



AUDITOR GENERAL
DAVID W. MARTIN, CPA



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

For the Fiscal Year Ended June 30, 2007

Bay County District School Board members and the Superintendent of Schools who served during the 2006-07 fiscal year are shown in the following tabulation:

	<i>District</i>
	<u>No.</u>
<i>Pat Sabiston (from November 21, 2006)</i>	1
<i>Ron Danzey (to November 20, 2006)</i>	1
<i>Johnny Brock</i>	2
<i>Ginger Littleton (from November 21, 2006)</i>	3
<i>Thelma G. Rohan, Chair (to November 20, 2006)</i>	3
<i>Jon McFatter, Vice-Chair</i>	4
<i>Donna Allen, (Chair from November 21, 2006)</i>	5

James E. McCalister, Sr., Superintendent

This examination was conducted by Alice Pounds, 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.

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Bay County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
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For the Fiscal Year Ended June 30, 2007

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Bay County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2007

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



DAVID W. MARTIN, CPA
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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 BAY COUNTY DISTRICT SCHOOL BOARD FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated September 25, 2007, that the Bay 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, 2007. 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.

Compliance

Our examination procedures disclosed the following material noncompliance:

1. Teachers

Forty-one of the 195 teachers in our sample did not meet State requirements governing certification; School Board approval of out-of-field teacher assignments; or notification of parents regarding out-of-field teachers.¹

2. Students

We noted exceptions involving 119 of the 215 students in our sample for ESOL²; 36 of the 282 students in our sample for ESE Support Levels 4 and 5³; and 50 of the 136 students in our sample for Career Education 9-12 (OJT)⁴. These exceptions involved reporting errors or records that were not properly and accurately prepared or were missing and could not be located.

In our opinion, except for the material noncompliance mentioned above involving teachers, the reporting of, and preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Bay 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, 2007.

The results of our examination disclosed other noncompliance with the aforementioned State requirements, in addition to the material noncompliance mentioned above. We considered this other noncompliance in forming our opinion regarding management's assertion and it did not affect our opinion as stated above. All noncompliance disclosed by our examination procedures are discussed in SCHEDULE D. The impact of this noncompliance on the District's reported FTE students is presented in SCHEDULE A, SCHEDULE B, SCHEDULE C, and SCHEDULE D.

¹ For teachers, see SCHEDULE D, finding Nos. 4, 11, 12, 15, 18, 19, 20, 23, 24, 25, 29, 32, 36, 37, 40, 41, 46, 50, 51, 52, 54, 57, 60, 61, 62, 63, 67, 68, 69, and 71.

² For ESOL, see SCHEDULE D, finding Nos. 2, 6, 9, 13, 16, 21, 22, 26, 31, 35, 39, 42, 47, 53, 58, and 64.

³ For ESE Support Levels 4 and 5, see SCHEDULE D, finding Nos. 3, 7, 10, 14, 17, 27, 28, 30, 33, 34, 38, 43, 44, 48, 55, and 56.

⁴ For Career Education 9-12 (OJT), see SCHEDULE D, finding Nos. 45, 49, 59, 65, 66, and 70.

Internal Control Over Compliance

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report significant deficiencies in internal control detected during our examination and identify those considered to be material weaknesses. The purpose of our examination was to express an opinion on the District's compliance with State requirements and did not include expressing an opinion on the District's related internal controls. Accordingly, we express no such opinion. Due to its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.⁵ However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to teacher compliance; the reporting of, and the preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT). Other noncompliance disclosed by our examination procedures is indicative of control deficiencies⁵, and is also presented herein. The findings, populations, samples, and exception totals that pertain to material and other noncompliance are presented in SCHEDULE A and SCHEDULE D.

The District's written response to this examination has not been subjected to our examination procedures and, accordingly, we express no opinion on it.

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 Bay 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,



David W. Martin, CPA
April 8, 2008

⁵A control deficiency in the entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the aforementioned State requirements such that there is more than a remote likelihood that noncompliance that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than remote likelihood that material noncompliance will not be prevented or detected by the entity's internal control.

SCHEDULE A

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2007

<u>Description¹</u>	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Students (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>	<u>Number of Unweighted FTE²</u>	<u>% of Pop. (Sample)</u>
1. Basic						
Population ³	40	100.00%	12,311	100.00%	19,947.7500	100.00%
Sample Size ⁴	19	47.50%	200	1.62%	172.0276	0.86%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	84.3317	-
2. Basic with ESE Services						
Population ³	43	100.00%	2,772	100.00%	4,807.1100	100.00%
Sample Size ⁴	20	46.51%	154	5.56%	134.1845	2.79%
Students w/Exceptions	-	-	(4)	(2.60%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	8.1172	-
3. ESOL						
Population ³	32	100.00%	271	100.00%	332.0200	100.00%
Sample Size ⁴	15	46.88%	215	79.34%	171.1517	51.55%
Students w/Exceptions	-	-	(119)	(55.35%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(82.6121)	-
4. ESE Support Levels 4 and 5						
Population ³	27	100.00%	504	100.00%	459.2600	100.00%
Sample Size ⁴	16	59.26%	282	55.95%	230.6094	50.21%
Students w/Exceptions	-	-	(36)	(12.77%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(16.5902)	-
5. Career Education 9-12						
Population ³	8	100.00%	281	100.00%	759.5200	100.00%
Sample Size ⁴	5	62.50%	136	48.40%	20.3034	2.67%
Students w/Exceptions	-	-	(50)	(36.76%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(8.1902)	-

All Programs						
Population ³	43	100.00%	16,139	100.00%	26,305.6600	100.00%
Sample Size ⁴	20	46.51%	987	6.12%	728.2766	2.77%
Students w/Exceptions	-	-	(209)	(21.18%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(14.9436)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2007

<u>Description</u> ¹	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Teachers (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>
<u>Teachers</u>				
Population ³	43	100.00%	511	100.00%
Sample Size ⁴	19	44.19%	195	38.16%
Teachers w/Exceptions	-	-	(41)	(21.03%)

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, 2007. 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 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 reported FTE is taken to zero.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
EFFECT OF AUDIT ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
 For the Fiscal Year Ended June 30, 2007

<u>No. Program¹</u>	<u>Net Audit Adjustment²</u>	<u>Cost Factor</u>	<u>Weighted FTE³</u>
101 Basic K-3	28.0000	1.035	28.9800
102 Basic 4-8	33.7138	1.000	33.7138
103 Basic 9-12	22.6179	1.088	24.6083
111 Grades K-3 with ESE Services	1.9750	1.035	2.0441
112 Grades 4-8 with ESE Services	2.0794	1.000	2.0794
113 Grades 9-12 with ESE Services	4.0628	1.088	4.4203
130 ESOL	(82.6121)	1.275	(105.3304)
254 ESE Support Level 4	(14.4852)	3.734	(54.0877)
255 ESE Support Level 5	(2.1050)	5.201	(10.9481)
300 Career Education 9-12	(8.1902)	1.159	(9.4924)
Total	(14.9436)		(84.0127)

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

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2007

<u>No.</u> <u>Program</u>	<u>District- Wide</u>	<u>Audit Adjustments¹</u>		<u>Balance Forward</u>
		<u>#0061</u>	<u>#0091</u>	
101 Basic K-3	.....	.....	.....	.0000
102 Basic 4-8	.0830	.....	2.5000	2.5830
103 Basic 9-12	.1418	2.1340	.....	2.2758
111 Grades K-3 with ESE Services	.....	.....	.....	.0000
112 Grades 4-8 with ESE Services	.....	.....	(.5000)	(.5000)
113 Grades 9-12 with ESE Services	.....	.5000	.....	.5000
130 ESOL	(.2248)	(2.1340)	(2.5000)	(4.8588)
254 ESE Support Level 4	.....	(.5000)	1.0000	.5000
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>(.5000)</u>	<u>(.5000)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2007

Program No.	Brought Forward	<u>Audit Adjustments</u>¹				Balance Forward
		<u>#0131</u>	<u>#0141</u>	<u>#0161</u>	<u>#0191</u>	
101	.0000	2.5000	.....	.....	10.0000	12.5000
102	2.5830	2.0000	10.8452	6.2086	4.5000	26.1368
103	2.2758	.....	.....	.....	.....	2.2758
111	.0000	1.4750	.....	.....	.....	1.4750
112	(.5000)	.....	.....	.....	.....	(.5000)
113	.5000	.....	.....	.....	.....	.5000
130	(4.8588)	(4.5000)	(7.8452)	(7.2086)	(15.0000)	(39.4126)
254	.5000	(1.5000)	(3.0000)	.....	.....	(4.0000)
255	(1.0000)	.....	.....	.....	.....	(1.0000)
300	<u>.0000</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.0000</u>
Total	<u>(.5000)</u>	<u>(.0250)</u>	<u>.0000</u>	<u>(1.0000)</u>	<u>(.5000)</u>	<u>(2.0250)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2007

Program No.	Brought Forward	Audit Adjustments¹				Balance Forward
		#0231	#0241	#0261	#0281	
101	12.5000	3.5000	.....	2.0000	.....	18.0000
102	26.1368	1.0000	.....	.5000	.....	27.6368
103	2.2758	.....	.....	.....	.....	2.2758
111	1.4750	.....	.5000	.....	.....	1.9750
112	(.5000)	1.0000	.5000	.....	.....	1.0000
113	.5000	.....	.....	.....	.....	.5000
130	(39.4126)	(4.5000)	.....	(2.5000)	.....	(46.4126)
254	(4.0000)	(1.5000)	(1.0000)	.....	.0000	(6.5000)
255	(1.0000)	.....	.....	.....	(.0500)	(1.0500)
300	<u>.0000</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.0000</u>
Total	<u>(2.0250)</u>	<u>(.5000)</u>	<u>.0000</u>	<u>.0000</u>	<u>(.0500)</u>	<u>(2.5750)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2007

Program No.	Brought Forward	Audit Adjustments ¹				Balance Forward
		#0301	#0331	#0341	#0491	
101	18.0000	.....	.....	.....	.....	18.0000
102	27.6368	2.4796	3.4174	.....	.....	33.5338
103	2.2758	.....	.....	4.5750	5.9106	12.7614
111	1.9750	.....	.....	.....	.....	1.9750
112	1.0000	.....	.....	.....	.....	1.0000
113	.5000	.....	.....	.9852	.....	1.4852
130	(46.4126)	(2.4796)	(3.4174)	(4.5750)	(5.9106)	(62.7952)
254	(6.5000)	.....	.....	(.9852)	.....	(7.4852)
255	(1.0500)	.....	(.9350)	(.0400)	(.0200)	(2.0450)
300	<u>.0000</u>	<u>.....</u>	<u>.....</u>	<u>(.8500)</u>	<u>(.0664)</u>	<u>(.9164)</u>
Total	<u>(2.5750)</u>	<u>.0000</u>	<u>(.9350)</u>	<u>(.8900)</u>	<u>(.0864)</u>	<u>(4.4864)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2007

Program No.	Brought Forward	Audit Adjustments¹				Balance Forward
		#0521	#0531	#0541	#0551	
101	18.0000	7.0000	.....	3.0000	.0000	28.0000
102	33.5338	.....	.....	.6834	.....	34.2172
103	12.7614	.....	.....	.4585	8.4500	21.6699
111	1.9750	.....	.....	.....	.....	1.9750
112	1.0000	.....	1.5000	.....	.....	2.5000
113	1.4852	.....	3.0600	.....	.....	4.5452
130	(62.7952)	(7.5000)	.....	(4.1419)	(8.1750)	(82.6121)
254	(7.4852)	.....	(7.0000)	.....	.....	(14.4852)
255	(2.0450)	.....	(.0600)	.....	.....	(2.1050)
300	(.9164)	.....	.....	(4.8300)	(.7750)	(6.5214)
Total	(4.4864)	(.5000)	(2.5000)	(4.8300)	(.5000)	(12.8164)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2007

Program No.	Brought Forward	<u>Audit Adjustments</u>¹		<u>Total</u>
		<u>#0561</u>	<u>#0602</u>	
101 Basic K-3	28.0000	.....	.....	28.0000
102 Basic 4-8	34.2172	.....	(.5034)	33.7138
103 Basic 9-12	21.6699	1.3722	(.4242)	22.6179
111 Grades K-3 with ESE Services	1.9750	.....	.....	1.9750
112 Grades 4-8 with ESE Services	2.5000	.....	(.4206)	2.0794
113 Grades 9-12 with ESE Services	4.5452	.....	(.4824)	4.0628
130 ESOL	(82.6121)	.....	.....	(82.6121)
254 ESE Support Level 4	(14.4852)	.....	.....	(14.4852)
255 ESE Support Level 5	(2.1050)	.....	.....	(2.1050)
300 Career Education 9-12	<u>(6.5214)</u>	<u>(1.6688)</u>	<u>.....</u>	<u>(8.1902)</u>
Total	<u>(12.8164)</u>	<u>(.2966)</u>	<u>(1.8306)</u>	<u>(14.9436)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

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 material noncompliance involving teachers and the reporting of, and the preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Bay 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, 2007. All noncompliance disclosed by our examination procedures is discussed below and require management's attention and action, as recommended on page 41.

Findings

Our examination included the July and October 2006 surveys and the February and June 2007 surveys (see NOTE A5). Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2006 survey or the February 2007 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Ineligible ESOL Courses

1. [Ref. 149] Our examination procedures included an automated comparison of the courses reported in ESOL to the courses that have been designated for that program by the Department of Education. The results of this comparison disclosed that two Basic subject area courses with two students were reported incorrectly in ESOL. We made the following audit adjustment:

102 Basic 4-8	.0830	
103 Basic 9-12	.1418	
130 ESOL	(.2248)	<u>.0000</u>
		<u>.0000</u>

**Net Audit
 Adjustments
 (Unweighted FTE)**

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Bay Senior High School (#0061)

2. [Ref. 6101] We noted the following exceptions involving three students in ESOL:

- a. Two students were beyond the maximum six-year period allowed for State funding of ESOL.
- b. The file for one student did not contain documentation justifying the student's ESOL-placement for a sixth year.

We made the following audit adjustment:

103 Basic 9-12	1.7590	
130 ESOL	<u>(1.7590)</u>	.0000

3. [Ref. 6102] The file for one ESE student did not contain a *Matrix of Services* form covering the October survey. We made the following audit adjustment:

113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	<u>(.5000)</u>	.0000

4. [Ref. 6171/73/74] Three teachers taught a Basic subject area class that included one LEP student each, but had not earned the 60 in-service training points required in ESOL strategies, pursuant to the teachers' in-service training timelines. Two of the teachers (Ref. 6173/74) had earned no hours and one (Ref. 6171) had earned 18 hours.

We made the following audit adjustments:

<u>Ref. 6171</u>		
103 Basic 9-12	.1500	
130 ESOL	<u>(.1500)</u>	.0000

<u>Ref. 6173</u>		
103 Basic 9-12	.0750	
130 ESOL	<u>(.0750)</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

Findings

**Net Audit
 Adjustments
 (Unweighted FTE)**

Bay Senior High School (#0061) (Continued)

<u>Ref. 6174</u>			
103 Basic 9-12	.1500		
130 ESOL	(.1500)		.0000
			<u>.0000</u>

Cedar Grove Elementary School (#0091)

5. [Ref. 9101] One ESE student was not enrolled in school during the February survey week and should not have been reported with that survey's results. We made the following audit adjustment:

112 Grades 4-8 with ESE Services	(.5000)	(.5000)
----------------------------------	---------	---------

6. [Ref. 9102] We noted the following exceptions involving three students in ESOL:

- a. Two students were FES and had not been recommended for ESOL- placement by an LEP Committee.
- b. One student's English language proficiency was not assessed in a timely manner. The student enrolled in school on August 14, 2006, but was not tested until October 19, 2006, after the October survey had ended.

We made the following audit adjustment:

102 Basic 4-8	2.5000	
130 ESOL	(2.5000)	.0000

7. [Ref. 9103] One ESE student was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

<u>Findings</u>	Net Audit Adjustments (Unweighted FTE)	
<u>Cedar Grove Elementary School (#0091)</u> (Continued)		
254 ESE Support Level 4	1.0000	
255 ESE Support Level 5	<u>(1.0000)</u>	<u>.0000</u> <u>(.5000)</u>

Lucille Moore Elementary School (#0131)

8. [Ref. 13101] The contact log documenting the delivery of Speech Therapy to one part-time ESE student during the 11-day survey window was missing and could not be located. We made the following audit adjustment:

111 Grades K-3 with ESE Services	<u>(.0250)</u>	(.0250)
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9. [Ref. 13102] We noted the following exceptions involving five students in ESOL:

- a. The files for three students did not contain evidence of parental notification of the students' ESOL-placement.
- b. One student had been dismissed from ESOL prior to the reporting survey and should have been reported in Basic education.
- c. The file for one student did not contain an LEP Student Plan covering the reporting surveys.

We made the following audit adjustment:

101 Basic K-3	2.5000	
102 Basic 4-8	1.0000	
130 ESOL	<u>(3.5000)</u>	.0000

10. [Ref. 13103] We noted the following exceptions involving two ESE students: the file for one student did not contain a Matrix of Services form covering the reporting surveys; and the Matrix form for another student was not reviewed and updated when the student's new IEP was developed. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

Findings

**Net Audit
 Adjustments
 (Unweighted FTE)**

Lucille Moore Elementary School (#0131) (Continued)

111 Grades K-3 with ESE Services	1.5000	
254 ESE Support Level 4	(1.5000)	.0000

11. [Ref. 13171] One out-of-field teacher, who taught Primary Language Arts to a class that included an LEP student, had earned none of the in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We made the following audit adjustment:

102 Basic 4-8	1.0000	
130 ESOL	(1.0000)	.0000
		(.0250)

Everitt Middle School (#0141)

12. [Ref. 14172] One teacher taught Geography to a class that included an LEP student, but had earned only 27 of the 60 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. Since the student involved is cited in finding No. 13 (Ref. 14101), no audit adjustment was made here.

.0000

13. [Ref. 14101] The reported number of instructional minutes for fourth period for 14 LEP students was overstated. Fourth period had 290 weekly instructional minutes, but was incorrectly reported as having 485 minutes. We also noted the following additional exceptions for 10 of the 14 students:

- a. The files for seven students did not contain an LEP Student Plan covering the reporting surveys and four of the files did not contain evidence of parental notification of the students' ESOL-placement.

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Everitt Middle School (#0141) (Continued)

- b. One student was reported incorrectly in ESOL. The student was not served in ESOL and should have been reported in Basic.
- c. One student had been dismissed from ESOL in the prior school year.
- d. One student was FES and had not been recommended for ESOL-placement by an LEP Committee.

We made the following audit adjustment:

102 Basic 4-8	7.8452	
130 ESOL	<u>(7.8452)</u>	.0000

14. [Ref. 14102] The files for three ESE students did not contain a *Matrix of Services* form that covered the reporting surveys. We also noted that the file for one of the students did not contain documentation that the student's parents had been invited to the IEP meeting. We made the following audit adjustment:

102 Basic 4-8	3.0000	
254 ESE Support Level 4	<u>(3.0000)</u>	<u>.0000</u>
		<u>.0000</u>

Jinks Middle School (#0161)

15. [Ref. 16171] One teacher taught Language Arts to a class that included one LEP student, but was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field. We also noted that the parents of the student concerned were not notified of this teacher's out-of-field status. Since the student involved is cited in finding No. 16 (Ref. 16101), no audit adjustment was made here.

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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings**Jinks Middle School (#0161)** (Continued)

16. [Ref. 16101] We noted one or more of the following exceptions involving 14 LEP students:

- LEP Student Plan not reviewed and updated for the 2006-07 school year.
- LEP Student Plan not reviewed and updated until after the October reporting survey.
- Documentation of parental notification or documentation justifying continued ESOL-placement missing and could not be located.
- Student beyond the six-year period allowed for State funding of ESOL.
- Instructional minutes for fourth period over-reported. Bell schedule supported approximately 300 minutes, but 480 were reported.

Additionally, we noted that the attendance of one of the students during the 11-day window of the reporting survey was not documented. We made the following audit adjustment:

102 Basic 4-8	6.4603	
130 ESOL	(6.9603)	(.5000)

17. [Ref. 16102] One student (who was in our ESE Support Levels 4 and 5 sample) did not attend school during the 11-day window of the reporting survey and should not have been reported with that survey's results. We made the following audit adjustment:

102 Basic 4-8	(.5000)	(.5000)
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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Jinks Middle School (#0161) (Continued)

18. [Ref. 16172/74] 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 students concerned were not notified of the teachers' out-of-field status. We further noted that the teachers had not earned the required number of in-service training points in ESOL strategies, pursuant to the teachers' in-service training timelines. One teacher (Ref. 16172) had earned 18 of 60 required points, and the other teacher (Ref. 16174) had earned 97 of 300 required points. We made the following audit adjustments:

<u>Ref. 16172</u>		
102 Basic 4-8	.0649	
130 ESOL	<u>(.0649)</u>	.0000
<u>Ref. 16174</u>		
102 Basic 4-8	.0917	
130 ESOL	<u>(.0917)</u>	.0000

19. [Ref. 16175] One out-of-field teacher, who taught Language Arts to a class that included LEP students, had earned only 97 of the 300 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We made the following audit adjustment:

102 Basic 4-8	.0917	
130 ESOL	<u>(.0917)</u>	.0000
		<u>(1.0000)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings**Oakland Terrace Elementary School (#0191)**

20. [Ref. 19173] One out-of-field teacher, who taught Primary Language Arts to a class that included one LEP student, had earned only 61 of the 120 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. Since the student involved is cited in finding No. 22 (Ref. 19102), no audit adjustment was made here.

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21. [Ref. 19101] One LEP student did not attend school during the 11-day window of the reporting survey and should not have been reported with that survey's results. We made the following audit adjustment:

130 ESOL	(.5000)	(.5000)
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22. [Ref. 19102] We noted the following exceptions involving the *LEP Student Plans* for 21 students: (a) the *Plan* for 1 student was not reviewed and updated for the 2006-07 school year; (b) the *Plans* for 17 students were not reviewed and updated on a timely basis (i.e., prior to the reporting survey); and (c) the files for 3 students did not contain a *Plan*, and one of these files was also missing documentation supporting the student's continued ESOL-placement. We also noted the following exceptions involving parental notification for 5 of the 17 students:

- a. The files for four students did not contain evidence of parental notification of the students' ESOL-placement.
- b. The parents of one student were not notified of the student's ESOL-placement on a timely basis (i.e., prior to the reporting survey.)

We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

<u>Findings</u>	Net Audit Adjustments (Unweighted FTE)
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Oakland Terrace Elementary School (#0191) (Continued)

101 Basic K-3	9.5000	
102 Basic 4-8	3.0000	
130 ESOL	<u>(12.5000)</u>	.0000

23. [Ref. 19171/72] Two out-of-field teachers, who taught Primary Language Arts to classes that included LEP students, had not earned the number of in-service training points required in ESOL strategies, pursuant to the teachers' in-service training timelines. One teacher (Ref. 19171) had earned 91 of 180 points and the other (Ref. 19172) had earned 98 of 300 points. We made the following audit adjustments:

<u>Ref. 19171</u>		
102 Basic 4-8	1.5000	
130 ESOL	<u>(1.5000)</u>	.0000
 <u>Ref. 19172</u>		
101 Basic K-3	.5000	
130 ESOL	<u>(.5000)</u>	<u>.0000</u>
		<u>(.5000)</u>

Springfield Elementary School (#0231)

24. [Ref. 23171] One teacher did not hold a Florida teaching certificate. Since the students involved are cited in finding No. 26 (Ref. 23101), no audit adjustment was made here.

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25. [Ref. 23172] One teacher had been appropriately approved to teach LEP students out-of-field; however, the parents of students concerned were not notified of the teacher's out-of-field status until February 14, 2007, after the February survey had ended. Since the students involved are cited in finding No. 26 (Ref. 23101), no audit adjustment was made here.

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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings**Springfield Elementary School (#0231)** (Continued)

26. [Ref. 23101] We noted the following exceptions involving five students in ESOL: the files for four students were missing and could not be located; and one student was FES, had not been recommended for ESOL-placement by an LEP Committee, and should not have been reported in ESOL. We made the following audit adjustment:

101 Basic K-3	3.0000	
102 Basic 4-8	1.0000	
130 ESOL	<u>(4.0000)</u>	.0000

27. [Ref. 23102] The *Matrix of Services* form for one student was not reviewed and updated when the student's new IEP was developed. We made the following audit adjustment:

112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	<u>(1.0000)</u>	.0000

28. [Ref. 23103] The source attendance records for one ESE student were missing and could not be located. We made the following audit adjustment:

254 ESE Support Level 4	<u>(.5000)</u>	(.5000)
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29. [Ref. 23173] One teacher was not properly certified and was not approved by the School Board to teach LEP students out-of-field until February 14, 2007, after the February survey. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status until that same date. We made the following audit adjustment:

101 Basic K-3	.5000	
130 ESOL	<u>(.5000)</u>	<u>.0000</u>
		<u>(.5000)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

St. Andrew School (#0241)

30. [Ref. 24101] We noted the following exceptions involving four ESE students (one was in our Basic with ESE Services sample and three were in our ESE Support Levels 4 and 5 sample):

- a. One student was not reported in accordance with the student's Matrix of Services form.
- b. The Matrix forms for three students were not reviewed and updated when the students' new IEPs were developed.

We made the following audit adjustment:

111	Grades K-3 with ESE Services	1.0000	
111	Grades K-3 with ESE Services	(.5000)	
112	Grades 4-8 with ESE Services	.5000	
254	ESE Support Level 4	(1.5000)	
254	ESE Support Level 4	<u>.5000</u>	<u>.0000</u>
			<u>.0000</u>

West Bay Elementary School (#0261)

31. [Ref. 26101] The file for one LEP student did not contain documentation that the student's parents were notified of the student's ESOL-placement. We made the following audit adjustment:

102	Basic 4-8	.5000	
130	ESOL	<u>(.5000)</u>	.0000

32. [Ref. 26171] The parents of LEP students taught by one out-of-field Primary Language Arts teacher were not notified of the teacher's out-of-field status for ESOL until February 14, 2007, after the February survey had ended. We made the following audit adjustment:

101	Basic K-3	2.0000	
130	ESOL	<u>(2.0000)</u>	<u>.0000</u>
			<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings**Margaret K. Lewis Exceptional School (#0281)**

33. [Ref. 28101] One ESE student was reported in program No. 255 (ESE Support Level 5) under the Hospital and Homebound program; however, the student did not receive any homebound instruction during the reporting survey and was not receiving any other instruction. Consequently, they should not have been reported with the survey's results. We made the following audit adjustment:

255 ESE Support Level 5	(.0500)	(.0500)
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34. [Ref. 28102] We noted the following exceptions involving three ESE students: two students were not reported in accordance with their *Matrix of Services* forms; and the *Matrix* form for one student in program No. 255 (ESE Support Level 5) incorrectly included a Special Considerations point for which the student was not eligible. We made the following audit adjustment:

254 ESE Support Level 4	1.0000	
254 ESE Support Level 4	(1.0000)	
255 ESE Support Level 5	1.0000	
255 ESE Support Level 5	(1.0000)	.0000
		(.0500)

Rosenwald Middle School (#0301)

35. [Ref. 30101] The reported number of instructional minutes for fourth period for five LEP students was overstated. Fourth period had 275 weekly instructional minutes, but was incorrectly reported as having 435 minutes. We also noted that two of the five students were FES and had not been recommended for ESOL-placement by an LEP Committee. We made the following audit adjustment:

102 Basic 4-8	2.2962	
130 ESOL	(2.2962)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Rosenwald Middle School (#0301) (Continued)

36. [Ref. 30172] One out-of-field teacher, who taught Primary Language Arts to classes that included one LEP student, had earned only 79 of the 120 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. We also noted that the parents of the student concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:

102 Basic 4-8	.1834	
130 ESOL	(.1834)	.0000
		<u>.0000</u>

Mowat Middle School (#0331)

37. [Ref. 33173] One teacher taught Math to a class that included an LEP student, but had earned none of the 60 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. Since the student involved is cited in finding No. 39 (Ref. 33102), no audit adjustment was made here.

.0000

38. [Ref. 33101] Three students in Hospital and Homebound were reported for more homebound instruction than they were provided. Two of the students were reported for 1,500 minutes, or .5000 FTE, but were only provided 120 minutes or .0400 FTE. The third student was reported for 45 minutes, or .0150 FTE, for Language Therapy, but no therapy was provided. We made the following audit adjustment:

255 ESE Support Level 5	(.9350)	(.9350)
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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Mowat Middle School (#0331) (Continued)

39. [Ref. 33102] We noted the following exceptions involving five students in ESOL:

- a. The number of instructional minutes in fourth period was overstated for four students who were reported in ESOL. Fourth period had 300 weekly instructional minutes, but was incorrectly reported as having 480 minutes. We also noted the following additional exceptions involving three of these four students:
 - i. The file for one student did not contain an LEP Student Plan covering the reporting surveys or evidence of parental notification of the student's ESOL-placement.
 - ii. Two students were reported incorrectly in ESOL. The students were FES and had not been recommended for ESOL-placement by an LEP Committee. We also noted that the students' files did not contain evidence of parental notification of the student's ESOL-placement.
- b. The file for one student did not contain documentation justifying the student's continued ESOL-placement for a sixth year. We also noted that the student's LEP Student Plan was not reviewed and updated for the 2006-07 school year.

We made the following audit adjustment:

102 Basic 4-8	2.7306	
130 ESOL	(2.7306)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Mowat Middle School (#0331) (Continued)

40. [Ref. 33171/72] Two teachers, whose Language Arts classes included LEP students, had not earned the required number of in-service training points in ESOL strategies, pursuant to the teachers' in-service training timelines. One teacher (Ref. 33171) had earned 33 of 120 required points and the other (Ref. 33172) had earned 20 of 60 required points. We made the following audit adjustments:

<u>Ref. 33171</u>			
102 Basic 4-8	.5034		
130 ESOL	<u>(.5034)</u>		.0000
 <u>Ref. 33172</u>			
102 Basic 4-8	.1834		
130 ESOL	<u>(.1834)</u>		<u>.0000</u>
			<u>(.9350)</u>

Rutherford High School (#0341)

41. [Ref. 34173/75] Two teachers, who taught Basic subject areas (Math and History, respectively) to classes that included one LEP student each, had earned none of the 60 in-service training points required in ESOL strategies, pursuant to the teachers' in-service training timelines. Since the students involved are cited in finding No. 42 (Ref. 34101), no audit adjustments are made here.

.0000

42. [Ref. 34101] The LEP Student Plans for eight students either were not reviewed and updated for the 2006-07 school year (seven students) or were missing and could not be located (one student). We also noted that the files for two of the students did not contain evidence of parental notification of the students' ESOL-placement. We made the following audit adjustment:

103 Basic 9-12	4.5750		
130 ESOL	<u>(4.5750)</u>		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

Findings

**Net Audit
 Adjustments
 (Unweighted FTE)**

Rutherford High School (#0341) (Continued)

43. [Ref. 34102] One student was reported incorrectly in program No. 255 (ESE Support Level 5) under the Hospital and Homebound program. The student was not provided homebound instruction during the reporting survey. We made the following audit adjustment:

255 ESE Support Level 5	(.0400)	(.0400)
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44. [Ref. 34103] The *Matrix of Services* form for one ESE student was not reviewed and updated when the student's IEP was revised. We made the following audit adjustment:

113 Grades 9-12 with ESE Services	.9852	
254 ESE Support Level 4	(.9852)	.0000

45. [Ref. 34104] The timecards for eight Career Education students in OJT were missing and could not be located. We made the following audit adjustment.

300 Career Education 9-12	(.8500)	(.8500)
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(.8900)

A. Crawford Mosley High School (#0491)

46. [Ref. 49174] One teacher taught Math to a class 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. Since the student involved is cited in finding No. 47 (Ref. 49102), no audit adjustment was made here.

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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

A. Crawford Mosley High School (#0491) (Continued)

47. [Ref. 49102] We noted the following exceptions involving nine students in ESOL:

- a. The LEP Student Plans for seven students were not reviewed and updated for the 2006-07 school year. We also noted that the files for three of the seven students did not contain evidence of parental notification of the students' ESOL-placement. Additionally, one of the seven students was FES and had not been recommended for ESOL-placement by an LEP Committee.
- b. The file for one student did not contain evidence of parental notification of the student's ESOL-placement.
- c. The LEP Student Plan and evidence of parental notification for one student was missing and could not be located. We also noted that the student was FES and had not been recommended for ESOL-placement by an LEP Committee.

We made the following audit adjustment:

103 Basic 9-12	5.7606	
130 ESOL	(5.7606)	.0000

48. [Ref. 49103] One student was reported incorrectly in program No. 255 (ESE Support Level 5) under the Hospital and Homebound program. The student did not receive homebound instruction during the reporting survey. We made the following audit adjustment:

255 ESE Support Level 5	(.0200)	(.0200)
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49. [Ref. 49104] The timecard for one Career Education student in OJT was missing and could not be located. We made the following audit adjustment:

300 Career Education 9-12	(.0664)	(.0664)
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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

A. Crawford Mosley High School (#0491) (Continued)

50. [Ref. 49173] One teacher taught Science to a class 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 adjustment:

103 Basic 9-12	.1500	
130 ESOL	(.1500)	.0000
		(.0864)

Patronis Elementary School (#0521)

51. [Ref. 52172] One Primary Language Arts teacher was not properly certified and was not approved to teach ESOL out-of-field until February 14, 2007, after the February survey. We also noted that the parents of the student concerned were not notified of the teacher's out-of-field status until that same date. Since the student involved is cited in finding No. 53 (Ref. 52101), no audit adjustment was made here.

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52. [Ref. 52173] One out-of-field teacher, who taught Primary Language Arts to a class that included an LEP student, had earned only 111 of the 120 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. Since the student involved is cited in finding No. 53 (Ref. 52101), no audit adjustment was made here.

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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Patronis Elementary School (#0521) (Continued)

53. [Ref. 52101] We noted the following exceptions involving eight LEP students:

- a. The files for seven students did not contain documentation that the students' parents had been notified of their ESOL-placement. We also noted the following additional exceptions involving five of these seven students: the LEP Student Plans for two students were not reviewed and updated for the 2006-07 school year; the Plan for one student was missing and could not be located; one student had withdrawn from school prior to the reporting survey; and one student was FES and had not been recommended for ESOL-placement by an LEP Committee.
- b. One student had been dismissed from the ESOL program prior to the reporting survey.

We made the following audit adjustment:

101 Basic K-3	6.0000	
130 ESOL	<u>(6.5000)</u>	(.5000)

54. [Ref. 52174] One out-of-field teacher, who taught Language Arts to a class that included LEP students, had earned only 111 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 adjustment:

101 Basic K-3	1.0000	
130 ESOL	<u>(1.0000)</u>	<u>.0000</u>
		<u>(.5000)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

New Horizons Learning Center (#0531)

55. [Ref. 53101] Five ESE students were not in attendance during the 11-day window of the reporting survey and should not have been reported. We also noted that one student was not reported in accordance with his *Matrix of Services* form, and the files for two students did not contain a *Matrix* form covering the reporting survey. We made the following audit adjustment:

254 ESE Support Level 4	(2.5000)	(2.5000)
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56. [Ref. 53102] We noted the following exceptions involving eight ESE students:

- a. The files for four students did not contain *Matrix of Services* forms covering the reporting survey.
- b. Two students' *Matrix* forms incorrectly included Special Consideration points for which the students were not eligible.
- c. One student was not reported in accordance with the student's *Matrix* form.
- d. The invitation to one student's parents to attend the student's IEP meeting was dated the day of the meeting. State Board of Education Rule 6A-6.03028(7)1, Florida Administrative Code, states that parents should be notified "... early enough to ensure that they will have an opportunity to attend." Since the notices were sent on the day of the IEP meeting, the parents were not afforded an opportunity to attend the meeting.

We made the following audit adjustment:

112 Grades 4-8 with ESE Services	1.5000	
113 Grades 9-12 with ESE Services	3.0600	
254 ESE Support Level 4	(4.5000)	
255 ESE Support Level 5	(.0600)	.0000
		(2.5000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Bozeman Learning Center (#0541)

57. [Ref. 54172] One teacher taught Primary Language Arts to a class 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 students concerned were not notified of the teacher's out-of-field status. Since the student involved is cited in finding No. 58 (Ref. 54101), no audit adjustment was made here.

.0000

58. [Ref. 54101] We noted the following exceptions involving five LEP Students:

- a. The LEP Student Plans for three students either were not reviewed and updated for the 2006-07 school year (one student) or were not reviewed and updated until after the reporting survey (two students).
- b. The file for one student did not contain an LEP Student Plan or documentation justifying the student's continued ESOL-placement for a sixth year.
- c. The LEP Student Plan for one student was missing and could not be located. We also noted that the student was FES and had not been recommended for ESOL-placement by an LEP Committee.

We made the following audit adjustment:

101 Basic K-3	2.5000	
102 Basic 4-8	.5000	
103 Basic 9-12	.4585	
130 ESOL	<u>(3.4585)</u>	.0000

59. [Ref. 54102] The timecards for 16 Career Education students in OJT were missing and could not be located. We made the following audit adjustment:

300 Career Education 9-12	<u>(4.8300)</u>	(4.8300)
---------------------------	-----------------	----------

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings**Bozeman Learning Center (#0541)** (Continued)

60. [Ref. 54171/73] Two teachers taught Primary Language Arts to a class that included LEP students, but were not properly certified to teach LEP students. One of the teachers (Ref. 54171) was not approved by the School Board to teach such students out-of-field, and the other teacher (Ref. 54173) was not approved by the School Board until February 14, 2007, after the February reporting survey. We also noted the following exceptions involving parental notification: the parents of the LEP students taught by the teacher cited in Ref. 54171 were not notified of the teacher's out-of-field status; and the parents of the LEP students taught by the teacher cited in Ref. 54173 were not notified of that teacher's out-of-field status until February 14, 2007, after the reporting survey period. We made the following audit adjustments:

<u>Ref. 54171</u>		
101 Basic K-3	.5000	
130 ESOL	(.5000)	.0000
<u>Ref. 54173</u>		
102 Basic 4-8	.0917	
130 ESOL	(.0917)	.0000

61. [Ref. 54175] One out-of-field teacher, who taught Primary Language Arts to a class that included an LEP student, 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 adjustment:

102 Basic 4-8	.0917	
130 ESOL	(.0917)	.0000
		(4.8300)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Arnold High School (#0551)

62. [Ref. 55177] One teacher taught Primary Language Arts to a class 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 students concerned were not notified of the teacher's out-of-field status. Since the students involved are cited in finding No. 64 (Ref. 55101), no audit adjustment was made here.

.0000

63. [Ref. 55180] One teacher, who taught Math to a class that included one LEP student, had earned none of the 60 in-service training points required in ESOL strategies, pursuant to the teacher's in-service training timeline. Since the student involved is cited in finding No. 64 (Ref. 55101), no audit adjustment was made here.

.0000

64. [Ref. 55101] The LEP Student Plans for 13 students were not reviewed and updated until after the reporting surveys. We also noted the following additional exceptions involving 5 of the 13 students: (a) the files for three students did not contain evidence of parental notification of the students' ESOL-placement; (b) parental notification of one student's ESOL-placement was not made until after the reporting survey; and (c) the file for one student did not contain documentation supporting the student's continued ESOL-placement beyond the initial three-year base period. We made the following audit adjustment:

103 Basic 9-12	6.6000	
130 ESOL	<u>(6.6000)</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings**Arnold High School (#0551)** (Continued)

65. [Ref. 55102] The course schedules for nine Career Education students in OJT were reported using an incorrect priority order. The students' off-campus work hours were funded prior to the students' on-campus instruction. We made the following audit adjustment:

103 Basic 9-12	.2750	
300 Career Education 9-12	(.2750)	.0000

66. [Ref. 55103] We noted the following exceptions involving seven Career Education students in OJT:

- a. The timecards for three students were missing and could not be located.
- b. The timecards for two students were not signed by the students' training supervisors.
- c. The timecards for two students indicated that the students did not work during the reporting survey week.

We made the following audit adjustment:

300 Career Education 9-12	(.5000)	(.5000)
---------------------------	---------	---------

67. [Ref. 55172/75/78] Three teachers taught Language Arts to classes that included LEP students, but were not properly certified to teach LEP students. Two of the teachers (Ref. 55175/78) were not approved by the School Board to teach out-of-field, and one teacher (Ref. 55172) was not approved until February 14, 2007, after the February survey had ended. We also noted that the parents of the LEP students taught by one of the teachers (Ref. 55175) were not notified of the teacher's out-of-field status; and the parents of the LEP students taught by the other two teachers (Ref. 55172/78) were not notified until February 14, 2007, after the February survey had ended. (Finding continues on next page.)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Arnold High School (#0551) (Continued)

Additionally, two of the teachers (Ref. 55172/75) had earned none of the 60 in-service training points required in ESOL strategies, pursuant to the teachers' in-service training timelines. We made the following audit adjustments:

<u>Ref. 55172</u>		
103 Basic 9-12	.3000	
130 ESOL	<u>(.3000)</u>	.0000
<u>Ref. 55175</u>		
103 Basic 9-12	.3750	
130 ESOL	<u>(.3750)</u>	.0000
<u>Ref. 55178</u>		
103 Basic 9-12	.2500	
130 ESOL	<u>(.2500)</u>	.0000

68. [Ref. 55176] The parents of students taught by one out-of-field teacher in ESOL were not notified of the teacher's out-of-field status. We made the following audit adjustment:

103 Basic 9-12	.2000	
130 ESOL	<u>(.2000)</u>	.0000

69. [Ref. 55179/81/83] Three History or Math teachers taught classes that included LEP students, but had earned none of the 60 in-service training points required in ESOL strategies, pursuant to the teachers' in-service training timelines. We made the following audit adjustments:

<u>Ref. 55179</u>		
103 Basic 9-12	.1500	
130 ESOL	<u>(.1500)</u>	.0000
<u>Ref. 55181</u>		
103 Basic 9-12	.1500	
130 ESOL	<u>(.1500)</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

Findings**Net Audit
Adjustments
(Unweighted FTE)****Arnold High School (#0551)** (Continued)

<u>Ref. 55183</u>		<u>Net Audit Adjustments (Unweighted FTE)</u>
103 Basic 9-12	.1500	
130 ESOL	(.1500)	.0000
		(.5000)

Haney Technical High School (#0561)

70. [Ref. 56101] We noted the following exceptions for nine Career Education students in OJT:

- a. Eight students were reported using an incorrect priority order. The students' off-campus work hours were funded prior to the students' on-campus instruction. We also noted that the timecard for one of the eight students supported less time worked than was reported.
- b. The timecards for one student supported less time worked than was reported.

We made the following audit adjustment:

103 Basic 9-12	.6522	
300 Career Education 9-12	(.9488)	(.2966)

71. [Ref. 56174] One teacher was not properly certified and was not approved by the School Board to teach Diversified Cooperative Training 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	.7200	
300 Career Education 9-12	(.7200)	.0000
		(.2966)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Bay County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2007

**Net Audit
Adjustments
(Unweighted FTE)**

Findings

Bay Detention Center (#0602)

72. [Ref. 60201] The reported FTE for 72 students (29 in the July 2006 survey and 43 in the June 2007 survey) was overstated. The students were reported for .1002 FTE in the July survey and .2556 FTE in the June survey. They should have been reported for .0778 and .2278 FTE, respectively. We made the following audit adjustment:

102 Basic 4-8	(.5034)	
103 Basic 9-12	(.6522)	
112 Grades 4-8 with ESE Services	(.4206)	
113 Grades 9-12 with ESE Services	<u>(.2544)</u>	(1.8306)

73. [Ref. 60202] The file for one student did not contain an IEP covering the reporting survey. We made the following audit adjustment:

103 Basic 9-12	.2280	
113 Grades 9-12 with ESE Services	<u>(.2280)</u>	<u>.0000</u>
		<u>(1.8306)</u>
		<u>(14.9436)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
 For the Fiscal Year Ended June 30, 2007

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) only eligible courses are reported for funding in ESOL; (2) only students who were in attendance and membership for a particular survey are reported for FEFP funding; (3) timecards for students in OJT are properly completed and retained in readily accessible files; (4) students are reported in the proper FEFP funding categories and have adequate documentation to support that reporting, particularly with regard to students in ESOL, ESE, and OJT programs; (5) students in OJT are reported in the correct priority and in accordance with their supporting timecards; (6) student schedules are reported in accordance with the school's bell schedule; (7) teachers are properly certified or approved by the 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 FTE and 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 2006-2007

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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Bay County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2007

Regulatory Citations (Continued)

Attendance (Continued)

FTE General Instructions 2006-2007

Comprehensive Management Information System: Automated Student Attendance Recordkeeping System

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, 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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Bay County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2007

Regulatory Citations (Continued)

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 2006-2007

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
Rule 6A-6.0907, F.A.C.Inservice Requirements for Personnel of Limited English Proficient Students

The accompanying notes are an integral part of this schedule.

SCHEDULE F

Bay County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2007

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 63 of this report.

The accompanying notes are an integral part of this schedule.

Bay County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2007

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 Bay County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Bay 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 Bay County. For the fiscal year ended June 30, 2007, the District operated 43 schools, reported 26,305.66 unweighted FTE, and received approximately \$46.8 million in State funding 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 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.

Bay County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2007

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. 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 FTE 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 2006-2007 school year were conducted during and for the following weeks: survey one was performed for July 10-14, 2006; survey two was performed for October 9-13, 2006; survey three was performed for February 5-9, 2007; and survey four was performed for June 11-15, 2007.

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2007

NOTE A - SUMMARY (Continued)

6. Educational Programs

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) ESOL; (3) ESE; 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, 2007. 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 FEFP. The following schools were in our sample:

Bay County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2007

NOTE B - SAMPLING (Continued)

<u>School Name/Description</u>	<u>Finding Number(s)</u>
- Ineligible ESOL Courses	1
1. Bay Senior High School	2 through 4
2. Cedar Grove Elementary School	5 through 7
3. Lucille Moore Elementary School	8 through 11
4. Everitt Middle School	12 through 14
5. Jinks Middle School	15 through 19
6. Oakland Terrace Elementary School	20 through 23
7. Springfield Elementary School	24 through 29
8. St. Andrew School	30
9. West Bay Elementary School	31 and 32
10. Margaret K. Lewis Exceptional School	33 and 34
11. Rosenwald Middle School	35 and 36
12. Mowat Middle School	37 through 40
13. Rutherford High School	41 through 45
14. A. Crawford Mosley High School	46 through 50
15. Patronis Elementary School	51 through 54
16. New Horizons Learning Center	55 and 56
17. Bozeman Learning Center	57 through 61
18. Arnold High School	62 through 69
19. Haney Technical High School	70 and 71
20. Bay Detention Center	72 and 73



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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 BAY COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated September 25, 2007, that the Bay 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, 2007. 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.

Compliance

Our examination procedures disclosed material noncompliance with the District's reported student ridership data, as follows: 239 of the 651 students in our sample had exceptions involving their reported ridership categories or eligibility for State transportation funding.¹

In our opinion, except for material noncompliance mentioned above involving the classification and reporting of transported students, the Bay 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, 2007.

The results of our examination disclosed other noncompliance with State requirements, in addition to the material noncompliance mentioned above. We considered this other noncompliance in forming our opinion regarding management's assertion and it did not affect our opinion as stated above. All noncompliance disclosed by our examination procedures is discussed in SCHEDULE B. The impact of this noncompliance on the District's reported number of transported students is presented in SCHEDULE A and SCHEDULE B.

Internal Control Over Compliance

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report significant deficiencies in internal control detected during our examination and identify those considered to be material weaknesses. The purpose of our examination was to express an opinion on the District's compliance with State requirements and did not include expressing an opinion on the District's related internal controls. Accordingly, we express no such opinion. Due to its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.² However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to the classification and reporting of transported students. Other noncompliance disclosed by our examination procedures is indicative of control deficiencies², and is also presented herein. The findings, populations, samples, and exception totals that pertain to material and other noncompliance are presented in SCHEDULE A and SCHEDULE B.

¹See SCHEDULE B, finding Nos. 2, 3, 4, 5, and 6.

²*A control deficiency in the entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the aforementioned State requirements such that there is more than a remote likelihood that noncompliance that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than remote likelihood that material noncompliance will not be prevented or detected by the entity's internal control.*

The District's written response to this examination has not been subjected to our examination procedures, and accordingly, we express no opinion on it.

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 Bay 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,



David W. Martin, CPA
April 8, 2008

SCHEDULE A

Bay County District School Board
 Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2007

<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	345	100.00%	24,482	100.00%
Sample ²	-	-	651	2.66%
<u>Test Results - Sample Students</u>				
Students w/ Exceptions ³	-	-	239	(36.71%)
Net Audit Adjustments	-	-	(226)	(34.72%)
<u>Test Results - Non-Sample Students</u>				
Students w/ Exceptions ³	-	-	4	NM
Net Audit Adjustments	-	-	0	NM
<u>Test Results - Sample and Non-Sample Students</u>				
Net Audit Adjustments	-	-	(226)	0.92%

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, 2007. The District reported 24,482 students in the following ridership categories: 858 in IDEA (K-12), Weighted; 60 in IDEA (K-12), Unweighted; 70 in IDEA (PK), Weighted; 125 in IDEA (PK), Unweighted; 19 in Teenage Parents and Infants; and 23,350 in Two Miles or More. The District also reported operating a total of 345 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 or eligibility for State transportation funding. Students cited for incorrect reporting of days-in-term in finding No. 1 are not included.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Bay County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

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 material noncompliance involving the classification and reporting of transported students, the Bay 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, 2007. 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 59.

**Students
 Transported
 Net Audit
 Adjustments**

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 involved verification of the specific ridership categories reported for students sampled from the July, October, February, and June surveys. Adjusted students who were in more than one survey are accounted for by survey. For example, a student sampled twice (i.e., once for the October survey and once for the February survey) will be presented in our findings as two sample students. Students cited only for incorrect number of days-in-term in finding No. 1 are not included in students with exceptions on SCHEDULE A.

General Tests

1. [Ref. 51] Our general tests disclosed the following exceptions:
 - a. The reported number of buses operated was overstated by five buses in the October survey and seven buses in the February survey.
 - b. Ninety students in the October survey were reported incorrectly for either a 36-day term (two students) or a 54-day term (88 students). They should have been reported for a 90-day term.

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Bay County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Students
 Transported
 Net Audit
 Adjustments**

Findings

General Tests (Continued)

- c. Ninety-eight students in the February survey were reported for an incorrect number of days-in-term: 4 students for a 18-day term, 3 students for a 36-day term, and 91 students for a 54-day term. They should have been reported for a 90-day term.
- d. Two hundred-sixty students in the June survey were reported for an incorrect number of days in term: 218 students classified IDEA were reported for a 12-day term, but should have been reported for a 9-day term; and 42 students in Two Miles or More were reported for a 46-day term, but should have been reported for a 41-day term.

We made the following audit adjustments:

October 2006 Survey

Number of Buses in Operation	(5)
<u>36 Days-in-Term</u>	
Two Miles or More	(2)
<u>54 Days-in-Term</u>	
IDEA (K-12), Weighted	(3)
IDEA (K-12), Unweighted	(2)
Two Miles or More	(83)
<u>90 Days-in-Term</u>	
IDEA (K-12), Weighted	3
IDEA (K-12), Unweighted	2
Two Miles or More	85
<u>February 2007 Survey</u>	
Number of Buses in Operation	(7)
<u>18 Days-in-Term</u>	
Two Miles or More	(4)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Bay County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

<u>Findings</u>		<u>Students Transported Net Audit Adjustments</u>
<u>General Tests</u> (Continued)		
<u>36 Days-in-Term</u>		
IDEA (K-12), Weighted	(1)	
Two Miles or More	(2)	
<u>54 Days-in-Term</u>		
IDEA (K-12), Weighted	(6)	
IDEA (K-12), Unweighted	(1)	
Two Miles or More	(84)	
<u>90 Days-in-Term</u>		
IDEA (K-12), Weighted	7	
IDEA (K-12), Unweighted	1	
Two Miles or More	90	
<u>June 2007 Survey</u>		
<u>9 Days-in-Term</u>		
IDEA (K-12), Weighted	203	
IDEA (PK), Weighted	12	
IDEA (PK), Unweighted	3	
<u>12 Days-in-Term</u>		
IDEA (K-12), Weighted	(203)	
IDEA (PK), Weighted	(12)	
IDEA (PK), Unweighted	(3)	
<u>41 Days-in-Term</u>		
Two Miles or More	42	
<u>46 Days-in-Term</u>		
Two Miles or More	(42)	<u>0</u>
Net Audit Adjustments – General Tests		
Number of Buses in Operation	(12)	--
Net Audit Adjustments	--	<u>0</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Bay County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Students
 Transported
 Net Audit
 Adjustments**

Findings

Detailed Tests

2. [Ref. 52] Nineteen ESE students (15 of whom were in our sample) were reported incorrectly in IDEA-weighted ridership categories (17 in IDEA (K-12) Weighted and 2 in IDEA (PK), Weighted). The IEPs for the 15 sample students did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification. Twelve of the 15 students were eligible for other ridership categories and the remaining three students did not ride their respective buses; consequently, they were not eligible for State transportation funding. The four non-sample students were transported by passenger car driven by their parents and, consequently, were not eligible to be reported in a weighted ridership category. However, the students were eligible for an unweighted ridership category. We made the following audit adjustments:

October 2006 Survey

90 Days-in-Term

IDEA (K-12), Weighted (<i>Sample Students</i>)	(7)	
IDEA (K-12), Weighted (<i>Non-Sample Student</i>)	(1)	
IDEA (PK), Weighted (<i>Sample Student</i>)	(1)	
IDEA (PK), Weighted (<i>Non-Sample Student</i>)	(1)	
IDEA (K-12), Unweighted (<i>Sample Students</i>)	4	
IDEA (K-12), Unweighted (<i>Non-Sample Student</i>)	1	
IDEA (PK), Unweighted (<i>Sample Student</i>)	1	
IDEA (PK), Unweighted (<i>Non-Sample Student</i>)	1	
Two Miles or More (<i>Sample Students</i>)	2	(1)

February 2007 Survey

90 Days-in-Term

IDEA (K-12), Weighted (<i>Sample Students</i>)	(4)	
IDEA (K-12), Weighted (<i>Non-Sample Students</i>)	(2)	
IDEA (K-12), Unweighted (<i>Sample Students</i>)	3	
IDEA (K-12), Unweighted (<i>Non-Sample Students</i>)	2	(1)

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Bay County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustments</u>
<u>Detailed Tests</u> (Continued)		
<u>June 2007 Survey</u>		
<u>9 Days-in-Term</u>		
IDEA (K-12), Weighted (<i>Sample Students</i>)	(3)	
IDEA (K-12), Unweighted (<i>Sample Student</i>)	1	
Two Miles or More (<i>Sample Student</i>)	<u>1</u>	(1)
3. [Ref. 53] <u>One hundred fifty-seven students (101 in October, 53 in February, and 3 in June) were incorrectly reported in Two Miles or More. These students lived less than two miles from school and should not have been reported for State transportation funding. We also noted that 37 of the students were not transported during the 11-day windows of the reporting surveys. We made the following audit adjustments:</u>		
<u>October 2006 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	(101)	
<u>February 2007 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	(53)	
<u>June 2007 Survey</u>		
<u>12 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	<u>(3)</u>	(157)
4. [Ref. 54] <u>Four students in the February survey were not eligible for State transportation funding. Three of the students were not shown on the supporting bus drivers' reports as having been transported, and the name of one student was not listed on the bus driver's report to which the student was assigned and there was no evidence that he was transported on another bus. We made the following audit adjustment:</u>		

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Bay County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustments</u>
<u>Detailed Tests</u> (Continued)		
<u>February 2007 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Unweighted (<i>Sample Student</i>)	(1)	
Teen Parent (<i>Sample Students</i>)	(2)	
Two Miles or More (<i>Sample Student</i>)	(1)	(4)
5. [Ref. 55] <u>Sixty-two students were reported incorrectly in the February survey due to an isolated error. The students were shown in the District's Transportation Database as having stopped bus transportation prior to the reporting survey, but were inadvertently included in the reporting survey's results. We made the following audit adjustment:</u>		
<u>February 2007 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	(62)	(62)
6. [Ref. 56] <u>One PK student was reported incorrectly in Two Miles or More in the June survey. The student should have been reported in IDEA (PK), Unweighted. We made the following audit adjustment:</u>		
<u>June 2007 Survey</u>		
<u>9 Days-in-Term</u>		
IDEA (PK), Unweighted (<i>Sample Student</i>)	1	
<u>12 Days-in-Term</u>		
Two Miles or More (<i>Sample Student</i>)	(1)	0
Net Audit Adjustments – Detailed Tests		<u>(226)</u>
Net Audit Adjustments – Sample Students		(226)
Net Audit Adjustments – Non-Sample Students		(0)
Net Audit Adjustments – Detailed Tests		<u>(226)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Bay County District School Board
Student Transportation
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2007

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) only students who are transported by bus during the 11-day window of a reporting survey are reported for State transportation funding; (2) the distance from home to school, for students classified in the Two Miles or More category, is verified before being reported; (3) only ESE students whose need for special transportation services has been properly documented on their IEPs are reported in IDEA, weighted ridership categories; (4) all transported students are reported in the correct ridership category; and (5) transported students, buses-in-operation, and days-in-term are correctly reported.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all State requirements governing 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

Bay County District School Board
Student Transportation
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2007

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 63 of this report.

The accompanying notes are an integral part of this schedule.

Bay County District School Board
 Student Transportation
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2007

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 Bay County

For the fiscal year ended June 30, 2007, the District received approximately \$5.4 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 2006	1	29
October 2006	153	11,608
February 2007	155	12,142
June 2007	<u>36</u>	<u>703</u>
Total	<u>345</u>	<u>24,482</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

Bay County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2007

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, 2007. 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



JAMES E. MCCALISTER, SR.
SUPERINTENDENT

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Johnny Brock
District 2

Ginger Littleton
District 3

Jon McFatter
District 4

Donna Allen
District 5

May 5, 2008

Mr. David W. Martin, CPA
Auditor General
Room 412C, Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Attn: Joe Williams, Section 321

Dear Mr. Martin,

The draft copy of the findings from the FTE audit for the fiscal year ending June 30, 2007, has been reviewed and discussed with the appropriate district and school level administrators.

All areas of concern, as noted in the audit report, have been closely examined. The district has initiated corrective action to eliminate further exceptions in the future. Monitoring programs and procedures and providing additional staff training will be implemented immediately. Although several exceptions were noted in the report, the auditor stated, "Bay County District School Board complied in all material aspects with state requirements governing the determination and reporting of FTE for the fiscal year ended June 30, 2007".

Bay District Schools appreciated the thorough and professional manner in which this audit was conducted and the assistance provided by the auditor in correcting deficiencies.

The district believes that the students that are in the monitored programs have not suffered any programmatic curtailment or lapse in services due to any discrepancies in supporting documentation.

Sincerely,

James E. McCalister
Superintendent

JEM/wc

cc: Judy Vandergrift, Deputy Superintendent