AUDITOR GENERAL

WILLIAM O. MONROE, CPA

CHARLOTTE 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: Lee Swift, Alleen Miller, Andrea D. Messina, Vice-Chair from 11-22-05, Sue Sifrit, Vice-Chair to 11-21-05, Chair from 11-22-05, Barbara Y. Rendell, Chair to 11-21-05 and Dr. David E. Gayler, Superintendent.

This examination was conducted by Linda Nearing, CPA, and Mary Anne Pekkala, 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.

Charlotte County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation

TABLE OF CONTENTS

For the Fiscal Year Ended June 30, 2006

	PAGE NO.
FULL-TIME EQUIVALENT (FTE) STUDENTS	
Independent Auditor's Report	1
Schedule A - Populations, Samples, and Test Results	4
Schedule B - Effect of Audit Adjustments on Weighted FTE	6
Schedule C - Audit Adjustments by School	7
Schedule D - Findings and Audit Adjustments	10
Schedule E – Recommendations and Regulatory Citations	22
Schedule F – Summary of Management's Response	25
Notes to Schedules	27
STUDENT TRANSPORTATION	
Independent Auditor's Report	31
Schedule A - Populations, Samples, and Test Results	33
Schedule B - Findings and Audit Adjustments	34
Schedule C – Recommendations and Regulatory Citations	39
Schedule D – Summary of Management's Response	40
Notes to Schedules	41
MANAGEMENT'S RESPONSE	43

Charlotte 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

AUDITOR GENERAL
STATE OF FLORIDA

G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

WILLIAM O. MONROE, CPA
AUDITOR GENERAL

850/488-5534/SC 278-5534
Fax: 488-6975/SC 278-6975

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

INDEPENDENT AUDITOR'S REPORT
CHARLOTTE COUNTY DISTRICT SCHOOL BOARD
FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated January 5, 2007, that the Charlotte County District School Board complied 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. 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

Sixteen of the 112 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 or college credits in out-of-field subject areas. (See SCHEDULE D, finding Nos. 6, 15, 16, 18, 31, 32, and 36.)

2. Students

We noted exceptions involving 74 of the 87 students in our Career Education OJT sample. These exceptions involved reporting errors or supporting timecards that were missing and could not be located. (See SCHEDULE D, finding Nos. 5, 14, and 28.)

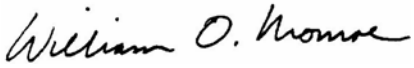
In our opinion, except for the instances of material noncompliance mentioned above involving teachers, and the reporting of, and the maintenance of supporting timecards for, students in Career Education OJT, the Charlotte County District School Board complied, in all material respects, with State requirements 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 maintenance of supporting timecards for, students in 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 Charlotte County District School Board. Copies of this report are available pursuant to Section 11.45(4)(c), Florida Statutes, and its distribution is not limited.

Respectfully submitted,



William O. Monroe, CPA
June 4, 2007

SCHEDULE A

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

Description[1]	Number of Schools	% of Pop.	Number of Students (w/Exceptions)	% of Pop. (Sample)	Number of Unweighted FTE[2]	% of Pop. (Sample)
1. Basic						
Population[3]	20	100.00%	9,867	100.00%	13,144.1875	100.00%
Sample Size[4]	12	60.00%	251	2.54%	221.8934	1.69%
Students w/Exceptions	-	-	(7)	(2.79%)	-	-
Net Audit Adjustments[5]	-	-	-	-	22.8575	-
2. Basic with ESE Services						
Population[3]	21	100.00%	2,616	100.00%	3,448.7340	100.00%
Sample Size[4]	12	57.14%	218	8.33%	187.6100	5.44%
Students w/Exceptions	-	-	(14)	(6.42%)	-	-
Net Audit Adjustments[5]	-	-	-	-	22.5228	-
3. ESOL						
Population[3]	11	100.00%	185	100.00%	136.8972	100.00%
Sample Size[4]	9	81.82%	68	36.76%	50.0116	36.53%
Students w/Exceptions	-	-	(4)	(5.88%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(8.9959)	-
4. ESE Support Levels 4 and 5						
Population[3]	16	100.00%	196	100.00%	150.8100	100.00%
Sample Size[4]	10	62.50%	111	56.63%	70.6700	46.86%
Students w/Exceptions	-	-	(16)	(14.41%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(.3600)	-
5. Career Education 9-12						
Population[3]	5	100.00%	437	100.00%	564.1232	100.00%
Sample Size[4]	3	60.00%	87	19.91%	29.2826	5.19%
Students w/Exceptions	-	-	(74)	(85.06%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(81.7060)	-
All Programs						
Population[3]	21	100.00%	13,301	100.00%	17,444.7519	100.00%
Sample Size[4]	12	57.14%	735	5.53%	559.4676	3.21%
Students w/Exceptions	-	-	(115)	(15.65%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(45.6816)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

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

Description[1]	Number of Schools	% of Pop.	Number of Teachers (w/Exceptions)	% of Pop. (Sample)
Teachers				
Population[3]	21	100.00%	309	100.00%
Sample Size[4]	12	57.14%	112	36.25%
Teachers w/Exceptions	-	-	(16)	(14.29%)

[1] *See NOTE A6.*

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

[3] *The population shown for the number of schools is the total number of schools in the District which offered the courses in the program specified (i.e., Basic, ESOL, ESE, and 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

Charlotte 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

No.	Program[1]	Net Audit Adjustment[2]	Cost Factor	Weighted FTE[3]
101	Basic K-3	6.2541	1.018	6.3667
102	Basic 4-8	18.1267	1.000	18.1267
103	Basic 9-12	(1.5233)	1.113	(1.6954)
111	Grades K-3 with ESE Services	(.5000)	1.018	(.5090)
112	Grades 4-8 with ESE Services	(19.9137)	1.000	(19.9137)
113	Grades 9-12 with ESE Services	42.9365	1.113	47.7883
130	ESOL	(8.9959)	1.318	(11.8566)
254	ESE Support Level 4	1.0000	3.818	3.8180
255	ESE Support Level 5	(1.3600)	5.190	(7.0584)
300	Career Education 9-12	(81.7060)	1.193	(97.4753)
Total		(45.6816)		(62.4087)

[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

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

No.	Program	District-Wide	Audit Adjustments[1] #0031	Audit Adjustments[1] #0042	Balance Forward
101	Basic K-3	.....	.....	.....	.0000
102	Basic 4-8	.....	.....	.....	.0000
103	Basic 9-12	.....	2.4516	.....	2.4516
111	Grades K-3 with ESE Services	.....	.....	.....	.0000
112	Grades 4-8 with ESE Services	.....	.....	.....	.0000
113	Grades 9-12 with ESE Services	60.5146	1.0000	.....	61.5146
130	ESOL	.....	(1.0500)	.....	(1.0500)
254	ESE Support Level 4	.....	(1.0000)	(.5000)	(1.5000)
255	ESE Support Level 5	.....	(.0750)	(.0200)	(.0950)
300	Career Education 9-12	(60.5146)	(1.4016)	.....	(61.9162)
Total		.0000	(.0750)	(.5200)	(.5950)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Charlotte 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	Audit Adjustments[1] #0051	#0111	#0131	#0141	Balance Forward
101	.0000	.....	5.8339	.....	.4335	6.2674
102	.0000	.....	.8250	.0834	(.4000)	.5084
103	2.4516	14.1302	.....	.....	.....	16.5818
111	.0000	.....	(.5000)	.....	.....	(.5000)
112	.0000	.....	.....	(.6169)	.5000	(.1169)
113	61.5146	(2.0000)	.....	.....	.....	59.5146
130	(1.0500)	(.1500)	(6.6589)	(.0834)	(.4335)	(8.3758)
254	(1.5000)	1.0000	.5000	1.0000	.....	1.0000
255	(.0950)	(.1200)	.....	(.7600)	(.4000)	(1.3750)
300	(61.9162)	(13.1702)	.....	.....	.....	(75.0864)
Total	(.5950)	(.3100)	.0000	(.3769)	(.3000)	(1.5819)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Charlotte 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	Audit Adjustments[1] #0151	#0191	#0201	#0281	Total
101	6.2674	.....	(.0133)	.....	.....	6.2541
102	.5084	.....	17.9073	.5000	(.7890)	18.1267
103	16.5818	2.8956	.....	.....	(21.0007)	(1.5233)
111	(.5000)	.....	.....	.....	.....	(.5000)
112	(.1169)	.....	(17.9073)	(.5000)	(1.3895)	(19.9137)
113	59.5146	(.5000)	.....	.....	(16.0781)	42.9365
130	(8.3758)	.....	(.4867)	.....	(.1334)	(8.9959)
254	1.0000	.....	.....	.....	.....	1.0000
255	(1.3750)	.0150	.....	.....	.....	(1.3600)
300	(75.0864)	(3.6288)	.....	.....	(2.9908)	(81.7060)
Total	(1.5819)	(1.2182)	(.5000)	.0000	(42.3815)	(45.6816)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Charlotte 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 maintenance of supporting timecards for, students in Career Education OJT, the Charlotte 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 22.

Findings		**Net Audit Adjustments (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.

Incorrect Reporting of ESE Course Schedules

1. [Ref. 147] The course schedules for 372 ESE students were incorrectly reported using both ESE and Career Education program numbers. The course schedules for ESE students should be reported entirely in ESE. We made the following audit adjustment:

113 Grades 9-12 with ESE Services	60.5146	
300 Career Education 9-12	(60.5146)	.0000

Charlotte High School (#0031)

2. [Ref. 3101] One FES student was placed in ESOL based on the recommendation of the student's LEP Committee. However, the Committee did not consider at least two of the placement criteria specified in State Board of Education Rule 6A-6.0902(2)(a)3., Florida Administrative Code. We also noted that the student's parents were not notified of the student's ESOL-placement. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Charlotte High School (#0031) (Continued)		
103 Basic 9-12	.3000	
130 ESOL	(.3000)	.0000
3. [Ref. 3103] The *Matrix of Services* forms for two ESE students were missing and could not be located. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000
4. [Ref. 3104] One ESE student was reported incorrectly in program No. 255 (ESE Support Level 5) for both on-campus instruction and homebound instruction. The student was provided only homebound instruction during the reporting survey. We made the following audit adjustment:		
255 ESE Support Level 5	(.0750)	(.0750)
5. [Ref. 3105] The course schedules for 13 Career Education students in OJT were reported using an incorrect priority that funded the students' off-campus OJT courses prior to their on-campus instruction. We made the following audit adjustment:		
103 Basic 9-12	1.4016	
300 Career Education 9-12	(1.4016)	.0000
6. [Ref. 3171] One Reading teacher was not properly certified and was not approved to teach out-of-field until March 14, 2006, after the reporting surveys. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status until November 2005 (after the October survey). We made the following audit adjustment:		
103 Basic 9-12	.7500	
130 ESOL	(.7500)	.0000
Management's response and our follow-up – *See page 25. Our finding stands as presented.*		
		.0000
		(.0750)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Charlotte Harbor School (#0042)		
7. [Ref. 4201] One ESE student was absent during the 11-day window of the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:		
255 ESE Support Level 5	(.5000)	(.5000)
8. [Ref. 4202] The *Matrix of Services* form for one ESE student, who was Visually Impaired, incorrectly omitted the three Special Consideration points designated for Visually Impaired students. We made the following audit adjustment:		
254 ESE Support Level 4	(1.0000)	
255 ESE Support Level 5	1.0000	.0000
9. [Ref. 4203] The homebound instruction of one student in the Hospital and Homebound program was incorrectly reported as 120 minutes. The student was only provided 60 instructional minutes, pursuant to the student's IEP-authorization. We made the following audit adjustment:		
255 ESE Support Level 5	(.0200)	(.0200)
10. [Ref. 4204] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
254 ESE Support Level 4	.5000	
255 ESE Support Level 5	(.5000)	.0000
		(.5200)
Lemon Bay High School (#0051)		
11. [Ref. 5102] The EPs for two Gifted students in program No. 113 (Grades 9-12 with ESE Services) indicated that Gifted instructional services were not available at Lemon Bay High School, and the students would be provided Basic education services. We made the following audit adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Lemon Bay High School (#0051) (Continued)		
103 Basic 9-12	1.0000	
113 Grades 9-12 with ESE Services	(1.0000)	.0000
12. [Ref. 5103] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	(1.0000)	
254 ESE Support Level 4	1.0000	.0000
13. [Ref. 5104] The file for one student did not contain documentation that Hospital and Homebound services had been provided to the student during the reporting survey. We made the following audit adjustment:		
255 ESE Support Level 5	(.1200)	(.1200)
14. [Ref. 5105] The course schedules for 25 Career Education students in OJT were reported using an incorrect priority that funded the students' off-campus OJT courses prior to their on-campus instruction. We also noted that the timecard for one of the students was missing and could not be located, and the timecard for another of the students indicated that the student worked fewer hours than reported. We made the following audit adjustment:		
103 Basic 9-12	2.3944	
300 Career Education 9-12	(2.5844)	(.1900)
15. [Ref. 5171/72] Two teachers had been appropriately approved by the School Board to teach Reading out-of-field; however the parents of the students concerned were not notified of the teachers' out-of-field status. We made the following audit adjustments:		
Ref. 5171		
103 Basic 9-12	.1500	
130 ESOL	(.1500)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Lemon Bay High School (#0051) (Continued)		
Ref. 5172		
103 Basic 9-12	10.1358	
300 Career Education 9-12	(10.1358)	.0000
Management's response and our follow-up – *See page 25. Our finding stands as presented.*		
		.0000

16. [Ref. 5173] 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 adjustment:

103 Basic 9-12	.4500	
300 Career Education 9-12	(.4500)	.0000
		(.3100)

Neil Armstrong Elementary School (#0111)

17. [Ref. 11101] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:

111 Grades K-3 with ESE Services	(.5000)	
254 ESE Support Level 4	.5000	.0000

18. [Ref. 11171/72/73/74/75/76/77] Seven teachers taught Primary Language Arts to classes that included LEP students, but the teachers were not properly certified to teach LEP students and were not approved by the School Board to teach such students out-of-field. We also noted that the parents of the students concerned were not notified of the teachers' out-of-field status. We further noted that three of the teachers (Ref. 11174/76/77) had earned none of the in-service training points required in ESOL strategies, pursuant to their in-service training timelines. (Two of the teachers (Ref. 11174/77) needed 60 points and one (Ref. 11176) needed 180 points). We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Neil Armstrong Elementary School (#0111) (Continued)		
Ref. 11171		
102 Basic 4-8	.8250	
130 ESOL	(.8250)	.0000
Ref. 11172		
101 Basic K-3	.3750	
130 ESOL	(.3750)	.0000
Ref. 11173		
101 Basic K-3	.1000	
130 ESOL	(.1000)	.0000
Ref. 11174		
101 Basic K-3	.2251	
130 ESOL	(.2251)	.0000
Ref. 11175		
101 Basic K-3	1.4000	
130 ESOL	(1.4000)	.0000
Ref. 11176		
101 Basic K-3	1.2002	
130 ESOL	(1.2002)	.0000
Ref. 11177		
101 Basic K-3	2.5336	
130 ESOL	(2.5336)	.0000
Management's response and our follow-up – *See page 25. Our finding stands as presented.*		
		.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Port Charlotte Middle School (#0131)		
19. [Ref. 13101] Our examination procedures included an automated comparison of the courses reported in the ESOL by the District to the courses designated by the Department of Education as eligible for such reporting. The results of this comparison disclosed that one course at Port Charlotte Middle School was reported incorrectly in ESOL. We made the following audit adjustment:		
102 Basic 4-8	.0834	
130 ESOL	(.0834)	.0000
20. [Ref. 13102] One ESE student was reported incorrectly in the October and February surveys. In the October survey, the student was reported for 360 minutes of homebound instruction, but no homebound instruction was provided during the survey week. In the February survey, the student was reported for both homebound instruction (360 minutes) and on-campus instruction (350 minutes), but only 300 minutes of homebound instruction was provided during the survey week. We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	(.1169)	
255 ESE Support Level 5	(.1400)	(.2569)
21. [Ref. 13103] The EP for one student, who had been placed in the Gifted ESE program, indicated that the student had been mainstreamed back to Basic education and no Gifted instructional services were to be provided to the student. We made the following audit adjustment:		
102 Basic 4-8	1.0000	
112 Grades 4-8 with ESE Services	(1.0000)	.0000
22. [Ref. 13104] The course schedules for two ESE students were incorrectly reported in program No. 102 (Basic 4-8). We made the following audit adjustment:		
102 Basic 4-8	(1.0000)	
112 Grades 4-8 with ESE Services	1.0000	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Port Charlotte Middle School (#0131) (Continued)		
23. [Ref. 13105] The homebound instructional time for two students in the Hospital and Homebound program was incorrectly reported. One student was reported for 360 instructional minutes, but was provided only 180. The other student was reported for 720 instructional minutes (over two reporting surveys), but was provided only 540. We made the following audit adjustment:		
255 ESE Support Level 5	(.1200)	(.1200)
24. [Ref. 13106] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	(.5000)	
254 ESE Support Level 4	1.0000	
255 ESE Support Level 5	(.5000)	.0000
		(.3769)
Meadow Park Elementary School (#0141)		
25. [Ref. 14101] The course schedule for one ESE student in the Hospital and Homebound program was reported incorrectly in the October and February surveys. In the October survey, the student was reported as a full-time student earning .5000 FTE in program No. 255 (ESE Support Level 5) for homebound instruction; however, the student was provided only on-campus instruction, on a full-time basis, under program No. 112 (Grades 4-8 with ESE Services). In the February survey, the student was reported in program No. 102 (Basic 4-8) as a part-time student earning .4000 FTE for on-campus instruction; however, the student was provided only homebound instruction (300 minutes or .1000 FTE) under program No. 255. We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	.5000	
255 ESE Support Level 5	(.5000)	
102 Basic 4-8	(.4000)	
255 ESE Support Level 5	.1000	(.3000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Meadow Park Elementary School (#0141) (Continued)		
26. [Ref. 14102] The file for one LEP student did not contain evidence that the student's parents had been notified of the student's placement in ESOL. We made the following audit adjustment:		
101 Basic K-3	.4335	
130 ESOL	(.4335)	.0000
		(.3000)
Port Charlotte High School (#0151)		
27. [Ref. 15101] The homebound instructional time for one student in the Hospital and Homebound program was incorrectly reported. The student was reported for a total of 315 minutes of instruction or .1050 FTE; however, the student was provided 360 minutes or .1200 FTE, pursuant to the student's IEP-authorization. We made the following audit adjustment:		
255 ESE Support Level 5	.0150	.0150
28. [Ref. 15103] The course schedules for 36 Career Education students in OJT were reported using an incorrect priority that funded the students' off-campus OJT courses prior to their on-campus instruction. We also noted the following exceptions involving 5 of these 36 students: the timecard for 1 student was missing and could not be located; the timecards for 2 students supported fewer work hours than reported; 1 student's course schedule included a non-fundable course taken through the Florida Virtual School; and the reported FTE for 1 student's dual-enrolled course was incorrectly computed based on actual class period minutes, contrary to Section 1011.62(1)(i), Florida Statutes, which provides that such courses "shall be reported by school districts as 75 membership hours for purposes of FTE calculation." We made the following audit adjustment:		
103 Basic 9-12	3.2456	
300 Career Education 9-12	(3.4788)	(.2332)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Port Charlotte High School (#0151) (Continued)		
29. [Ref. 15104] Two students were absent during the entire 11-day window of the reporting surveys and should not have been reported with the surveys' results. We made the following audit adjustment:		
103 Basic 9-12	(.3500)	
113 Grades 9-12 with ESE Services	(.5000)	
300 Career Education 9-12	(.1500)	(1.0000)
		(1.2182)
Vineland Elementary School (#0191)		
30. [Ref. 19101] One Basic student withdrew from school prior to the reporting survey and should not have been reported with the survey's results. We made the following audit adjustment:		
101 Basic K-3	(.5000)	(.5000)
31. [Ref. 19171] The parents of the ESE students taught by an out-of-field teacher were not notified of the teacher's out-of-field status. We made the following audit adjustment:		
102 Basic 4-8	17.9073	
112 Grades 4-8 with ESE Services	(17.9073)	.0000
32. [Ref. 19172] The parents of one LEP student 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 November 22, 2005. We made the following audit adjustment:		
101 Basic K-3	.4867	
130 ESOL	(.4867)	.0000
Management's response and our follow-up – *See page 25. Our finding stands as presented.*		
		.0000
		(.5000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings		Net Audit Adjustments (Unweighted FTE)
Liberty Elementary School (#0201)		
33. [Ref. 20101] The EP for one Gifted student indicated that the student had been mainstreamed into Basic education and no Gifted instructional services were to be provided to the student. We made the following audit adjustment:		
102 Basic 4-8	.5000	
112 Grades 4-8 with ESE Services	(.5000)	.0000
		.0000
Crossroads Wilderness Institute (#0281)		
34. [Ref. 28101] The Institute took student population counts twice daily for management control purposes, but did not prepare and maintain documentation of each student's classroom attendance for FEFP-related instruction. Consequently, none of the Institute's reported FTE was adequately supported. We made the following audit adjustment:		
102 Basic 4-8	(.7890)	
103 Basic 9-12	(21.0007)	
112 Grades 4-8 with ESE Services	(1.3895)	
113 Grades 9-12 with ESE Services	(16.0781)	
130 ESOL	(.1334)	
300 Career Education 9-12	(2.9908)	(42.3815)
Management's response and our follow-up – *See pages 25 and 26. Our finding stands as presented.*		
		.0000

35. [Ref. 28102] In addition to the attendance documentation issue discussed above in finding No. 34 (Ref. 28101), we also noted the following exceptions:

a. The Institute did not operate in accordance with the calendar authorized by the Department of Juvenile Justice.

b. The Institute did not report students' schedules in accordance with its master schedule.

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

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

Findings	Net Audit Adjustments (Unweighted FTE)
Crossroads Wilderness Institute (#0281) (Continued)	
c. Various FTE amounts were incorrectly reported for students in the June and July surveys. The reported FTE should have been the same for each student because each one had the same calendar and total instructional time.	
d. The Institute reported various courses for eighth grade students which were not appropriate for that grade level according to the *Course Code Directory*.	
e. The course schedules for three ESE students were not reported entirely in ESE, as required by the *FTE General Instructions*.	
f. The file for one LEP student did not contain an *LEP Student Plan* or evidence that the student's parents had been notified of their child's placement in ESOL.	
g. Three students who had graduated were reported incorrectly for FEFP-funding.	
Since the Institute's total reported FTE has been adjusted in finding No. 34 (Ref. 28101), no audit adjustment was made here.	.0000
36. [Ref. 28171/72/73] 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. Since the Institute's total reported FTE has been adjusted in finding No. 34 (Ref. 28101), no audit adjustments were made here.	.0000
	(42.3815)
	(45.6816)

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Charlotte 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 students, who were in attendance and membership during survey, are reported for State funding; (2) ESE students in ESE Support Levels 4 and 5 are reported in accordance with their *Matrix of Services* forms; (3) students in OJT are reported in the correct priority and in accordance with their supporting timecards; (4) the attendance of each student receiving FEFP-instruction is taken and documented on a daily basis; (5) students are reported in the proper funding categories and have adequate documentation to support that reporting, particularly with regard to students in ESE Gifted programs; (6) teachers are properly certified or, if out-of-field, have timely School Board approval to teach out-of-field; and (7) the parents of students taught by out-of-field teachers are properly notified of the teachers' out-of-field status prior to the reporting survey.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all State requirements governing full-time equivalent (FTE) students and the Florida Education Finance Program (FEFP).

Regulatory Citations

Reporting

Section 1011.60, F.S. ..... Minimum Requirements of 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)

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

Regulatory Citations (Continued)

English for Speakers of Other Languages (ESOL)

Section 1003.56, F.S. .....English Language Instruction for Limited English Proficient Students

Section 1011.62(1)(g), F.S. .....Education for Speakers of Other Languages

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

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

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

Career Education On-the-Job Attendance

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

Exceptional Education

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

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

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

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

Matrix of Services Handbook

Career Education On-the-Job Funding Hours

Rule 6A-6.055(3), F.A.C. .....Definitions of Terms Used in Vocational Education and Adult Programs

FTE General Instructions 2005-2006

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Charlotte 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

Section 1003.56, F.S. ..... English Language Instruction for Limited English Proficient Students

Section 1011.62(1)(g), F.S. ..... Education for Speakers of Other Languages

Section 1012.42(2), F.S. ..... Teacher Teaching Out-of-Field; Notification Requirements

Section 1012.55, F.S. ..... Positions for Which Certificates Required

Rule 6A-1.0502, F.A.C. ..... 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

Charlotte 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, except as noted below.
A copy of management's response may be found beginning on page 43 of this report.

Finding Nos. 6 (Ref. 3171), 15 (Ref. 5171/72), 18 (Ref. 11171-77), and 32 (Ref. 19172)

These findings cite various teacher-related exceptions and make audit adjustments that reclassify FTE from ESOL to Basic.

Management's Response – Management contends that teacher-related exceptions should not result in audit adjustments reclassifying FTE from ESOL to Basic because ESOL-funding is determined by a student's eligibility, not a teacher's qualifications.

Follow-up to Management's Response – The longstanding practice of making audit adjustments to reduce students' weighted funding to Basic funding for teacher-related exceptions, regardless of whether the students involved are in ESE, ESOL, or Career Education, follows the equally longstanding position of the Department of Education that districts lose weighted funding for teacher-related exceptions. Accordingly, our findings stand as originally presented.

Finding No. 34 (Ref. 28101) - Crossroads Wilderness Institute (#0281)

The Crossroads Wilderness Institute (#0281), a juvenile justice facility, took student population counts twice daily for management control purposes, but did not prepare and maintain documentation of each student's classroom attendance for FEFP-related instruction. Consequently, none of the Institute's reported FTE was adequately supported.

Management's Response – Management contends that the Institute's reported FTE was adequately supported given its various population control records and related 24-hour, lock-down operations. Additionally, management contends that the audit adjustment is a misapplication of the authority granted to us.

Follow-up to Management's Response – It is our understanding that it is the Department of Education's position that juvenile justice facilities must prepare and maintain documentation of each student's classroom attendance for FEFP-related instruction.

Additionally, the authority for the Auditor General to examine school district records and the Florida Education Finance Program (FEFP) may be found in Sections 11.45 and 1010.305, Florida Statutes. These statutes contain provisions related to, and giving general authorization for, an examination process that includes making audit adjustments for instances of noncompliance with FEFP-reporting and documentation requirements.

Continues on next page.

SCHEDULE F (Continued)

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

The FEFP examination process has been in place since 1973, the year FEFP was established by the Florida Legislature. The audit adjustments that result from that process have been authorized and accepted by both the Florida Legislature and the Department of Education (DOE). DOE provides an informal conference proceeding in which a school district may appeal any audit adjustment with which the district may disagree.

We believe that the District's concerns, as expressed in management's response to this report, might best be addressed through the aforementioned informal conference process administered by DOE. Accordingly, we recommend that the District consider taking advantage of that process with regard to those concerns. Accordingly, pending their possible resolution in an informal conference, our finding and audit adjustment stand as originally presented.

The accompanying notes are an integral part of this schedule.

Charlotte 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 Charlotte County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Charlotte 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 Charlotte County. For the fiscal year ended June 30, 2006, the District operated 21 schools, reported 17,444.7519 unweighted full-time equivalent (FTE) students, and received approximately $8.4 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.

Charlotte 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.

Charlotte 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:

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

NOTE B - SAMPLING (Continued)

School Name/Description	Finding Number(s)
- Incorrect Reporting of ESE Course Schedules	1
1. Charlotte High School	2 through 6
2. Charlotte Harbor School	7 through 10
3. Lemon Bay High School	11 through 16
4. Neil Armstrong Elementary School	17 and 18
5. Port Charlotte Middle School	19 through 24
6. Meadow Park Elementary School	25 and 26
7. Port Charlotte High School	27 through 29
8. L. A. Ainger Middle School	NA
9. Vineland Elementary School	30 through 32
10. Liberty Elementary School	33
11. Myakka River Elementary School	NA
12. Crossroads Wilderness Institute	34 through 36

AUDITOR GENERAL
STATE OF FLORIDA

G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

WILLIAM O. MONROE, CPA
AUDITOR GENERAL

850/488-5534/SC 278-5534
Fax: 488-6975/SC 278-6975

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

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

We have examined management's assertion, included in its representation letter dated January 5, 2007, that the Charlotte 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.

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

This report is intended for the information of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and the Charlotte 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

William O. Monroe, CPA
June 4, 2007

SCHEDULE A

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

Description	Number of Vehicles	% of Pop.	No. of Students Transp.	% of Pop. (Sample)
Population[1]	262	100.00%	16,010	100.00%
Sample[2]	-	-	408	2.55%
Test Results - Sample Students				
Students w/Exceptions[3]	-	-	15	(3.68%)
Net Audit Adjustments	-	-	(9)	(2.21%)
Test Results - Non-Sample Students				
Net Audit Adjustments	-	-	(23)	NM
Test Results – Sample and Non-Sample Students				
Net Audit Adjustments	-	-	(32)	NM

NM - Not Meaningful

[1] *The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2006. The District reported 16,010 students in the following ridership categories: 803 in IDEA (K-12), Weighted; 30 in IDEA (K-12), Unweighted; 128 in IDEA (PK), Weighted; 66 in Teenage Parents and Infants; 825 in Hazardous Walking; 14,039 in Two Miles or More; 24 in Center to Center (IDEA), Unweighted; and 95 in Center to Center (Vocational). The District also reported operating a total of 262 buses. (IDEA stands for Individuals with Disabilities Education Act.)*

[2] *See NOTE B.*

[3] *Students with exceptions are sample students with exceptions affecting their ridership classification. Students cited only for incorrect reporting of days-in-term are not included.*

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Charlotte 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. The Charlotte 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 39.

Findings	Students Transported Net Audit Adjustments

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 general tests disclosed the instances of noncompliance discussed in finding Nos. 1 and 2. Our detailed tests checked the accuracy of the reported ridership categories for students sampled from the July, October, February, and June surveys. Our detailed tests disclosed the instances of noncompliance discussed in finding Nos. 3, 4, 5, 6, and 7. Audit adjustments from our general tests affect non-sample students and audit adjustments from our detailed tests affect sample students, unless otherwise noted.

General Tests

1. [Ref. 54] The number of days-in-term for 14 Gifted students in Center to Center (IDEA), Unweighted (1 in the October survey and 13 in the February survey) was incorrectly reported. The student in the October survey was reported for 15 days-in-term, but should have been reported for 16 days. The students in the February survey were reported for 16 days-in-term, but should have been reported for 18 days (11 students), 15 days (1 student), and 17 days (1 student). We also noted that one of the students in the February survey did not ride the bus during the 11-day window of that survey and should not have been reported. We made following audit adjustments:

October 2005 Survey	
15 Days-in-Term	
Center to Center (IDEA), Unweighted – *Sample Student*	(1)
16 Days-in-Term	
Center to Center (IDEA), Unweighted – *Sample Student*	1

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

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

Findings		Students Transported Net Audit Adjustments
General Tests (Continued)		
February 2006 Survey		
16 Days-in-Term		
Center to Center (IDEA), Unweighted – *Sample Student (Did not ride bus.)*	(1)	
Center to Center (IDEA), Unweighted - *Sample Students*	(5)	
Center to Center (IDEA), Unweighted – *Non-Sample Students*	(7)	
15 Days-in-Term		
Center to Center (IDEA), Unweighted – *Sample Student*	1	
17 Days-in-Term		
Center to Center (IDEA), Unweighted – *Sample Student*	1	
18 Days-in-Term		
Center to Center (IDEA), Unweighted – *Sample Students*	3	
Center to Center (IDEA), Unweighted – *Non-Sample Students*	7	(1)

2. [Ref. 57] Twelve students in the February survey were transported to an after-school, volunteer reading program which was not eligible for State transportation funding. We made the following audit adjustment:

February 2006 Survey		
12 Days-in-Term		
Two Miles or More	(3)	
17 Days-in-Term		
Two Miles or More	(1)	
20 Days-in-Term		
Two Miles or More	(5)	
34 Days-in-Term		
Two Miles or More	(3)	(12)
Net Audit Adjustments from General Tests		(13)
Sample Students		(1)
Non-Sample Students		(12)
Net Audit Adjustments from General Tests		(13)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

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

Findings		Students Transported Net Audit Adjustments
Detailed Tests		
3. [Ref. 51] Fourteen students in the June survey were enrolled in a summer youth program that was not eligible for State Transportation funding. We made the following audit adjustment:		
June 2006 Survey		
21 Days-in-Term		
Two Miles or More	(3)	
Two Miles or More - *Non-Sample Students*	(11)	(14)
4. [Ref. 52] One student was reported incorrectly in IDEA (K-12), Unweighted in the October survey. The student lived more than two miles from school and should have been reported in Two Miles or More. We made the following audit adjustment:		
October 2005 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted	(1)	
Two Miles or More	1	0
5. [Ref. 53] Two ESE students were reported incorrectly in IDEA (K-12), Weighted in the October survey. The students' IEPs did not indicate that they met one or more of the five eligibility criteria required for IDEA-weighted classification. However, we noted that the students lived more than two miles form school and were eligible to be reported in Two Miles or More. We made the following audit adjustment:		
October 2005 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted	(2)	
Two Miles or More	2	0

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

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

Findings		Students Transported Net Audit Adjustments
Detailed Tests (Continued)		
6. [Ref. 55] Five students were reported incorrectly in Hazardous Walking (two in July, one in October, and two in February). Three of the five students did not have to cross a hazard to reach school, and the remaining two lived more than two miles from school and should have been reported in Two Miles or More. We made the following audit adjustments:		
July 2005 Survey		
14 Days-in-Term		
Hazardous Walking	(2)	
Two Miles or More	1	
October 2005 Survey		
90 Days-in-Term		
Hazardous Walking	(1)	
February 2006 Survey		
90 Days-in-Term		
Hazardous Walking	(2)	
Two Miles or More	1	(3)
7. [Ref. 56] Four students were reported incorrectly in Center to Center (Vocational) (three in October and one in February). Of the three students in the October survey, one was not dual-enrolled and was not otherwise eligible for center to center reporting, and two were transported more than two miles from home to school and should have been reported in Two Miles or More. The student in the February survey had withdrawn from school prior to that survey and should not have been reported. We made the following audit adjustments:		
October 2005 Survey		
90 Days-in-Term		
Two Miles or More	2	
Center to Center (Vocational)	(3)	

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

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

Findings		Students Transported Net Audit Adjustments
Detailed Tests (Continued)		
February 2006 Survey		
90 Days-in-Term		
Center to Center (Vocational)	(1)	(2)
Net Audit Adjustments from Detailed Tests		(19)
Sample Students		(8)
Non-Sample Students		(11)
Net Audit Adjustments from Detailed Tests		(19)

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Charlotte 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) the number of days-in-term is properly reported for each survey; (2) only eligible students who are transported by the District during a survey are reported with that survey's results; (3) only eligible, K-5 students who live less than two miles from school, and have to cross a hazard to reach school, are reported in Hazardous Walking; (4) the distance from home to school is verified prior to students being reported in Two Miles or More; and (5) the IEPs for transported ESE students document the students' eligibility for IDEA-weighted classification and their need for special transportation services, as appropriate.

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

Charlotte 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 beginning on page 43 of this report.

The accompanying notes are an integral part of this schedule.

Charlotte 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 Charlotte County

For the fiscal year ended June 30, 2006, the District received approximately $3.4 million in State transportation funding. The District's transportation reporting by survey was as follows:

Survey Period	No. of Vehicles	No. of Students
July 2005	25	394
October 2005	109	7,736
February 2006	106	7,497
June 2006	22	383
Total	262	16,010

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

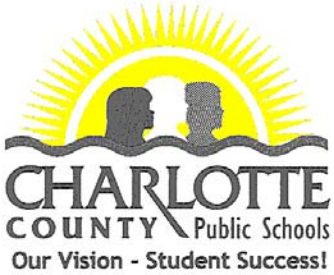
Charlotte County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

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

David E. Gayler, Ph.D.
Superintendent



School Board

Andrea Messina, *Chairman*
Lee Swift, *Vice Chairman*
Alleen Miller
Barbara Rendell
Sue Sifrit

June 27, 2007

Mr. William O. Monroe
Auditor General
111 West Madison Street
G74 Claude Pepper Building
Tallahassee, Florida 32399-1450

Dear Mr. Monroe:

We have reviewed the findings in your report on the examination of full-time equivalent (FTE) students and student transportation for Charlotte County Public Schools for the fiscal year ended June 30, 2006 and hereby submit our written response as required by law.

While some of the findings represent errors made in our collection and processing of FTE data for which we agree that adjustments should be made, we respectfully disagree with your interpretation of the law, rules or procedure manuals regarding the following types of audit adjustments:

1. Reclassification of FTE from ESOL based on a) an out-of-field teacher not submitted to the board for approval, b) a parent not notified of such status, or c) teachers not earning in-service training points required in ESOL strategies. The removal from ESOL program membership is clearly in conflict with Section 1011.62(1)(g), Florida Statues which states that "A school district shall be eligible to report full-time equivalent student membership in the ESOL program in the Florida Education Finance Program provided the following conditions are met: 1. The school district has a plan approved by the Department of Education. 2. The eligible student is identified and assessed as limited English proficient based on assessment criteria. ...". Based on the Statute it is quite clear that ESOL funding is predicated upon the student eligibility. In addition to the Statute, State Board of Education Rule 6A-6.0902, Requirements for Identification, Assessment and Programmatic Assessment of Limited English Proficient Students, describes the assessment required to determine eligibility and in part states, "Any student identified by the home language survey who also meets one of the standards in subparagraphs (2)(a)1., 2. and 3. of this rule shall be determined to be limited English proficient and shall receive appropriate instructions and funding…".

1445 Education Way, Port Charlotte, FL 33948 • (941) 255-0808 • fax (941) 255-7571 • www.yourcharlotteschools.net

Based on both statute and rule we believe that it is incumbent upon the auditor to remove from program membership only those students whom we improperly classified as eligible for ESOL program services, since a school district is entitled to receive appropriate funding for all ESOL eligible students.

2. We take exception to the removal of all FTE at Crossroads Wilderness Institute(CWI) based on the auditors interpretation that CWI did not prepare and maintain documentation of each students classroom attendance for FEFP-related instruction. CWI is a Department of Juvenile Justice (DJJ) facility, where the students in question have been adjudicated to by the court system. Students are at the facility 24 hours a day, seven days a week. During the audit period a control count was taken by the teachers daily just prior to class with teachers then escorting their students to class. The facility maintains detailed records of any student who has left the facility on any given day. In addition records are maintained which show a student's weekly grade for each class for each week they are at the facility. Such records also reflect when students were no longer in the program. All students were required to attend class everyday if they were at the facility as there was no other choice given to them. Unlike a regular school, this is a secure DJJ facility therefore, mandatory attendance truly means mandatory attendance since neither the parent nor the student has any choice in the matter unless the student escapes in which case the facility records reflect such. While we acknowledge that CWI did not properly use the districts student attendance recordkeeping system for recording absences, it did however use the system in recording the admission to and dismissal from CWI's educational program. Based on the documentation that was available to your office for review we find it inconceivable that an auditor could come to the conclusion that documentation as required by State Board of Education Rule 6A-1.04513, Maintaining Auditable FTE Records, was so inadequate in supporting the full-time equivalent membership of the students in question during the audit period that total removal from FTE membership could be justified. We believe the removal of CWI's FTE membership from the district is a misapplication of the authority granted to the Auditor General.

We appreciate the professional manner in which your staff conducted themselves and believe that their efforts will help us to continue to improve our FTE reporting process.

Sincerely,

David E. Gayler, Ph.D
Superintendent of Schools