



AUDITOR GENERAL
WILLIAM O. MONROE, CPA



OSCEOLA COUNTY DISTRICT SCHOOL BOARD

**FLORIDA EDUCATION FINANCE PROGRAM (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS**

AND

STUDENT TRANSPORTATION

For the Fiscal Year Ended June 30, 2006

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: Thomas E. Chalifoux, Jr., Chairman from November 22, 2005, Vice-Chairman to November 21, 2005; John G. McKay, Chairman to November 21, 2005, Vice-Chairman from November 22, 2005; Tom Greer; David E. Stone; Jay Wheeler; and Blaine A. Muse, Superintendent.

This examination was conducted by Bernice Rivas; Gail S. Collier, CPA; and Richard W. Woods, CPA, and was supervised by J. David Hughes, CPA. Please address inquiries regarding this report to Joseph L. 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.

Osceola County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
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Osceola County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2006

IEP – Individual Educational Plan

EP – 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



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

We have examined management's assertion, included in its representation letter dated October 30, 2006, that the Osceola 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, 2006. 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:

1. Teachers

Forty-five of the 280 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. 4, 9, 19, 27, 28, 31, 35, 41, 44, 48, 49, 50, 51, 52, 54, 55, 59, 71, 72, 73, 74, 80, 84, 88, 89, 90, 93, 94, 95, 101, 102, 105, 106, 107, and 109.)

2. Students

We noted exceptions involving 75 of the 595 students in our ESOL student sample and 28 of the 47 students in our Career Education OJT sample. These exceptions involved reporting errors or 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, 5, 10, 13, 14, 15, 16, 17, 20, 21, 22, 23, 29, 30, 32, 33, 37, 38, 42, 46, 53, 56, 57, 60, 61, 62, 63, 77, 81, 82, 85, 86, 87, 91, 92, 96, 97, 98, 103, and 104. For Career Education OJT, see SCHEDULE D, finding Nos. 46, 47, 68, 69, 70, and 96.)

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 Career Education OJT, the Osceola 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, 2006.

The results of our examination disclosed other instances of noncompliance with the aforementioned State requirements, in addition to those of a material nature 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 Career Education 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 Osceola County District School Board. Copies of this report are available pursuant to Section 11.45(4)(c), Florida Statutes, and its distribution is not limited.

Respectfully submitted,

A handwritten signature in cursive script that reads "William O. Monroe".

William O. Monroe, CPA
April 16, 2007

SCHEDULE A

Osceola County District School Board
Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2006

<u>Description¹</u>	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Students (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>	<u>Number of Unweighted FTE²</u>	<u>% of Pop. (Sample)</u>
<u>1. Basic</u>						
Population ³	57	100.00%	19,415	100.00%	34,605.6200	100.00%
Sample Size ⁴	20	35.09%	455	2.34%	338.5815	0.98%
Students w/Exceptions	-	-	(11)	(2.42%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	125.4774	-
<u>2. Basic with ESE Services</u>						
Population ³	58	100.00%	3,406	100.00%	6,879.7400	100.00%
Sample Size ⁴	19	32.76%	325	9.54%	277.9807	4.04%
Students w/Exceptions	-	-	(5)	(1.54%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(24.3220)	-
<u>3. ESOL</u>						
Population ³	55	100.00%	3,853	100.00%	5,612.3300	100.00%
Sample Size ⁴	19	34.55%	595	15.44%	424.8852	7.57%
Students w/Exceptions	-	-	(75)	(12.61%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(93.3657)	-
<u>4. ESE Support Levels 4 and 5</u>						
Population ³	39	100.00%	545	100.00%	829.8200	100.00%
Sample Size ⁴	17	43.59%	354	64.95%	270.4755	32.59%
Students w/Exceptions	-	-	(27)	(7.63%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(12.9234)	-
<u>5. Career Education 9-12</u>						
Population ³	18	100.00%	201	100.00%	1,247.9800	100.00%
Sample Size ⁴	3	16.67%	47	23.38%	8.9978	.72%
Students w/Exceptions	-	-	(28)	(59.57%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(3.1294)	-

<u>All Programs</u>						
Population ³	59	100.00%	27,420	100.00%	49,175.4900	100.00%
Sample Size ⁴	20	33.90%	1,776	6.48%	1,320.9207	2.69%
Students w/Exceptions	-	-	(146)	(8.22%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(8.2631)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2006

<u>Description¹</u>	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Teachers (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>
<u>Teacher Certification</u>				
Population ³	59	100.00%	1,064	100.00%
Sample Size ⁴	20	33.90%	280	26.32%
Teachers w/Exceptions ⁵	-	-	(45)	(16.07%)

¹ See NOTE A6.

² Unweighted full-time equivalent (FTE) students represents FTE before 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 Career Education). The population shown for the number of students is the total number of students in each program at the schools in our sample. Our Career Education sample was limited to 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, 2006. The population shown for teachers is the total number of teachers at schools in our sample who taught courses in ESE or Career education or taught courses to LEP students. (See NOTE A5.)

⁴ See NOTE B.

⁵ Our audit adjustments present the net effects of the instances of noncompliance disclosed by our examination procedures, including those related to our tests of teacher certification. Our audit adjustments generally reclassify reported FTE to Basic education, except for noncompliance involving a student's enrollment or attendance, in which case the audit adjustments take the reported FTE to zero.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Osceola 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, 2006

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
101 Basic K-3	22.8409	1.018	23.2520
102 Basic 4-8	35.7611	1.000	35.7611
103 Basic 9-12	66.8754	1.113	74.4323
111 Grades K-3 with ESE Services	1.9550	1.018	1.9902
112 Grades 4-8 with ESE Services	(2.2193)	1.000	(2.2193)
113 Grades 9-12 with ESE Services	(24.0577)	1.113	(26.7762)
130 ESOL	(93.3657)	1.318	(123.0560)
254 ESE Support Level 4	(11.9234)	3.818	(45.5235)
255 ESE Support Level 5	(1.0000)	5.190	(5.1900)
300 Career Education 9-12	<u>(3.1294)</u>	1.193	<u>(3.7334)</u>
Total	<u>(8.2631)</u>		<u>(71.0628)</u>

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

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2006

<u>No.</u> <u>Program</u>	<u>District- Wide</u>	<u>Audit Adjustments¹</u>		<u>Balance Forward</u>
		<u>#0040</u>	<u>#0042</u>	
101 Basic K-3	2.3484	2.2046	.....	4.5530
102 Basic 4-8	2.6824	.5615	1.8073	5.0512
103 Basic 9-12	2.1933	.....	.....	2.1933
111 Grades K-3 with ESE Services	.....	.....	.....	.0000
112 Grades 4-8 with ESE Services	.....	.....	.5000	.5000
113 Grades 9-12 with ESE Services	.....	.....	.....	.0000
130 ESOL	(7.2241)	(2.7661)	(1.3073)	(11.2975)
254 ESE Support Level 4	.....	.....	(2.0000)	(2.0000)
255 ESE Support Level 5	.....	.....	1.0000	1.0000
300 Career Education 9-12	.....	.....	.....	<u>.0000</u>
Total	<u>.0000</u>	<u>.0000</u>	<u>.0000</u>	<u>.0000</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2006

Program No.	Brought Forward	<u>Audit Adjustments¹</u>				Balance Forward
		<u>#0061</u>	<u>#0071</u>	<u>#0081</u>	<u>#0101</u>	
101	4.5530	.....	5.5104	.....	1.8200	11.8834
102	5.0512	.8670	1.5000	.....	1.2000	8.6182
103	2.1933	.....	.....	17.2569	.....	19.4502
111	.0000	.....	.5000	.....	.4550	.9550
112	.5000	.....	.....	.....	.....	.5000
113	.0000	.....	.....	(12.3531)	.....	(12.3531)
130	(11.2975)	(.8670)	(7.5104)	(6.4925)	(3.4750)	(29.6424)
254	(2.0000)	2.5000	(.5000)	(.5650)	.....	(.5650)
255	1.0000	(2.5000)	.....	.....	.....	(1.5000)
300	<u>.0000</u>	<u>.....</u>	<u>.....</u>	<u>.8825</u>	<u>.....</u>	<u>.8825</u>
Total	<u>.0000</u>	<u>.0000</u>	<u>(.5000)</u>	<u>(1.2712)</u>	<u>.0000</u>	<u>(1.7712)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2006

<u>Program No.</u>	<u>Brought Forward</u>	<u>Audit Adjustments¹</u>				<u>Balance Forward</u>
		<u>#0251</u>	<u>#0271</u>	<u>#0401</u>	<u>#0601</u>	
101	11.8834	.....	1.0062	.1200	.....	13.0096
102	8.6182	7.3184	2.0314	.4000	.....	18.3680
103	19.4502	.....	.....	.....	10.9467	30.3969
111	.9550	.....	.....	1.0000	.....	1.9550
112	.5000	1.0000	.....	.....	.....	1.5000
113	(12.3531)	.....	.....	.....	(6.2032)	(18.5563)
130	(29.6424)	(7.3184)	(3.5376)	(.5200)	(4.3453)	(45.3637)
254	(.5650)	(1.0000)	1.0000	(1.0000)	.....	(1.5650)
255	(1.5000)	.....	(1.0000)	.....	.....	(2.5000)
300	<u>.8825</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>(.9645)</u>	<u>(.0820)</u>
Total	<u>(1.7712)</u>	<u>.0000</u>	<u>(.5000)</u>	<u>.0000</u>	<u>(.5663)</u>	<u>(2.8375)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2006

Program No.	Brought Forward	<u>Audit Adjustments</u>¹				Balance Forward
		<u>#0711</u>	<u>#0831</u>	<u>#0841</u>	<u>#0858</u>	
101	13.0096	.....	4.5845	.....	.....	17.5941
102	18.3680	2.2764	3.5440	.....	.5908	24.7792
103	30.3969	.....	.....	22.5872	.1061	53.0902
111	1.9550	.....	.....	.....	.....	1.9550
112	1.5000	(1.0563)	.4950	.....	(.5024)	.4363
113	(18.5563)	.....	.....	(.1492)	.0570	(18.6485)
130	(45.3637)	(1.2201)	(8.6235)	(21.8016)	(.3923)	(77.4012)
254	(1.5650)	.....	.....	(3.0000)	(.6658)	(5.2308)
255	(2.5000)	.....	.....	1.5000	.....	(1.0000)
300	<u>(.0820)</u>	<u>.....</u>	<u>.....</u>	<u>(1.2496)</u>	<u>(.0884)</u>	<u>(1.4200)</u>
Total	<u>(2.8375)</u>	<u>.0000</u>	<u>.0000</u>	<u>(2.1132)</u>	<u>(.8950)</u>	<u>(5.8457)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2006

<u>Program No.</u>	<u>Brought Forward</u>	<u>Audit Adjustments¹</u>				<u>Balance Forward</u>
		<u>#0859</u>	<u>#0863</u>	<u>#0866</u>	<u>#0922</u>	
101	17.5941	.....	2.2724	2.7594	.....	22.6259
102	24.7792	.1668	5.9929	1.0000	.....	31.9389
103	53.0902	4.2138	.....	.....	7.8752	65.1792
111	1.9550	.....	.....	.....	.....	1.9550
112	.4363	.....	(2.5464)	.....	.....	(2.1101)
113	(18.6485)	.....	.....	.....	(5.3880)	(24.0365)
130	(77.4012)	(.3938)	(6.2189)	(3.7594)	(1.6644)	(89.4377)
254	(5.2308)	(4.6644)	.....	.....	(.5000)	(10.3952)
255	(1.0000)	.....	.....	.....	.....	(1.0000)
300	(1.4200)	(.0784)	.....	.....	(.4842)	(1.9826)
Total	(5.8457)	(.7560)	(.5000)	.0000	(.1614)	(7.2631)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2006

<u>Program No.</u>	<u>Brought Forward</u>	<u>Audit Adjustments¹</u>		<u>Total</u>
		<u>#0932</u>	<u>#9031</u>	
101 Basic K-3	22.6259	.2150	.....	22.8409
102 Basic 4-8	31.9389	3.8222	.....	35.7611
103 Basic 9-12	65.1792	.....	1.6962	66.8754
111 Grades K-3 with ESE Services	1.9550	.....	.....	1.9550
112 Grades 4-8 with ESE Services	(2.1101)	(.1092)	.....	(2.2193)
113 Grades 9-12 with ESE Services	(24.0365)	.....	(.0212)	(24.0577)
130 ESOL	(89.4377)	(3.9280)	.....	(93.3657)
254 ESE Support Level 4	(10.3952)	.....	(1.5282)	(11.9234)
255 ESE Support Level 5	(1.0000)	.....	.....	(1.0000)
300 Career Education 9-12	<u>(1.9826)</u>	<u>.....</u>	<u>(1.1468)</u>	<u>(3.1294)</u>
Total	<u>(7.2631)</u>	<u>.0000</u>	<u>(1.0000)</u>	<u>(8.2631)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

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 Career Education OJT, the Osceola 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, 2006. 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 43.

Findings

**Net Audit
 Adjustment
 (Unweighted FTE)**

Our examination included the July and October 2005 surveys and the February and June 2006 surveys. (See NOTE A5.) Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2005 survey or the February 2006 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

District-Wide

1. [Ref. 149] Our examination procedures included an automated test that compared the courses reported in ESOL to the courses designated for that program by the Department of Education. The results of this test disclosed that 31 courses were reported in ESOL that were ineligible for such reporting. We made the following audit adjustments:

101 Basic K-3	2.3484	
102 Basic 4-8	2.6824	
103 Basic 9-12	2.1933	
130 ESOL	(7.2241)	<u>.0000</u>
		<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

Narcoossee Community School (#0040)

2. [Ref. 4001] Three students were reported incorrectly in ESOL. The first two students had been dismissed from ESOL before the reporting survey, and the third student's English language proficiency was not tested on a timely basis. The third student was placed in ESOL on January 6, 2006, but was not tested until February 23, 2006. The results of the test indicated the student was FES. We made the following audit adjustments:

101 Basic K-3	.9070	
102 Basic 4-8	.3801	
130 ESOL	<u>(1.2871)</u>	.0000

3. [Ref. 4002] The Basic education courses taken by one LEP student were incorrectly funded before the student's ESOL courses. We made the following audit adjustments:

101 Basic K-3	(.0562)	
130 ESOL	<u>.0562</u>	.0000

4. [Ref. 4071/74] Two teachers taught Primary Language Arts to LEP students, but had not earned the 240 in-service training points required in ESOL strategies, pursuant to the teachers' in-service training timelines. The first teacher had earned 161 points and the second 199 points. We made the following audit adjustments:

<u>Ref. 4071</u>		
101 Basic K-3	1.3538	
130 ESOL	<u>(1.3538)</u>	.0000

<u>Ref. 4074</u>		
102 Basic 4-8	.1814	
130 ESOL	<u>(.1814)</u>	.0000

.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Kissimmee Elementary School (#0042)</u>	
5. [Ref. 4202] <u>One LEP student was beyond the six-year period allowed for State funding of ESOL. We made the following audit adjustments:</u>	
102 Basic 4-8	.8870
130 ESOL	(.8870)
	.0000
6. [Ref. 4203] <u>The file for one ESE student did not contain an IEP covering the reporting survey. We made the following audit adjustments:</u>	
102 Basic 4-8	.5000
112 Grades 4-8 with ESE Services	(.5000)
	.0000
7. [Ref. 4204] <u>The <i>Matrix of Services</i> forms for one ESE student did not include the Special Considerations point designated for students with a <i>Matrix</i> score of 21 points and a Level 5 rating in four of five domains. We added this point to the student's original <i>Matrix</i> score and determined that the student was eligible for program No. 255 (ESE Support Level 5) rather than the reported program No. 254 (ESE Support Level 4). We made the following audit adjustments:</u>	
254 ESE Support Level 4	(1.0000)
255 ESE Support Level 5	1.0000
	.0000
8. [Ref. 4206] <u>One ESE student was not reported in accordance with the student's <i>Matrix of Services</i> form. We made the following audit adjustments:</u>	
112 Grades 4-8 with ESE Services	1.0000
254 ESE Support Level 4	(1.0000)
	.0000
9. [Ref. 4271] <u>One teacher taught Primary Language Arts to 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 made the following audit adjustments:</u>	

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>		<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Kissimmee Elementary School (#0042)</u> (Continued)		
102 Basic 4-8	.4203	
130 ESOL	(.4203)	.0000
		.0000
<u>Central Avenue Elementary School (#0061)</u>		
10. [Ref. 6102] <u>The files for two LEP students in ESOL did not contain documentation justifying the students' continued ESOL-placement beyond the initial three-year base period. We made the following audit adjustments:</u>		
102 Basic 4-8	.8670	
130 ESOL	(.8670)	.0000
11. [Ref. 6103] <u>Two ESE students were not reported in accordance with the student's Matrix of Services forms. We made the following audit adjustments:</u>		
254 ESE Support Level 4	.5000	
255 ESE Support Level 5	(.5000)	.0000
12. [Ref. 6104] <u>The Matrix of Services forms for two ESE students included Special Considerations points for which the students were not eligible. We recalculated the student's Matrix scores and determined that the students were eligible for program No. 254 (ESE Support Level 4), rather than the reported program No. 255 (ESE Support Level 5). We made the following audit adjustments:</u>		
254 ESE Support Level 4	2.0000	
255 ESE Support Level 5	(2.0000)	.0000
		.0000
<u>Highlands Elementary School (#0071)</u>		
13. [Ref. 7101] <u>One LEP student withdrew from school before the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:</u>		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	Net Audit Adjustment (Unweighted FTE)
<u>Highlands Elementary School (#0071)</u> (Continued)	
111 Grades K-3 with ESE Services	.5000
254 ESE Support Level 4	(.5000)
	.0000
<p>19. [Ref. 7171] <u>One teacher taught Primary Language Arts to LEP students, but had earned only 177 of the 240 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We made the following audit adjustments:</u></p>	
101 Basic K-3	4.5104
130 ESOL	(4.5104)
	.0000
	(.5000)
<u>Osceola High School (#0081)</u>	
<p>20. [Ref. 8101] <u>The reported FTE was overstated for 15 students because several 9-week courses were reported incorrectly as 18-week courses. In addition, the FTE for the dual-enrolled courses taken by one student was incorrectly computed based on class period minutes. Section 1011.62(1)(i), Florida Statutes, provides that such courses "shall be reported by school districts as 75 membership hours for purposes of FTE calculation." We made the following audit adjustments:</u></p>	
103 Basic 9-12	.2913
130 ESOL	(1.4450)
300 Career Education 9-12	.8825
	(.2712)
<p>21. [Ref. 8102] <u>The file for one student in ESOL did not contain documentation justifying the student's continued placement in ESOL after being classified FES on May 5, 2005. We made the following audit adjustments:</u></p>	
103 Basic 9-12	.5000
130 ESOL	(.5000)
	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Osceola High School (#0081)</u> (Continued)	
22. [Ref. 8103] <u>Two students in ESOL were beyond the maximum six-year period allowed for State funding of ESOL. (These two students are also cited in finding No. 20 (Ref. 8101).) We made the following audit adjustments:</u>	
103 Basic 9-12	.6525
130 ESOL	(.6525)
	.0000
23. [Ref. 8104] <u>The files for three LEP students did not contain documentation justifying the students' continued placement in ESOL for a fifth or sixth year. (One of these students is also cited in finding No. 20 (Ref. 8101).) We made the following audit adjustments:</u>	
103 Basic 9-12	1.2400
130 ESOL	(1.2400)
	.0000
24. [Ref. 8105] <u>One ESE student was absent the entire survey period and should not have been reported for FEFP funding. We made the following audit adjustment:</u>	
113 Grades 9-12 with ESE Services	(.5000)
	(.5000)
25. [Ref. 8106] <u>One ESE student withdrew from school before survey and should not have been reported for FEFP funding. We made the following audit adjustment:</u>	
113 Grades 9-12 with ESE Services	(.5000)
	(.5000)
26. [Ref. 8107] <u>One ESE student was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustments:</u>	
113 Grades 9-12 with ESE Services	.5000
254 ESE Support Level 4	(.5000)
	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

Osceola High School (#0081) (Continued)

27. [Ref. 8171] One ESE teacher was not properly certified and was not approved by the School Board to teach out-of-field. We also noted that the parents of the ESE students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:

103 Basic 9-12	11.9181	
113 Grades 9-12 with ESE Services	(11.8531)	
254 ESE Support Level 4	(.0650)	.0000

28. [Ref. 8172/74] Two teachers taught Primary Language Arts to classes that included LEP students, but were not properly certified to teach LEP students and were not approved by the School Board to teach such students out-of-field. We also noted that the parents of the LEP students concerned were not notified of the teachers' out-of-field status. We made the following audit adjustments:

<u>Ref. 8172</u>		
103 Basic 9-12	.1450	
130 ESOL	(.1450)	.0000
<u>Ref. 8174</u>		
103 Basic 9-12	2.5100	
130 ESOL	(2.5100)	.0000
		<u>(1.2712)</u>

Thacker Avenue Elementary School (#0101)

29. [Ref. 10101] The file for two students in ESOL did not contain documentation justifying the students' continued placement in ESOL after being classified FES on April 18, 2005. We made the following audit adjustments:

101 Basic K-3	1.8200	
130 ESOL	(1.8200)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>	
<u>Thacker Avenue Elementary School (#0101)</u> (Continued)		
30. [Ref. 10102] <u>The course schedule for one ESE/LEP student was incorrectly reported. Five courses were reported in program No. 130 (ESOL) instead of program No. 111 (Grades K-3 with ESE Services). The course schedules of ESE students should be reported entirely in ESE. We made the following audit adjustments:</u>		
111 Grades K-3 with ESE Services	.4550	
130 ESOL	(.4550)	.0000
31. [Ref. 10172] <u>One teacher taught Primary Language Arts to LEP students, but had earned only 60 of the 180 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We made the following audit adjustments:</u>		
102 Basic 4-8	1.2000	
130 ESOL	(1.2000)	<u>.0000</u>
		<u>.0000</u>
<u>Kissimmee Middle School (#0251)</u>		
32. [Ref. 25101] <u>Two LEP students were beyond the six-year period allowed for State funding of ESOL. We made the following audit adjustments:</u>		
102 Basic 4-8	1.2939	
130 ESOL	(1.2939)	.0000
33. [Ref. 25102] <u>The Basic education courses taken by one LEP student were incorrectly funded before the student's ESOL courses. We made the following audit adjustments:</u>		
102 Basic 4-8	(.0269)	
130 ESOL	.0269	.0000
34. [Ref. 25103] <u>The Matrix of Services forms for two ESE students were incomplete. Three of the five Domains were not appropriately filled-in. We made the following audit adjustments:</u>		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>		<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Kissimmee Middle School (#0251)</u> (Continued)		
112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000
35. [Ref. 25171/72] <u>Two teachers taught Language Arts to classes that included LEP students, but were not properly certified to teach LEP students and were not approved by the School Board to teach such students out-of-field. We also noted that the parents of the LEP students concerned were not notified of the teachers' out-of-field status. We made the following audit adjustments:</u>		
<u>Ref. 25171</u>		
102 Basic 4-8	3.3457	
130 ESOL	(3.3457)	.0000
<u>Ref. 25172</u>		
102 Basic 4-8	2.7057	
130 ESOL	(2.7057)	.0000
		<u>.0000</u>
<u>Michigan Avenue Elementary School (#0271)</u>		
36. [Ref. 27101] <u>One student withdrew from school before the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:</u>		
101 Basic K-3	(.5000)	(.5000)
37. [Ref. 27102] <u>The file for one LEP student in ESOL did not contain documentation justifying the student's continued ESOL-placement beyond the initial three-year base period. We made the following audit adjustments:</u>		
101 Basic K-3	.4620	
130 ESOL	(.4620)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Michigan Avenue Elementary School (#0271)</u> (Continued)	
38. [Ref. 27103] <u>The LEP Student Plan for one student in ESOL in the October survey was not completed on a timely basis. Documentation of the student's instructional programs and course schedule was not added to the Plan until December 7, 2005. We made the following audit adjustments:</u>	
101 Basic K-3	.4570
130 ESOL	(.4570)
	.0000
39. [Ref. 27104] <u>The Matrix of Services forms for one ESE student included one Special Considerations point for which the student was not eligible. We recalculated the Matrix score and determined that the student was eligible for program No. 254 (ESE Support Level 4) rather than the reported program No. 255 (ESE Support Level 5). We made the following audit adjustments:</u>	
254 ESE Support Level 4	.5000
255 ESE Support Level 5	(.5000)
	.0000
40. [Ref. 27105] <u>One ESE student was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustments:</u>	
254 ESE Support Level 4	.5000
255 ESE Support Level 5	(.5000)
	.0000
41. [Ref. 27171/72] <u>Two teachers taught Primary Language Arts to LEP students, but had not earned the required number of in-service training points in ESOL strategies, pursuant to the teachers' in-service training timelines. The first teacher had earned only 256 of 300 required points. The second teacher had earned only 60 of 180 required points. We made the following audit adjustments:</u>	
<u>Ref. 27171</u>	
101 Basic K-3	.5872
130 ESOL	(.5872)
	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>		<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Michigan Avenue Elementary School (#0271)</u> (Continued)		
<u>Ref. 27172</u>		
102 Basic 4-8	2.0314	
130 ESOL	<u>(2.0314)</u>	<u>.0000</u>
		<u>(.5000)</u>
<u>Boggy Creek Elementary School (#0401)</u>		
42. [Ref. 40101] <u>The file for one student in ESOL did not contain documentation justifying the student's continued placement in ESOL after being classified FES on April 13, 2005. We made the following audit adjustments:</u>		
102 Basic 4-8	.4000	
130 ESOL	<u>(.4000)</u>	<u>.0000</u>
43. [Ref. 40103] <u>One ESE student was not reported in accordance with the student's <i>Matrix of Services</i> form. We made the following audit adjustments:</u>		
111 Grades K-3 with ESE Services	1.0000	
254 ESE Support Level 4	<u>(1.0000)</u>	<u>.0000</u>
44. [Ref. 40174] <u>One teacher taught Primary Language Arts to three LEP students, 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:</u>		
101 Basic K-3	.1200	
130 ESOL	<u>(.1200)</u>	<u>.0000</u>
		<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>	
<u>Gateway High School (#0601)</u>		
45. [Ref. 60101] <u>One student withdrew from school before survey and should not have been reported for FTEP funding. We made the following audit adjustment:</u>		
103 Basic 9-12	(.5000)	(.5000)
46. [Ref. 60102] <u>The FTE for eight students was reported incorrectly because several 9-week courses were reported incorrectly as 18-week courses. We made the following audit adjustments:</u>		
103 Basic 9-12	(1.4172)	
300 Career Education 9-12	<u>1.4172</u>	.0000
47. [Ref. 60103] <u>The timecard for one Career Education student was missing and could not be located. We made the following audit adjustment:</u>		
300 Career Education 9-12	(.0663)	(.0663)
48. [Ref. 60171] <u>The parents of 62 ESE students taught by an out-of-field teacher during the school term covered by the October 2005 survey, were not notified of the teacher's out-of-field status until January 2006. Consequently, the notification was not effective for that survey. We made the following audit adjustments:</u>		
103 Basic 9-12	5.2547	
113 Grades 9-12 with ESE Services	(<u>5.2547</u>)	.0000
49. [Ref. 60172] <u>One teacher taught Primary 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 also noted that the parents of the LEP students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:</u>		
103 Basic 9-12	1.0400	
130 ESOL	(<u>1.0400</u>)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

Gateway High School (#0601) (Continued)

50. [Ref. 60173/75] Two teachers were not properly certified and were not approved by the School Board to teach out-of-field. We also noted that the parents of the students concerned were not notified of the teachers' out-of-field status. We made the following audit adjustments:

<u>Ref. 60173</u>		
103 Basic 9-12	2.5082	
113 Grades 9-12 with ESE Services	(.1928)	
300 Career Education 9-12	<u>(2.3154)</u>	.0000
<u>Ref. 60175</u>		
103 Basic 9-12	.2841	
113 Grades 9-12 with ESE Services	(.1894)	
130 ESOL	<u>(.0947)</u>	.0000

51. [Ref. 60174] One out-of-field teacher in the February 2006 survey, who was approved by the School Board to teach out-of-field during the previous school year, did not complete the required six semester hours of college credit in her out-of-field subject on a timely basis. The credit hours should have been earned before the February 2006 survey, but were not. We made the following audit adjustments:

103 Basic 9-12	.2502	
113 Grades 9-12 with ESE Services	<u>(.2502)</u>	.0000

52. [Ref. 60176] One teacher taught Reading and Social Sciences out-of-field, but was not approved by the School Board for Reading and was not approved on a timely basis for Social Sciences. The teacher taught Social Sciences during the school term covered by the October 2005 survey, but was not approved by the School Board until January 17, 2006. We also noted the parents of the students concerned either were not notified of the teacher's out-of-field status or were not notified on a timely basis (i.e., the parents of the students in the October 2005 survey were not notified until January 2006). We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Gateway High School (#0601)</u> (Continued)	
103 Basic 9-12	3.5267
113 Grades 9-12 with ESE Services	(.3161)
130 ESOL	<u>(3.2106)</u>
	.0000
	<u>(.5663)</u>
 <u>Celebration School (#0711)</u>	
53. [Ref. 71102] <u>The English language proficiency test and parental notification for one LEP student in ESOL in the October and February surveys were not done until March 2006; consequently, the student's ESOL-reporting in those surveys was not adequately supported. We made the following audit adjustments:</u>	
102 Basic 4-8	.6085
130 ESOL	<u>(.6085)</u>
	.0000
54. [Ref. 71171/72] <u>Two teachers taught Primary Language Arts to LEP students, but had not earned the number of in-service training points required in ESOL strategies, pursuant to the teachers' in-service training timelines. Both teachers had earned 120 points, but needed 300 and 180, respectively. We made the following audit adjustments:</u>	
<u>Ref. 71171</u>	
102 Basic 4-8	.5382
130 ESOL	<u>(.5382)</u>
	.0000
<u>Ref. 71172</u>	
102 Basic 4-8	.0734
130 ESOL	<u>(.0734)</u>
	.0000
55. [Ref. 71177] <u>One teacher was not properly certified and was not approved by the School Board to teach out-of-field. We also noted that the parents of students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:</u>	

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>		Net Audit Adjustment (Unweighted FTE)
<u>Celebration School (#0711)</u> (Continued)		
102 Basic 4-8	1.0563	
112 Grades 4-8 with ESE Services	<u>(1.0563)</u>	.0000
		<u>.0000</u>
<u>Deerwood Elementary School (#0831)</u>		
56. [Ref. 83102] <u>The files for five students in ESOL did not contain documentation justifying the students' continued placement in ESOL after being classified FES in April 2005. We made the following audit adjustments:</u>		
101 Basic K-3	1.8004	
102 Basic 4-8	2.6570	
130 ESOL	<u>(4.4574)</u>	.0000
57. [Ref. 83103] <u>The files for three LEP students did not contain documentation justifying the student's continued ESOL-placement beyond the initial three-year base period. We made the following audit adjustments:</u>		
101 Basic K-3	.4501	
102 Basic 4-8	.9018	
130 ESOL	<u>(1.3519)</u>	.0000
58. [Ref. 83104] <u>The reported course schedule for one ESE/LEP student incorrectly listed seven courses in either program No. 130 (ESOL) or program No. 102 (Basic 4-8). All of the courses taken by an ESE student should be reported in ESE (i.e., in this case, program No. 112 (Grades 4-8 with ESE Services)). We made the following audit adjustments:</u>		
102 Basic 4-8	(.0148)	
112 Grades 4-8 with ESE Services	.4950	
130 ESOL	<u>(.4802)</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

**Net Audit
Adjustment
(Unweighted FTE)**

FindingsDeerwood Elementary School (#0831) (Continued)

59. [Ref. 83175] One teacher taught Primary Language Arts to LEP students, but had earned only 60 of the 240 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	2.3340	
130 ESOL	(2.3340)	.0000
		.0000

Poinciana High School (#0841)

60. [Ref. 84101] Two students in ESOL were beyond the six-year period allowed for State funding of ESOL. We made the following audit adjustments:

103 Basic 9-12	1.5028	
130 ESOL	(1.5028)	.0000

61. [Ref. 84102] The file for one LEP student in ESOL did not contain documentation to support the student's continued ESOL-placement beyond the initial three-year base period. We made the following audit adjustments:

103 Basic 9-12	.3536	
130 ESOL	(.3536)	.0000

62. [Ref. 84103] The files for four students in ESOL did not contain documentation justifying the students' continued placement in ESOL after being classified FES in April or May 2005. We made the following audit adjustments:

103 Basic 9-12	2.7984	
130 ESOL	(2.7984)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

Poinciana High School (#0841) (Continued)

63. [Ref. 84104] The files for two LEP students did not contain evidence that the students' parents had been notified of their children's ESOL-placement, and one of the files was also missing evidence that the student's English language proficiency had been tested. We made the following audit adjustments:

103 Basic 9-12	.8840	
130 ESOL	(.8840)	.0000

64. [Ref. 84106] One ESE student was incorrectly reported in program No. 254 (ESE Support Level 4). The student should have been reported in program No. 255 (ESE Support Level 5). We noted that the student's Matrix of Services form incorrectly included one Special Considerations point designated for students who have a score of 17 points and a Level 5 rating in three of the five Domains. The student was Visually Impaired and should have received three Special Considerations points. We made the following audit adjustments:

254 ESE Support Level 4	(1.0000)	
255 ESE Support Level 5	1.0000	.0000

65. [Ref. 84107] One ESE student was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustments:

254 ESE Support Level 4	(.5000)	
255 ESE Support Level 5	.5000	.0000

66. [Ref. 84108] Two students (one reported for part-time Basic education and one reported as full-time ESE) withdrew from school before survey and should not have been reported for FEFP funding. We noted that the ESE-reported student had been dismissed from ESE before the reporting survey. We made the following audit adjustments:

103 Basic 9-12	(.3536)	
254 ESE Support Level 4	(.5000)	(.8536)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Poinciana High School (#0841)</u> (Continued)	
67. [Ref. 84109] <u>Two ESE students were incorrectly reported in program No. 254 (ESE Service Level 4). The students were reported in accordance with their <i>Matrix of Services</i> forms that were prepared by other schools, but were not provided 254-level services at Poinciana High School. We made the following audit adjustments:</u>	
113 Grades 9-12 with ESE Services	1.0000
254 ESE Support Level 4	<u>(1.0000)</u>
	.0000
68. [Ref. 84110] <u>The timecards for seven Career Education students were missing and could not be located. We made the following audit adjustment:</u>	
300 Career Education 9-12	<u>(1.1132)</u>
	(1.1132)
69. [Ref. 84111] <u>The FTE for the dual-enrolled courses taken by two students were incorrectly computed based on class period minutes. Section 1011.62(1)(i), Florida Statutes, provides that such courses "shall be reported by school districts as 75 membership hours for purposes of FTE calculation." One student was previously adjusted in finding No. 66 (Ref. 84108). We made the following audit adjustments for the other student:</u>	
103 Basic 9-12	(.0100)
300 Career Education 9-12	<u>.0100</u>
	.0000
70. [Ref. 84112] <u>The timecard for one Career Education student reported for OJT in the October survey indicated that the student did not work during that survey. We made the following audit adjustment:</u>	
300 Career Education 9-12	<u>(.1464)</u>
	(.1464)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

Poinciana High School (#0841) (Continued)

71. [Ref. 84175] One teacher taught Primary 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 also noted that the parents of the LEP students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:

103 Basic 9-12	.0884	
130 ESOL	<u>(.0884)</u>	.0000

72. [Ref. 84176] The parents of 62 LEP students taught Primary Language Arts by an out-of-field ESOL teacher were not notified of the teacher's out-of-field status. We made the following audit adjustments:

103 Basic 9-12	7.0996	
130 ESOL	<u>(7.0996)</u>	.0000

73. [Ref. 84177] One teacher taught Science courses that included LEP students; 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:

103 Basic 9-12	7.3372	
130 ESOL	<u>(7.3372)</u>	.0000

74. [Ref. 84178] One teacher was not properly certified and was not approved by the School Board to teach out-of-field. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:

103 Basic 9-12	2.8868	
113 Grades 9-12 with ESE Services	(1.1492)	
130 ESOL	<u>(1.7376)</u>	<u>.0000</u>

(2.1132)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Osceola County Juvenile Justice Detention Center (#0858)</u>	
75. [Ref. 85801] <u>Two reported students were shown as having initially enrolled in school on Date Certain of survey week; however, they were not listed on the school's attendance records for that day. We made the following audit adjustments:</u>	
103 Basic 9-12	(.4116)
254 ESE Support Level 4	(.1172)
300 Career Education 9-12	(.0884)
	(.6172)
76. [Ref. 85802] <u>Two students in the June survey were not enrolled in school during survey week and should not have been reported for FEFP funding. We made the following audit adjustments:</u>	
103 Basic 9-12	(.1389)
254 ESE Support Level 4	(.1389)
	(.2778)
77. [Ref. 85803] <u>The LEP Student Plan for one student in the July survey was incomplete. The Plan did not include documentation showing the student's instructional programs and course schedule. We made the following audit adjustments:</u>	
103 Basic 9-12	.0387
130 ESOL	(.0387)
	.0000
78. [Ref. 85804] <u>There was no evidence that the parents of one ESE student had been advised of, and invited to, the student's IEP-development meeting. We made the following audit adjustments:</u>	
102 Basic 4-8	.5000
112 Grades 4-8 with ESE Services	(.5000)
	.0000
79. [Ref. 85805] <u>One ESE student in the June survey was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustments:</u>	
113 Grades 9-12 with ESE Services	.1389
254 ESE Support Level 4	(.1389)
	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

Osceola County Juvenile Justice Detention Center (#0858) (Continued)

80. [Ref. 85871/72/73] Three teachers were not properly certified and were not approved by the School Board to teach out-of-field. We also noted that the parents of the students concerned were not notified of the teachers' out-of-field status. We made the following audit adjustments:

<u>Ref. 85871</u>		
102 Basic 4-8	.0884	
103 Basic 9-12	.4420	
130 ESOL	(.3536)	
254 ESE Support Level 4	(.1768)	.0000
<u>Ref. 85872</u>		
103 Basic 9-12	.1403	
113 Grades 9-12 with ESE Services	(.0463)	
254 ESE Support Level 4	(.0940)	.0000
<u>Ref. 85873</u>		
102 Basic 4-8	.0024	
103 Basic 9-12	.0356	
112 Grades 4-8 with ESE Services	(.0024)	
113 Grades 9-12 with ESE Services	(.0356)	.0000
		<u>(.8950)</u>

Osceola County Commitment Facility (#0859)

81. [Ref. 85901] The LEP Student Plan for one student in the July survey was incomplete. The Plan did not include documentation showing the student's instructional programs and course schedule. We made the following audit adjustments:

103 Basic 9-12	.0402	
130 ESOL	(.0402)	.0000

82. [Ref. 85902] Two students (one in the June survey and one in the October survey) were not enrolled in school during survey week and should not have been reported for FEFP funding. (The student in the October survey is also cited in finding No. 81 (Ref. 85901). We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Osceola County Commitment Facility (#0859)</u> (Continued)	
103 Basic 9-12	(.0680)
130 ESOL	(.3536)
254 ESE Support Level 4	(.1389)
300 Career Education 9-12	(.0784)
	(.6389)
83. [Ref. 85903] <u>One ESE student withdrew from school before survey and should not have been reported for FEFP funding. We made the following audit adjustment:</u>	
254 ESE Support Level 4	(.1171)
	(.1171)
84. [Ref. 85972] <u>One teacher was not properly certified and was not approved by the School Board to teach out-of-field. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:</u>	
102 Basic 4-8	.1668
103 Basic 9-12	4.2416
254 ESE Support Level 4	(4.4084)
	.0000
	(.7560)
<u>Four Corners Charter School (#0863)</u>	
85. [Ref. 86301] <u>One LEP student in the October survey withdrew from school before survey week and should not have been reported for FEFP funding. We made the following audit adjustment:</u>	
130 ESOL	(.5000)
	(.5000)
86. [Ref. 86302] <u>The reported course schedules for six LEP students were incorrect, as follows: two funded Basic education courses before the students' higher priority ESOL courses; two listed ESOL courses in Basic education; and two misreported the number of instructional minutes provided. We made the following audit adjustments:</u>	

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>		<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Four Corners Charter School (#0863)</u> (Continued)		
101 Basic K-3	(1.3028)	
102 Basic 4-8	(.0332)	
130 ESOL	<u>1.3360</u>	.0000
87. [Ref. 86303] <u>The file for one student in ESOL did not contain documentation justifying the student's continued placement in ESOL after being classified FES on May 4, 2005. We made the following audit adjustments:</u>		
102 Basic 4-8	.4633	
130 ESOL	<u>(.4633)</u>	.0000
88. [Ref. 86373] <u>One teacher taught Primary Language Arts to 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 made the following audit adjustments:</u>		
101 Basic K-3	2.2412	
130 ESOL	<u>(2.2412)</u>	.0000
89. [Ref. 86375/79] <u>Two teachers taught Language Arts to classes that included LEP students, but were not properly certified to teach LEP students, and were not approved by the Charter School Board to teach such students out-of-field. We made the following audit adjustments:</u>		
<u>Ref. 86375</u>		
102 Basic 4-8	.5496	
130 ESOL	<u>(.5496)</u>	.0000
<u>Ref. 86379</u>		
101 Basic K-3	1.3340	
130 ESOL	<u>(1.3340)</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

**Net Audit
Adjustment
(Unweighted FTE)**

Findings**Four Corners Charter School (#0863)** (Continued)

90. [Ref. 86380] One teacher was not properly certified and was not approved by the Charter School Board to teach out-of-field. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:

102 Basic 4-8	5.0132	
112 Grades 4-8 with ESE Services	(2.5464)	
130 ESOL	(2.4668)	.0000
		(.5000)

City of Kissimmee Charter School (#0866)

91. [Ref. 86601] The LEP Student Plan for one student in ESOL in the October survey was not completed on a timely basis. Documentation of the student's instructional programs and course schedule was not added to the Plan until February 9, 2006. We made the following audit adjustments:

101 Basic K-3	.4333	
130 ESOL	(.4333)	.0000

92. [Ref. 86603] The file for one LEP student in ESOL did not contain documentation justifying the student's continued placement in ESOL after being classified FES on April 12, 2005. We made the following audit adjustments:

102 Basic 4-8	1.0000	
130 ESOL	(1.0000)	.0000

93. [Ref. 86672] One teacher taught Primary Language Arts to classes that included two LEP students, but had earned only 98 of the 240 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	.9336	
130 ESOL	(.9336)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Net Audit
 Adjustment
 (Unweighted FTE)**

Findings

City of Kissimmee Charter School (#0866) (Continued)

94. [Ref. 86673/79] Two teachers taught Language Arts to classes that included one LEP student each, but were not properly certified to teach LEP students, and were not approved by the Charter School Board to teach such students out-of-field. We also noted that the parents of the students taught by one of the teachers (Ref. 86679) were not notified of the teacher's out-of-field status. We made the following audit adjustments:

<u>Ref. 86673</u>		
101 Basic K-3	.0004	
130 ESOL	<u>(.0004)</u>	.0000
<u>Ref. 86679</u>		
101 Basic K-3	.2251	
130 ESOL	<u>(.2251)</u>	.0000

95. [Ref. 86677] The parents of five LEP students taught Primary Language Arts by an out-of-field ESOL teacher were not notified of the teacher's out-of-field status. We made the following audit adjustments:

101 Basic K-3	1.1670	
130 ESOL	<u>(1.1670)</u>	.0000
		<u>.0000</u>

Harmony High School (#0922)

96. [Ref. 92201] The reported course schedules for 15 students were incorrect due to one or more of the following circumstances: off-campus OJT courses were reported with a higher funding priority than on-campus courses; the FTE for the dual-enrolled courses was computed based on class minutes rather than on the 75 membership hours specified by Section 1011.62(1)(i), Florida Statutes; and, the reported number of instructional minutes for fourth period was overstated (477 minutes versus 250 minutes). We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>		<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Harmony High School (#0922)</u> (Continued)		
103 Basic 9-12	.3228	
300 Career Education 9-12	(.3228)	.0000
97. [Ref. 92203] <u>The file for one student in ESOL did not contain documentation justifying the student's continued ESOL-placement after classification as FES on May 5, 2005. We made the following audit adjustments:</u>		
103 Basic 9-12	.2498	
130 ESOL	(.2498)	.0000
98. [Ref. 92204] <u>The parents of one LEP student in ESOL in the October survey were not notified of their child's ESOL-placement on a timely basis (i.e., before survey). The October survey ended October 14, 2005, but notification was not made until October 18, 2005. We made the following audit adjustments:</u>		
103 Basic 9-12	.4162	
130 ESOL	(.4162)	.0000
99. [Ref. 92205] <u>One ESE student was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustments:</u>		
113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
100. [Ref. 92206] <u>The timecard for one Career Education student (who is also cited in finding No. 96 (Ref. 92201)) was missing and could not be located. We made the following audit adjustment:</u>		
300 Career Education 9-12	(.1614)	(.1614)
101. [Ref. 92271] <u>The parents of certain students taught by one out-of-field teacher were not notified of the teacher's out-of-field status. We made the following audit adjustments:</u>		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>		Net Audit Adjustment (Unweighted FTE)
<u>Harmony High School (#0922)</u> (Continued)		
103 Basic 9-12	1.2292	
113 Grades 9-12 with ESE Services	(1.1462)	
130 ESOL	(.0830)	.0000
102. [Ref. 92272] <u>One teacher was not properly certified and was not approved by the School Board to teach out-of-field. We also noted the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:</u>		
103 Basic 9-12	5.6572	
113 Grades 9-12 with ESE Services	(4.7418)	
130 ESOL	(.9154)	.0000
		(.1614)
<u>Bellalago Charter Academy (#0932)</u>		
103. [Ref. 93201] <u>The files for two students in ESOL did not contain documentation justifying the student's continued ESOL-placement after being classified FES on April 7, 2005. We made the following audit adjustments:</u>		
102 Basic 4-8	1.3362	
130 ESOL	(1.3362)	.0000
104. [Ref. 93202] <u>The reported class schedules for three students were incorrect, as follows: two funded Basic courses before higher priority ESOL courses, and one funded one course and class period twice. We made the following audit adjustments:</u>		
101 Basic K-3	(.0300)	
102 Basic 4-8	.0322	
130 ESOL	(.0022)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Net Audit Adjustment (Unweighted FTE)</u>
<u>Bellalago Charter Academy (#0932)</u> (Continued)	
105. [Ref. 93271] <u>One teacher was not properly certified and was not approved by the School Board to teach out-of-field. We also noted the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:</u>	
102 Basic 4-8	.1092
112 Grades 4-8 with ESE Services	(.1092)
	.0000
106. [Ref. 93277] <u>One teacher taught Primary Language Arts to LEP students, but had earned only 60 of the 120 in-service training points in ESOL strategies, pursuant to the teacher's in-service training timeline. We made the following audit adjustments:</u>	
101 Basic K-3	.2450
130 ESOL	(.2450)
	.0000
107. [Ref. 93279] <u>The parents of 18 LEP students taught Language Arts by an out-of-field ESOL teacher during the school term covered by the October 2005 survey, were not notified of the teacher's out-of-field status until February 2006. Consequently, the notification was not effective for that survey. We made the following audit adjustments:</u>	
102 Basic 4-8	2.3446
130 ESOL	(2.3446)
	.0000
	.0000
<u>Adolescent Residential Center (#9031)</u>	
108. [Ref. 903101] <u>Two students withdrew from school before survey and should not have been reported for FEEP funding. We made the following audit adjustments:</u>	
103 Basic 9-12	(.3612)
254 ESE Support Level 4	(.5000)
300 Career Education 9-12	(.1388)
	(1.0000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

**Net Audit
Adjustment
(Unweighted FTE)**

Findings

Adolescent Residential Center (#9031) (Continued)

109. [Ref. 903171] One teacher was not properly certified and was not approved by the School Board to teach out-of-field. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustments:

103 Basic 9-12	2.0574	
113 Grades 9-12 with ESE Services	(.0212)	
254 ESE Support Level 4	(1.0282)	
300 Career Education 9-12	<u>(1.0080)</u>	<u>.0000</u>
		<u>(1.0000)</u>
		<u>(8.2631)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Osceola County District School Board
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2006

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) FTE for students in dual enrollment courses is properly calculated based on 75 membership hours; (4) students in OJT are reported in the correct priority and in accordance with their supporting timecards; (5) students are reported in proper funding categories and have adequate documentation to support that reporting, particularly with regard to students in ESOL and ESE programs; (6) only eligible students are reported for FEFP funding; (7) teachers are either properly certified or approved by the District or Charter School Board to teach out-of-field; (8) teachers earn the number of in-service training points required in ESOL strategies, pursuant to their in-service training timelines, and (9) 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 CitationsReporting

Section 1011.60, F.S.Minimum Requirements of the 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 2005-2006

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 2005-2006
Comprehensive Management Information System: Automated Student Attendance Recordkeeping System

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2006

Regulatory Citations (Continued)

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

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 Students with Disabilities
- 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 Determination of Eligibility of Exceptional Students for Specially Designed Instruction
- Rule 6A-6.0334, F.A.C. Temporary Assignment of Transferring Exceptional Students
- Rule 6A-6.03411, F.A.C. Policies and Procedures for the Provision of Specially Designed Instruction and Related Services for Exceptional Students

Career Education OJT

- Rule 6A-1.044(6)(c), F.A.C. Pupil Attendance Records
 - Rule 6A-6.055(3), F.A.C. Definitions of Terms Used in Vocational Education and Adult Programs
- FTE General Instructions 2005-2006

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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Osceola County District School Board
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2006

Regulatory Citations (Continued)

Teacher Certification (Continued)

- Section 1012.55, F.S.Positions for Which Certificates Required
- Rule 6A-1.0502, F.A.C.Non-Certificated Instructional Personnel
- Rule 6A-1.0503, F.A.C.Definition of 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

Osceola County District School Board
Full-Time Equivalent (FTE) Students
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2006

Management agreed with our findings and recommendations.

A copy of management's response may be found at page 72 of this report.

The accompanying notes are an integral part of this schedule.

Osceola County District School Board
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

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 Osceola County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Osceola County, Florida. Those services are provided primarily to students attending kindergarten through high school, but also to adults seeking career education-type training. The District is part of the State system of public education under the general direction and control of the State Board of Education. The geographic boundaries of the District are those of Osceola County. For the fiscal year ended June 30, 2006, the District operated 59 schools, reported 49,175.49 unweighted full-time equivalent (FTE) students, and received approximately \$153 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.

Osceola County District School Board
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

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 2005-2006 school year were conducted during and for the following weeks: survey one was performed for July 11-15, 2005; survey two was performed for October 10-14, 2005; survey three was performed for February 6-10, 2006; and survey four was performed for June 12-16, 2006.

Osceola County District School Board
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

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) Career Education (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, 2006. 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:

Osceola County District School Board
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

NOTE B - SAMPLING (Continued)

<u>School Name/Description</u>	<u>Finding Number(s)</u>
- District-Wide	1
1. Narcoossee Community School	2 through 4
2. Kissimmee Elementary School	5 through 9
3. Central Avenue Elementary School	10 through 12
4. Highlands Elementary School	13 through 19
5. Osceola High School	20 through 28
6. Thacker Avenue Elementary School	29 through 31
7. Kissimmee Middle School	32 through 35
8. Michigan Avenue Elementary School	36 through 41
9. Boggy Creek Elementary School	42 through 44
10. Gateway High School	45 through 52
11. Celebration School	53 through 55
12. Deerwood Elementary School	56 through 59
13. Poinciana High School	60 through 74
14. Osceola Co. Juvenile Justice Detention Center	75 through 80
15. Osceola Co. Commitment Facility	81 through 84
16. Four Corners Charter School	85 through 90
17. City of Kissimmee Charter School	91 through 95
18. Harmony High School	96 through 102
19. Bellalago Charter Academy	103 through 107
20. Adolescent Residential Center	108 and 109



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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 OSCEOLA COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated October 30, 2006, that the Osceola 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, 2006. 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.

Our examination procedures disclosed instances of material noncompliance with the District's reported student ridership data, as follows: 185 of the 455 transported students in our sample had exceptions involving their reported ridership category or their eligibility for State transportation funding.

In our opinion, except for the instances of material noncompliance mentioned above involving the classification and reporting of transported students, the Osceola 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, 2006.

The results of our examination disclosed other instances of noncompliance with the aforementioned State requirements, in addition to those of a material nature 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 in the preceding paragraph. 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.

In accordance with *Governmental 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 the classification and reporting of transported students. 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 Osceola 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
April 16, 2007

SCHEDULE A

Osceola County District School Board
Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2006

<u>Description</u>	<u>Number of Vehicles</u>	<u>% of Pop.</u>	<u>No. of Students Transp.</u>	<u>% of Pop. (Sample)</u>
Population ¹	732	100.00%	47,740	100.00%
Sample ²	-	-	455	.95%
<u>Test Results</u>				
General Tests – Sample Students w/ Exceptions			19	-
Detailed Tests – Sample Students w/ Exceptions			<u>166</u>	-
Total Sample Students w/ Exceptions			<u>185</u>	(40.66%)
General Tests – Net Sample Students Adjusted			(11)	-
Detailed Tests – Net Sample Students Adjusted			<u>(43)</u>	-
Net Sample Students Adjusted			<u>(54)</u>	(11.87%)

¹ The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2006. The District reported 47,740 students in the following ridership categories: 497 in IDEA (K-12), Weighted; 1,422 in IDEA (K-12), Unweighted; 71 in IDEA (PK), Weighted; 190 in IDEA (PK), Unweighted; 173 in Teenage Parents and Infants; 1 in Hazardous Walking; 45,262 in Two Miles or More; 122 in Center to Center (IDEA), Unweighted; and 2 in Center to Center (Vocational). The District also reported operating a total of 732 buses. (IDEA stands for Individuals with Disabilities Education Act.)

² See NOTE B.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

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. Except for instances of material noncompliance involving the classification and reporting of transported students, the Osceola 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, 2006. 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 68.

**Students
 Transported
 Net Audit
 Adjustment**

Findings

Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey. Our detailed tests checked the accuracy of the reported ridership categories for specific students sampled from the July, October, February, and June surveys. Unless otherwise indicated, the students adjusted as a result of our general tests were non-sample students and the students adjusted as a result of our detailed tests were sample students. Reporting errors affecting days-in-term for sample students, where noted in our general tests, were not counted as sample student errors because they did not affect the reported ridership categories of those students.

General Tests

1. [Ref. 51] Two hundred and forty-six transported students, who were enrolled in the District's Jump Start summer school program during the school term covered by the July survey, were not reported for State transportation funding due to clerical error. Twenty buses were used to transport the students, all of whom should have been reported in Two Miles or More. We made the following audit adjustments:

July 2005 Survey

Buses in Operation	<u>20</u>	-
 <u>1 Day-in-Term</u>		
Two Miles or More	177	
 <u>14 Days-in-Term</u>		
Two Miles or More	33	

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Students Transported Net Audit Adjustment</u>
General Tests (Continued)	
<u>15 Days-in-Term</u>	
Two Miles or More	36 246
2. [Ref. 62] <u>For the October survey, the District incorrectly reported transporting 22,869 students for an 89-day term (the regular 90-day term less one hurricane day). The hurricane day should not have been deducted from the District's reporting, and the students should have been reported for the full 90-day term. We made the following audit adjustments:</u>	
October 2005 Survey	
<u>89 Days-in-Term</u>	
IDEA (K-12), Weighted	(172)
IDEA (K-12), Unweighted	(20)
IDEA (PK), Unweighted	(8)
Teenage Parents and Infants	(94)
Two Miles or More	(22,545)
Center to Center (IDEA), Unweighted	(30)
<u>90 Days-in-Term</u>	
IDEA (K-12), Weighted	172
IDEA (K-12), Unweighted	20
IDEA (PK), Unweighted	8
Teenage Parents and Infants	94
Two Miles or More	22,545
Center to Center (IDEA), Unweighted	30
3. [Ref. 52] <u>The bus drivers' reports needed to support the transportation of 275 students on 16 buses during various surveys were missing and could not be located. We made the following audit adjustments:</u>	
July 2005 Survey	
<u>21 Days-in-Term</u>	
IDEA (K-12), Weighted	(22)
IDEA (K-12), Unweighted	(31)
Two Miles or More	(24)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	Students Transported Net Audit Adjustment
<u>General Tests</u> (Continued)	
<u>October 2005 Survey</u>	
<u>90 Days-in-Term</u>	
IDEA (K-12), Weighted	(1)
Two Miles or More	(39)
Center to Center (IDEA), Unweighted	(1)
<u>February 2006 Survey</u>	
<u>54 Days-in-Term</u>	
Two Miles or More	(14)
<u>90 Days-in-Term</u>	
Two Miles or More	(143) (275)

4. [Ref. 53] We noted the following exceptions involving 97 students in the Center to Center (IDEA), Unweighted in the October and February surveys:

- a. Eighty students were reported for an incorrect number of days-in-term.
- b. Two students were not transported center to center, but lived more than two miles from school and should have been reported in Two Miles or More.
- c. Ten students did not ride a bus during the survey period concerned and should not have been reported for State transportation funding.
- d. Five students were not enrolled in an ESE program, but in a Vocational program and should have been reported in Center to Center (Vocational). We noted that one of these students was reported incorrectly for an 89-day term (adjusted to a 90-day term in finding No. 2 (Ref. 62)). The student should have been reported for a 36-day term.

We made the following audit adjustments:

- 4a. **October 2005 Survey**
90 Days-in-Term
 Center to Center (IDEA), Unweighted (15)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustment</u>
<u>General Tests</u> (Continued)		
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u> Center to Center (IDEA), Unweighted	(40)	
<u>72 Days-in-Term</u> Center to Center (IDEA), Unweighted	<u>(25)</u>	(80)
<u>October 2005 Survey</u>		
<u>18 Days-in-Term</u> Center to Center (IDEA), Unweighted	15	
<u>February 2006 Survey</u>		
<u>72 Days-in-Term</u> Center to Center (IDEA), Unweighted	3	
<u>18 Days-in-Term</u> Center to Center (IDEA), Unweighted	10	
Center to Center (IDEA), Unweighted	<u>52</u>	80
4b. <u>October 2005 Survey</u>		
<u>90 Days-in-Term</u> Center to Center (IDEA), Unweighted	(1)	
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u> Center to Center (IDEA), Unweighted	<u>(1)</u>	(2)
<u>October 2005 Survey</u>		
<u>90 Days-in-Term</u> Two Miles or More	1	
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u> Two Miles or More	<u>1</u>	2
4c. <u>February 2006 Survey</u>		
<u>90 Days-in-Term</u> Center to Center (IDEA), Unweighted	(6)	

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustment</u>
<u>General Tests</u> (Continued)		
<u>February 2006 Survey</u> (Continued)		
<u>72 Days-in-Term</u>		
Center to Center (IDEA), Unweighted	(4)	(10)
4d. <u>October 2005 Survey</u>		
<u>90 Days-in-Term</u>		
Center to Center (IDEA), Unweighted	-	(1)
<u>36 Days-in-Term</u>		
Center to Center (Vocational/Dual Enrolled)	-	1
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u>		
Center to Center (IDEA), Unweighted	-	(4)
<u>90 Days-in-Term</u>		
Center to Center (Vocational/Dual Enrolled)	-	4
5. [Ref. 55] <u>Three hundred and twelve students (272 in the July survey and 40 in the June survey) were reported for an incorrect number of days-in-term. We made the following audit adjustments:</u>		
<u>July 2005 Survey</u>		
<u>21 Days-in-Term</u>		
IDEA (K-12), Weighted	(66)	
IDEA (K-12), Unweighted	(97)	
Two Miles or More	(109)	
<u>June 2006 Survey</u>		
<u>24 Days-in-Term</u>		
Two Miles or More	(32)	
<u>19 Days-in-Term</u>		
Two Miles or More	(8)	(312)
<u>July 2005 Survey</u>		
<u>4 Days-in-Term</u>		
IDEA (K-12), Weighted	65	
IDEA (K-12), Unweighted	97	
Two Miles or More	65	

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustment</u>
General Tests (Continued)		
<u>15 Days-in-Term</u>		
IDEA (K-12), Weighted	1	
Two Miles or More	44	
June 2006 Survey		
<u>12 Days-in-Term</u>		
Two Miles or More	8	
<u>10 Days-in-Term</u>		
Two Miles or More	<u>32</u>	312

6. [Ref. 58] Two hundred and twenty-five PK students in various surveys were reported in incorrect ridership categories (154 students) or were ineligible for State transportation funding (71 students), as follows:

- a. One hundred and twenty-nine PK students were incorrectly reported in Two Miles or More (126 students) or IDEA (K-12), Unweighted (3 students). They should have been reported in IDEA (PK), Unweighted. We also noted that 1 of the 126 students in Two Miles or More was incorrectly reported for 90 days-in-term. The student should have been reported for 36 days-in-term.
- b. Eight students were incorrectly reported in Two Miles or More. They should have been reported in Teenage Parents and Infants.
- c. Fourteen students were incorrectly reported in IDEA (K-12), Weighted. They should have been reported in IDEA (PK), Weighted.
- d. Three students were incorrectly reported in IDEA (K-12), Weighted. They should have been reported in IDEA (PK), Unweighted.

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Students
 Transported
 Net Audit
 Adjustment**

Findings

General Tests (Continued)

- e. Seventy-one students were not eligible for transportation funding because they were enrolled in School Readiness or Voluntary PK programs that were not reportable for State transportation funding, pursuant to the *Student Transportation General Instructions* (70 students) or were not an IDEA-qualified student and were transported less than two miles (1 student).

We made the following audit adjustments:

6a.	<u>July 2005 Survey</u>		
	<u>4 Days-in-Term</u>		
	IDEA (K-12), Unweighted – <i>Sample Students</i>	(2)	
	IDEA (K-12), Unweighted	(1)	
	Two Miles or More	(12)	
	<u>October 2005 Survey</u>		
	<u>90 Days-in-Term</u>		
	Two Miles or More	(112)	
	<u>February 2006 Survey</u>		
	<u>90 Days-in-Term</u>		
	Two Miles or More	(2)	(129)
	<u>July 2005 Survey</u>		
	<u>4 Days-in-Term</u>		
	IDEA (PK), Unweighted – <i>Sample Students</i>	2	
	IDEA (PK), Unweighted	13	
	<u>October 2005 Survey</u>		
	<u>90 Days-in-Term</u>		
	IDEA (PK), Unweighted	112	
	<u>February 2006 Survey</u>		
	<u>90 Days-in-Term</u>		
	IDEA (PK), Unweighted	2	129
6b.	<u>October 2005 Survey</u>		
	<u>90 Days-in-Term</u>		
	Two Miles or More	(8)	
	Teenage Parents and Infants	8	0

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustment</u>
General Tests (Continued)		
6c. <u>July 2005 Survey</u>		
<u>4 Days-in-Term</u>		
IDEA (K-12), Weighted – <i>Sample Students</i>	(3)	
IDEA (K-12), Weighted	(6)	
<u>October 2005 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Weighted	(2)	
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Weighted	(3)	(14)
<u>July 2005 Survey</u>		
<u>4 Days-in-Term</u>		
IDEA (PK), Weighted – <i>Sample Students</i>	3	
IDEA (PK), Weighted	6	
<u>October 2005 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Weighted	2	
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Weighted	3	14
6d. <u>July 2005 Survey</u>		
<u>4 Days-in-Term</u>		
IDEA (K-12), Weighted – <i>Sample Students</i>	(3)	
IDEA (PK), Unweighted – <i>Sample Students</i>	3	0
6e. <u>July 2005 Survey</u>		
<u>4 Days-in-Term</u>		
IDEA (K-12), Weighted	(1)	
<u>October 2005 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More	(54)	

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustment</u>
<u>General Tests</u> (Continued)		
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More	(16)	(71)
<p>7. [Ref. 59] <u>Sixty-one students in IDEA (PK), Unweighted were ineligible for State transportation funding (52 students) or were reported in an incorrect ridership category (8 students) or were reported for an incorrect number of days-in-term (1 student). The 52 ineligible PK students were enrolled in School Readiness or Voluntary PK programs that were not reportable for State transportation funding, pursuant to the <i>Student Transportation General Instructions</i>. The 8 misclassified students were in grade levels K-12, lived more than two miles from school, and should have been reported in Two Miles or More. The last student was reported in the February survey for 90 days-in-term, but should have been reported for 36 days-in-term. We made the following audit adjustments:</u></p>		
<u>October 2005 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Unweighted – <i>Sample Students</i>	(3)	
IDEA (PK), Unweighted	(1)	
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Unweighted – <i>Sample Students</i>	(8)	
IDEA (PK), Unweighted	(49)	(61)
<u>February 2006 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More	8	
<u>36 Days-in-Term</u>		
IDEA (PK), Unweighted	1	2
<u>Net Audit Adjustments from General Tests</u>		
Sample Students	(11)	
Non-Sample Students	(151)	(162)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Students
 Transported
 Net Audit
 Adjustment**

Findings**Detailed Tests**

8. [Ref. 54] Twenty-eight students in various ridership categories and surveys did not ride a bus at least one day during survey period and should not have been reported for State transportation funding. We also noted the following additional exceptions involving the ridership classifications of 15 of these 28 students:

- a. Two students in Two Miles or More lived less than two miles from school.
- b. Nine students in IDEA (K-12), Unweighted lived more than two miles from school and should have been classified as Two Miles or More.
- c. One student in IDEA (K-12), Unweighted was not an IDEA student.
- d. Two students in Center to Center (Vocational) should have been reported in Two Miles or More.
- e. One student in the IDEA (PK), Weighted did not meet at least one of the five criteria required for IDEA-weighted classification.

We made the following audit adjustments:

October 2005 Survey90 Days-in-Term

Two Miles or More

(5)

February 2006 Survey54 Days-in-Term

IDEA (K-12), Unweighted

(1)

Two Miles or More

(1)

90 Days-in-Term

IDEA (K-12), Weighted

(2)

IDEA (K-12), Unweighted

(8)

IDEA (PK), Weighted

(3)

Two Miles or More

(4)

Center to Center (Vocational)

(2)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Students
 Transported
 Net Audit
 Adjustment**

Findings

Detailed Tests (Continued)

June 2006 Survey

22 Days-in-Term

IDEA (K-12), Unweighted (2) (28)

9. [Ref. 56] One student in Teenage Parents and Infants in the October survey was not enrolled in school during that survey and should not have been reported for State transportation funding. We made the following audit adjustment:

October 2005 Survey

90 Days-in-Term

Teenage Parents and Infants (1) (1)

10. [Ref. 57] One hundred and six students in various surveys were reported in incorrect ridership categories, as follows:

- a. Seventy-nine students in IDEA (K-12), Unweighted lived more than two miles from school and should have been reported in Two Miles or More.
- b. One ESE student in Two Miles or More lived less than two miles from school and should have been reported in the IDEA (K-12), Unweighted.
- c. One student in Teenage Parents and Infants was not enrolled in that program, but was enrolled in an ESE program and should have been reported in IDEA (PK), Unweighted.
- d. Twenty-three students in Center to Center (IDEA), Unweighted were not enrolled in an ESE program, but rather in a Vocational program, and should have been reported in Center to Center (Vocational).
- e. Two students in Center to Center (IDEA), Unweighted, were not transported center to center, but were eligible for Two Miles or More.

We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustment</u>
<u>Detailed Tests</u> (Continued)		
<u>July 2005 Survey</u>		
<u>4 Days-in-Term</u>		
IDEA (K-12), Unweighted	(21)	
Two Miles or More	21	
<u>October 2005 Survey</u>		
<u>18 Days-in-Term</u>		
Center to Center (IDEA), Unweighted	(8)	
Center to Center (Vocational)	8	
<u>90 Days-in-Term</u>		
IDEA (K-12), Unweighted	(4)	
Two Miles or More	4	
<u>February 2006 Survey</u>		
<u>18 Days-in-Term</u>		
Center to Center (IDEA), Unweighted	(10)	
Center to Center (Vocational)	10	
<u>54 Days-in-Term</u>		
IDEA (K-12), Unweighted	(1)	
Two Miles or More	1	
<u>90 Days-in-Term</u>		
IDEA (K-12), Unweighted	(26)	
IDEA (PK), Unweighted	1	
Teenage Parents and Infants	(1)	
Two Miles or More	28	
Center to Center (IDEA), Unweighted	(7)	
Center to Center (Vocational)	5	
<u>June 2006 Survey</u>		
<u>22 Days-in-Term</u>		
IDEA (K-12), Unweighted	(26)	
Two Miles or More	<u>26</u>	0

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

**Students
 Transported
 Net Audit
 Adjustment**

Findings

Detailed Tests (Continued)

11. [Ref. 60] Nine students were ineligible for State transportation funding. Eight of the nine students were reported in Two Miles or More, but lived less than two miles from school. The ninth student was reported in Hazardous Walking, but did not have to cross a hazard to reach school. We made the following audit adjustments:

October 2005 Survey

90 Days-in-Term

Two Miles or More (4)

February 2006 Survey

90 Days-in-Term

Hazardous Walking (1)

Two Miles or More (4) (9)

12. [Ref. 61] Twenty-two ESE students in weighted IDEA categories did not meet at least one of the five criteria specified for IDEA-weighted classification by the *Student Transportation General Instructions*. However, we noted that 17 of the 22 students were eligible for other categories, as follows: 3 for IDEA (K-12), Unweighted, 9 for Two Miles or More, and 5 for IDEA (PK), Unweighted. The remaining 5 students were not eligible for State transportation funding. We made the following audit adjustments:

July 2005 Survey

4 Days-in-Term

IDEA (K-12), Weighted (1)

Two Miles or More 1

October 2005 Survey

90 Days-in-Term

IDEA (K-12), Weighted (8)

IDEA (K-12), Unweighted 1

Two Miles or More 6

Adjustment continues on next page.

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Osceola County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

<u>Findings</u>	Students Transported Net Audit Adjustment
<u>Detailed Tests</u> (Continued)	
<u>February 2006 Survey</u>	
<u>90 Days-in-Term</u>	
IDEA (K-12), Weighted	(7)
IDEA (K-12), Unweighted	2
Two Miles or More	1
<u>June 2006 Survey</u>	
<u>22 Days-in-Term</u>	
IDEA (K-12), Weighted	(1)
IDEA (PK), Weighted	(5)
IDEA (PK), Unweighted	5
Two Miles or More	1
	(5)
<u>Net Audit Adjustments from Detailed Tests</u>	
Sample Students	(43)

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Osceola County District School Board
Student Transportation
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2006

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) students are reported on the bus on which they rode; (2) only students who ride the bus are reported for State transportation funding; (3) the distance from home to school, for students classified in the Two Miles or More or Hazardous Walking ridership categories, is verified before being reported; (4) only ESE students whose need for special transportation services has been properly documented on their IEPs are reported in IDEA weighted ridership categories; (5) bus driver reports are maintained to support bus routes and students reported for State transportation funding; and (6) only eligible transported students are reported in the correct ridership category and for the correct number of days-in-term.

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

Osceola County District School Board
Student Transportation
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2006

Management agreed with our findings and recommendations.

A copy of management's response may be found at page 72 of this report.

The accompanying notes are an integral part of this schedule.

Osceola County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

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 Career Education 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 Osceola County

For the fiscal year ended June 30, 2006, the District received approximately \$ 10.3 million in State transportation funding. The District’s transportation reporting by survey was as follows:

<u>Survey Period</u>	<u>No. of Vehicles</u>	<u>No. of Students</u>
July 2005	39	349
October 2005	321	22,865
February 2006	313	23,753
June 2006	<u>59</u>	<u>773</u>
Total	<u>732</u>	<u>47,740</u>

3. Statutes and Rules

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

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

Osceola County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

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, 2006. 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 Osceola County, Florida

Blaine A. Muse - Superintendent

817 Bill Beck Boulevard • Kissimmee, Florida 34744-4495
Phone: 407-870-4600 • FAX 407-870-4010 • www.osceola.k12.fl.us

May 14, 2007

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

Dear Mr. Monroe:

The School District of Osceola County, Florida had reviewed the draft report of the FTE audit for the Fiscal Year ended June 30, 2006.

After a thorough review of the draft report, the District has determined that it will not contest any of the findings that are applicable to Osceola County Schools.

The audit highlighted procedural and clerical errors in the areas of Certification, English for Speakers of Other Languages, Exceptional Student Education, Information Systems and Transportation. The District, in response to these findings, will implement FTE procedural updates including communication of rules, information systems enhancements and expansion of our internal auditing effort. Transportation report verification and physical storage security is also being addressed. These process refinements are designed to facilitate communication between functional areas while reducing and ultimately eliminating all discrepancies in reporting and maintaining FTE data. The continued measure of the program's success will be evaluated by the Auditor General's Office review of our FTE records during the next scheduled State Audit.

In closing, I would like to commend your staff of auditors for the professional manner in which they performed while in Osceola County.

Sincerely,

Blaine A. Muse

SCHOOL BOARD MEMBERS

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TOM GREER
DISTRICT NO. 4 - KISSIMMEE
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JOHN MCKAY
DISTRICT NO. 5 - ST. CLOUD
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DAVID E. STONE
DISTRICT NO. 3 - KISSIMMEE
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JAY WHEELER
DISTRICT NO. 1 - KISSIMMEE
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PHONE: 407-870-4897
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Board Meets First Tuesday of Each Month

DISTRICT-WIDE ACCREDITATION BY THE SOUTHERN ASSOCIATION OF COLLEGES AND SCHOOLS
An Equal Opportunity Agency