School; and were not physically handicapped or isolated. The Department of Education subsequently disallowed the 49 students reported in the February survey. We made . . . audit adjustments to disallow the 52 students in the October survey.

Management's Response – Management refers to "documents [that] were provided by the DOE Transportation Department to your staff addressing the October survey."

Auditor's Resolution – Management did not specify the exact documents it believes pertains to this finding. However, our work paper files include a memorandum from the Department of Education (DOE) dated December 14, 2005, that indicates the following: (1) in August 2005, the District was directed by DOE to amend its transportation surveys for the prior nine months by removing those students who were transported in private passenger vehicles to the Indian River Charter High School, but were neither physically handicapped or isolated; (2) the District did not make any such amendments, and (3) 49 students were removed directly by DOE from the District's reporting for the February 2005 survey. At the time of DOE's August 2005 directive to the District, the nine-month amendment period for the October 2004 survey had expired and, thus, the District could not amend its reporting for that survey. However, the October 2004 survey was within the scope of our examination, and was subject to our standard examination procedures, which disclosed the noncompliance cited in our finding. Since management has not contested the accuracy of that finding, it stands as presented herein.

Finding No. 6 (Ref. 55)

Nine ESE students were reported incorrectly in weighted IDEA categories (four in the October survey, two in the February survey, and three in the June survey). The students' IEPs did not indicate that they met one or more of the five eligibility criteria required for IDEA weighted classification.

Management's Response – Management refers to IEPs that were provided for two of the nine cited students.

Auditor's Resolution – The IEPs provided to us by management did not cover the surveys in which the two students were reported; consequently, our finding stands as presented herein.

The accompanying notes are an integral part of this schedule.

Indian River 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 Indian River County

For the fiscal year ended June 30, 2005, the District received approximately $2.9 million in State transportation funding. The District's transportation reporting by survey was as follows:

Survey Period	No. of Vehicles	No. of Students
July 2004	21	455
October 2004	131	6,696
February 2005	125	7,154
June 2005	24	453
Total	301	14,758

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

Indian River 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

School District of Indian River County
"A CommUNITY Partnership Toward Educational Excellence"
Duncan N. P. Pritchett, Jr., Ed.D. • Superintendent

June 29, 2006

William O. Monroe, FPA
Auditor General
400 West Robinson Street, Room N408
Orlando, Florida 32801

Subject: District response to examination report concerning full-time equivalent students and student transportation, as reported by the School District of Indian River County, Florida under the Florida Education Finance Program for the fiscal year ended June 30, 2005.

Dear Mr. Monroe:

At this time we generally agree with your findings and recommendations as presented in the above referenced report, except for those findings, which are listed below.

Ref. 56

In accordance with 1006.21 F.S., documents were provided by the DOE Transportation Department to your staff addressing the October survey.

Ref. 55

In accordance with 1006.21 F.S., documents were provided to your staff indicating Individual Education Plans for two for the nine ESE students.

In addition we have taken certain corrective actions through training and administrative direction to ensure that any deficiencies cited in your report do not occur in the future.

Sincerely,

Duncan N. P. Pritchett Jr., Ed.D.
Superintendent

William D. Hughes District 1 | Lenora Quimby District 2 | R. Craig McGarvey, Ed.D. District 3 | Ann Reuter District 4 | Kathryn A. Wilson District 5

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