

**CALHOUN COUNTY DISTRICT  
SCHOOL BOARD**

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Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students

and

Student Transportation

For the Fiscal Year Ended

June 30, 2008



## BOARD MEMBERS AND SUPERINTENDENT

Calhoun County District School Board members and the Superintendent of Schools who served during the 2007-08 fiscal year are listed below:

	<i>District</i>
	<u>No.</u>
<i>Grant Williams, Vice-Chair to 11-19-07, Chair from 11-20-07</i>	<i>1</i>
<i>Kelly E. King, Vice-Chair from 11-20-07</i>	<i>2</i>
<i>Timothy G. Smith</i>	<i>3</i>
<i>Willie A. Brown, Jr., Chair to 11-19-07</i>	<i>4</i>
<i>Danny M. Hassig</i>	<i>5</i>

*Mary Sue Neves, Superintendent*

The examination team leader was Alice Pounds, CPA, and the examination 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](mailto:joewilliams@aud.state.fl.us) or by telephone at (850) 414-9941.

This report and other audit reports prepared by the Auditor General can be obtained on our Web site [www.myflorida.com/audgen](http://www.myflorida.com/audgen); by telephone at (850) 487-9024; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Calhoun County District School Board  
Full-Time Equivalent (FTE) Students and Student Transportation  
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For the Fiscal Year Ended June 30, 2008

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Calhoun County District School Board  
Full-Time Equivalent (FTE) Students and Student Transportation  
**LIST OF ABBREVIATIONS**  
For the Fiscal Year Ended June 30, 2008

**ESOL** – English for Speakers of Other Languages

**PK** – Prekindergarten

**IDEA** – Individuals with Disabilities Education Act



DAVID W. MARTIN, CPA  
AUDITOR GENERAL

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

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

We have examined management's assertion, included in its representation letter dated October 1, 2008, that the Calhoun 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, 2008. 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 (AICPA) 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

In our opinion, the Calhoun 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, 2008.

The results of our examination disclosed instances of noncompliance with the State requirements mentioned above. We considered this 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 D. The impact this noncompliance on the District's reported FTE is presented in SCHEDULE A, SCHEDULE B, SCHEDULE C, and SCHEDULE D.

### **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.<sup>1</sup> The noncompliance mentioned above, while indicative of certain control deficiencies<sup>1</sup>, is not considered indicative of material weaknesses in the District's internal controls related to the determination and reporting of FTE. The findings, populations, samples, and exception totals that pertain to 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.

Pursuant to Section 11.45(4), Florida Statutes, this report is a public record and its distribution is not limited. Attestation standards established by the AICPA require us to indicate that this report is intended solely for the information and use 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 applicable District management and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



David W. Martin, CPA  
December 5, 2008

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<sup>1</sup> 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.

**SCHEDULE A**

Calhoun 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, 2008

<u>Description<sup>1</sup></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 FTE<sup>2</sup></u>	<u>% of Pop. (Sample)</u>
<b>1. Basic</b>						
Population <sup>3</sup>	6	100.00%	1,455	100.00%	1,514.4900	100.00%
Sample Size <sup>4</sup>	4	66.67%	45	3.09%	37.4968	2.48%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	.1664	-
<b>2. Basic with ESE Services</b>						
Population <sup>3</sup>	6	100.00%	510	100.00%	541.8500	100.00%
Sample Size <sup>4</sup>	4	66.67%	26	5.10%	25.3340	4.68%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	.0000	-
<b>3. ESOL</b>						
Population <sup>3</sup>	1	100.00%	2	100.00%	1.4500	100.00%
Sample Size <sup>4</sup>	1	100.00%	2	100.00%	1.4500	100.00%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	.0000	-
<b>4. ESE Support Levels 4 and 5</b>						
Population <sup>3</sup>	5	100.00%	40	100.00%	31.3600	100.00%
Sample Size <sup>4</sup>	4	80.00%	37	92.50%	28.3600	90.43%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	(.1664)	-
<b>5. Career Education 9-12</b>						
Population <sup>3</sup>	2	100.00%	12	100.00%	81.8900	100.00%
Sample Size <sup>4</sup>	2	100.00%	11	91.67%	1.9110	2.33%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	.0000	-
-----						
<b><u>All Programs</u></b>						
Population <sup>3</sup>	6	100.00%	2,019	100.00%	2,171.0400	100.00%
Sample Size <sup>4</sup>	4	66.67%	121	5.99%	94.5518	4.36%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	.0000	-

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE A (Continued)**

Calhoun 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, 2008

<u>Description</u> <sup>1</sup>	<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 <sup>3</sup>	6	100.00%	55	100.00%
Sample Size <sup>4</sup>	4	66.67%	29	52.73%
Teachers w/Exceptions	-	-	(1)	(3.45%)

<sup>1</sup> See NOTE A6.

<sup>2</sup> 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.)

<sup>3</sup> 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, 2008. 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.)

<sup>4</sup> See NOTE B.

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

***The accompanying notes are an integral part of this schedule.***

**SCHEDULE B**

Calhoun 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, 2008

<b><u>No. Program</u></b> <sup>1</sup>	<b><u>Net Audit Adjustment</u></b> <sup>2</sup>	<b><u>Cost Factor</u></b>	<b><u>Weighted FTE</u></b> <sup>3</sup>
103 Basic 9-12	.1664	1.066	.1774
254 ESE Support Level 4	<u>(.1664)</u>	3.625	<u>(.6032)</u>
Total	<u>.0000</u>		<u>(.4258)</u>

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<sup>1</sup> See NOTE A6.

<sup>2</sup> These adjustments are for unweighted FTE. (See SCHEDULE C.)

<sup>3</sup> 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**

Calhoun 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, 2008

<u>No.</u> <u>Program</u>	<u>Audit Adjustments</u> <sup>1</sup>	
	<u>#0021</u>	<u>Total</u>
103 Basic 9-12	.1664	.1664
254 ESE Support Level 4	(.1664)	(.1664)
Total	<u>.0000</u>	<u>.0000</u>

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<sup>1</sup> These adjustments are for unweighted FTE. (See NOTE A4.)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D**

Calhoun 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, 2008

**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. The Calhoun 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, 2008. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 8.

**Findings**

**Net Audit  
 Adjustments  
 (Unweighted FTE)**

*Our examination included the July and October 2007 surveys and the February and June 2008 surveys (see NOTE A5). Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2007 survey or the February 2008 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.*

**Blountstown High School (#0021)**

1. [Ref. 2171] One teacher was not properly certified and was not approved by the School Board to teach out-of-field. The teacher held certification in School Social Work but taught courses that required certification in Exceptional Student Education. 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	.1664	
254 ESE Support Level 4	(.1664)	.0000
		.0000
		.0000

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE E**

Calhoun 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, 2008

**Recommendations**

**We recommend** that management exercise more care and take corrective action, as appropriate, to ensure that: (1) teachers are either properly certified or, if out-of-field, are approved by the School Board to teach out-of-field; and (2) 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 Citations**

Teacher Certification

- Section 1012.42(2), F.S. .... Teacher Teaching Out-of-Field; Notification Requirements
- Section 1012.55, F.S. .... Positions for Which Certificates Required
- Rule 6A-1.0502, F.A.C. .... Non-certificated Instructional Personnel
- Rule 6A-1.0503, F.A.C. .... Definition of Qualified Instructional Personnel
- Rule 6A-4.001, F.A.C. .... Instructional Personnel Certification

*The accompanying notes are an integral part of this schedule.*

Calhoun County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
For the Fiscal Year Ended June 30, 2008

**NOTE A - SUMMARY**

A summary discussion of the significant features of the District, FEFP, FTE, and related areas follows:

**1. School District of Calhoun County**

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Calhoun 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 Calhoun County. For the fiscal year ended June 30, 2008, the District operated six schools, reported 2,171.04 unweighted FTE, and received approximately \$11 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.

Calhoun County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
For the Fiscal Year Ended June 30, 2008

**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 2007-2008 school year were conducted during and for the following weeks: survey one was performed for July 9-13, 2007; survey two was performed for October 8-12, 2007; survey three was performed for February 4-8, 2008; and survey four was performed for June 9-13, 2008.

Calhoun County District School Board  
 Florida Education Finance Program (FEFP)  
 Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
 For the Fiscal Year Ended June 30, 2008

**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) Exceptional; and (4) Career Education (9-12).

**7. Statutes and Rules**

The following statutes and rules are of significance to the administration of Florida public education:

- Chapter 1000, F.S. ....K-20 General Provisions
- Chapter 1001, F.S. ....K-20 Governance
- Chapter 1002, F.S. ....Student and Parental Rights and Educational Choices
- Chapter 1003, F.S. ....Public K-12 Education
- Chapter 1006, F.S. ....Support for Learning
- Chapter 1007, F.S. ....Articulation and Access
- Chapter 1010, F.S. ....Financial Matters
- Chapter 1011, F.S. ....Planning and Budgeting
- Chapter 1012, F.S. ....Personnel
- Chapter 6A-1, F.A.C. ....Finance and Administration
- Chapter 6A-4, F.A.C. ....Certification
- Chapter 6A-6, F.A.C. ....Special Programs I

Calhoun County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
For the Fiscal Year Ended June 30, 2008

**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, 2008. 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:

<u>School Name/Description</u>	<u>Finding Number(s)</u>
1. Blountstown High School	1
2. Blountstown Middle School	NA
3. Altha Public School	NA
4. Blountstown Elementary School	NA



DAVID W. MARTIN, CPA  
AUDITOR GENERAL

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

## INDEPENDENT AUDITOR'S REPORT CALHOUN COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated October 1, 2008, that the Calhoun 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, 2008. 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 (AICPA) 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 involving the District's reported student ridership, as follows: 57 of the 201 students in our sample had exceptions involving their reported ridership category or eligibility for State transportation funding. (See SCHEDULE G, finding Nos. 1, 2, and 3.)

In our opinion, except for the material noncompliance mentioned above involving the classification and reporting of transported students, the Calhoun 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, 2008.

All noncompliance disclosed by our examination procedures is discussed in SCHEDULE G. The impact of this noncompliance on the District's reported number of transported students is presented in SCHEDULE F and SCHEDULE G.

### **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.<sup>1</sup> 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. The findings, populations, samples, and exception totals that pertain to material noncompliance are presented in SCHEDULE F and SCHEDULE G.

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

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<sup>1</sup>*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.*

Pursuant to Section 11.45(4), Florida Statutes, this report is a public record and its distribution is not limited. Attestation standards established by the AICPA require us to indicate that this report is intended solely for the information and use 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 applicable District management and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



David W. Martin, CPA  
December 5, 2008

**SCHEDULE F**

Calhoun County District School Board  
 Student Transportation  
**POPULATIONS, SAMPLES, AND TEST RESULTS**  
 For the Fiscal Year Ended June 30, 2008

<b><u>Description</u></b>	<b><u>Number of Vehicles</u></b>	<b><u>% of Pop.</u></b>	<b><u>No. of Students Transp.</u></b>	<b><u>% of Pop. (Sample)</u></b>
Population <sup>1</sup>	56	100.00%	2,354	100.00%
Sample <sup>2</sup>	-	-	201	8.54%
<b><u>Sample Students</u></b>				
With Exceptions	-	-	57	(28.36%)
Net Audit Adjustments	-	-	(57)	(28.36%)

---

<sup>1</sup> The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2008. The District reported 2,354 students in the following ridership categories: 59 in IDEA (K-12), Weighted; 88 in IDEA (K-12), Unweighted; 83 in IDEA (PK), Unweighted; 8 in Teenage Parents and Infants; and 2,116 in Two Miles or More. The District also reported operating a total of 56 vehicles (54 buses and 2 passenger cars). (IDEA stands for Individuals with Disabilities Education Act.)

<sup>2</sup> See NOTE B.

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE G**

Calhoun County District School Board  
 Student Transportation  
**FINDINGS AND AUDIT ADJUSTMENTS**  
 For the Fiscal Year Ended June 30, 2008

**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, as discussed below, the Calhoun 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, 2008. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 20.

**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.*

1. [Ref. 51] Thirty-seven students (1 in the July survey, 19 in the October survey, 16 in the February survey and 1 in the June survey) were incorrectly reported in Two Miles or More. The students lived less than two miles from school and should not have been reported for State transportation funding. We made the following audit adjustments:

<b><u>July 2007 Survey</u></b>	
<u>8 Days-in-Term</u>	
Two Miles or More	(1)
<b><u>October 2007 Survey</u></b>	
<u>90 Days-in-Term</u>	
Two Miles or More	(19)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE G (Continued)**

Calhoun County District School Board  
 Student Transportation  
**FINDINGS AND AUDIT ADJUSTMENTS**  
 For the Fiscal Year Ended June 30, 2008

<u>Findings</u>	<u>Students Transported Net Audit Adjustments</u>
<b><u>February 2008 Survey</u></b>	
<u>90 Days-in-Term</u>	
Two Miles or More	(16)
<b><u>June 2008 Survey</u></b>	
<u>9 Days-in-Term</u>	
Two Miles or More	(1) (37)
2. [Ref. 52] <u>Three students were not shown on the supporting bus drivers' reports as having been transported during the survey period concerned. We made the following audit adjustments:</u>	
<b><u>October 2007 Survey</u></b>	
<u>90 Days-in-Term</u>	
IDEA (K-12), Unweighted	(2)
<b><u>June 2008 Survey</u></b>	
<u>9 Days-in-Term</u>	
IDEA (K-12), Weighted	(1) (3)
3. [Ref. 53] <u>Seventeen students who were Specific Learning Disabled, Language Impaired, or Speech Impaired were incorrectly reported in IDEA (K-12), Unweighted. Students in these Exceptional categories are not eligible for reporting in IDEA (K-12), Unweighted unless transportation services are authorized by the students' IEPs based on the students' Exceptional conditions. We noted that the cited students' IEPs authorized transportation services based on the students' ages rather than on their Exceptional conditions. We made the following audit adjustments:</u>	
<b><u>July 2007 Survey</u></b>	
<u>8 Days-in-Term</u>	
IDEA (K-12), Unweighted	(3)
<b><u>October 2007 Survey</u></b>	
<u>90 Days-in-Term</u>	
IDEA (K-12), Unweighted	(4)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE G (Continued)**

Calhoun County District School Board  
 Student Transportation  
**FINDINGS AND AUDIT ADJUSTMENTS**  
 For the Fiscal Year Ended June 30, 2008

<b><u>Findings</u></b>		<b><u>Students Transported Net Audit Adjustments</u></b>
<b><u>February 2008 Survey</u></b>		
<b><u>90 Days-in-Term</u></b>		
IDEA (K-12), Unweighted	(6)	
<b><u>June 2008 Survey</u></b>		
<b><u>9 Days-in-Term</u></b>		
IDEA (K-12), Unweighted	(4)	(17)
<b>Net Audit Adjustments</b>		<b>(57)</b>

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE H**

Calhoun County District School Board  
Student Transportation  
**RECOMMENDATIONS AND REGULATORY CITATIONS**  
For the Fiscal Year Ended June 30, 2008

**Recommendations**

**We recommend** that management exercise more care and take corrective action, as appropriate, to ensure that: (1) only those students who are marked on a supporting bus driver’s report as having been transported during the survey period are reported with that survey’s results; (2) the distance from home to school for students classified in Two Miles or More is verified prior to those students being reported; and (3) students who are Specific Learning Disabled, Speech Impaired, or Language Impaired are provided transportation services only if authorized by their IEPs and based on their Exceptional conditions.

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.*

Calhoun County District School Board  
 Florida Education Finance Program (FEFP)  
 Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
 For the Fiscal Year Ended June 30, 2008

**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 Calhoun County**

For the fiscal year ended June 30, 2008, the District received approximately \$525,000 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 2007	3	39
October 2007	24	1,147
February 2008	24	1,088
June 2008	<u>5</u>	<u>80</u>
Total	<u>56</u>	<u>2,354</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

*The accompanying notes are an integral part of this schedule.*

Calhoun County District School Board  
Florida Education Finance Program (FEFP)  
Full-Time Equivalent (FTE) Students  
**NOTES TO SCHEDULES**  
For the Fiscal Year Ended June 30, 2008

**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, 2008. 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.

*The accompanying notes are an integral part of this schedule.*

**EXHIBIT – A  
MANAGEMENT’S RESPONSE**

Wilson T. McClellan  
Superintendent



20859 Central Ave E, RM-G20  
Blountstown, FL 32424

Board Meets Second  
Tuesday of Each Month

Phone: 850-674-5927  
FAX: 850-674-5814

December 15, 2008

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

Dear Mr. Martin:

Calhoun County has addressed the findings from the examination of full-time equivalent (FTE) students and student transportation for the fiscal year ending June 30, 2008 as follows:

**AG424 #2171**

Calhoun County School district agrees with the auditor’s finding.

**Corrective Action:**

District Management will exercise more care and take corrective action, as appropriate, to ensure that teachers are either properly certified or if out-of-field, are approved by the School Board to teach out-of-field; and parents are appropriately notified when their children are assigned to out-of-field teachers.

**AG424 #51**

Calhoun County School District agrees with the auditor’s finding.

**Corrective Action:**

District Management will ensure that the 2 miles or more distance from home to school will be verified before students are reported on FTE Surveys.

*“An Equal Opportunity Employer”*

*The accompanying notes are an integral part of this schedule.*

**AG424 #52**

Calhoun County School District agrees with the auditor's finding.

**Corrective Action:**

District Management will take action to ensure on bus driver reports students not listed as riding during FTE Survey periods will not be reported on the Final FTE Survey report.

**AG424 #53**

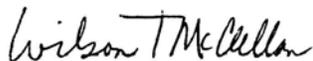
Calhoun County School District agrees with the auditor's finding.

**Corrective Action:**

District ESE Department Staff will review all IEPs to determine if there are any ESE students who are SLD, SI, or LI with exceptional conditions. Only those students with exceptional conditions will have documentation on their IEP's. These students will be reported in the IDEA (K-12) category even though they live less than 2 miles from school. Proper documentation will be given to the Transportation Department of students who are eligible FTE riders.

Please let me know if I can be of further assistance in this matter.

Sincerely,



Wilson T. McClellan  
Superintendent

WTM:meh