REPORT NO. 2010-198
JUNE 2010

OSCEOLA COUNTY DISTRICT SCHOOL BOARD

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

and

Student Transportation

For the Fiscal Year Ended
June 30, 2009

STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

BOARD MEMBERS AND SUPERINTENDENT

Osceola County District School Board members and the Superintendent of Schools who served during the 2008-09 fiscal year are listed below:

	District No.
Jay Wheeler	*1*
Thomas E. Chalifoux, Jr., Vice Chair to 8-04-08	*2*
Cindy Lou Hartig from 9-23-08 to 11-17-08	*2*
Julius Melendez from 11-18-08	*2*
David E. Stone to 11-17-08	*3*
Cindy Lou Hartig from 11-18-08	*3*
Tom Greer to 11-17-08	*4*
David E. Stone, Vice Chair from 11-18-08	*4*
John G. McKay, Chair	*5*

Dr. Michael A. Grego, Superintendent

The examination team leader was Bernice Rivas 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 or by telephone at (850) 414-9941.

This report and other reports prepared by the Auditor General can be obtained on our Web site at 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.

Osceola County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2009

ELL – English Language Learner

ESE – Exceptional Student Education

ESOL – English for Speakers of Other Languages

FES – Fluent English Speaking

IDEA – Individuals with Disabilities Education Act

IEP – Individual Educational Plan

OJT – On-the-Job Training

PK – Prekindergarten

Osceola County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
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EXECUTIVE SUMMARY

Summary of Attestation Examination

Except for the material noncompliance mentioned below involving missing timecards for students in Career Education 9-12 (OJT) and the reported ridership categories or eligibility for State transportation funding of transported students, the Osceola County District School Board complied, in all material respects, with State requirements regarding the determination and reporting of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and the number of students transported for the fiscal year ended June 30, 2009.

> **Of the 17 students in our sample for Career Education 9-12 (OJT), 6 had missing timecards.**
>
> **Of the 548 students in our sample of students transported, 220 had exceptions involving their reported ridership category or eligibility for State transportation funding.**

Noncompliance related to FTE resulted in 88 findings. The resulting audit adjustments to the District's reported, unweighted FTE totaled to a negative 2.5787 FTE but have a potential impact on the District's weighted FTE of a negative 35.0627 FTE. Noncompliance related to student transportation resulted in 16 findings and a net audit adjustment of a negative 115 students.

Weighted FTE adjustments are presented in our report for illustrative purposes only. They do not take special program caps and allocation factors into account and are not intended to indicate the weighted FTE used to compute the dollar value of audit adjustments, which is the responsibility of the Department of Education (DOE). However, the gross dollar effect of our FTE audit adjustments may be estimated by multiplying the net weighted FTE audit adjustment by the base student allocation amount. For the Osceola County District School Board, the estimated gross dollar effect of our FTE audit adjustments is a negative $136,259 (negative 35.0627 times $3,886.14).

We have not presented an estimate of the potential dollar effect of our student transportation audit adjustments because there is no equivalent method for making such an estimate.

The ultimate resolution of our FTE and student transportation audit adjustments and the computation of their financial impact is the responsibility of DOE.

School District of Osceola County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Osceola County. Those services are provided primarily to students attending kindergarten through high school but also to adults seeking vocational-type training. The District is part of the State system of public education under the general direction and control of the State Board of Education. The geographic boundaries of the District are those of Osceola County.

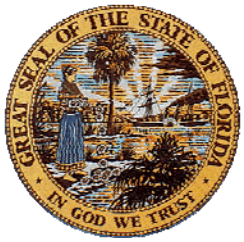
The governing body of the District is the District School Board, which is composed of five elected members. The executive officer of the Board is the appointed Superintendent of Schools. For the fiscal year ended June 30, 2009, the District operated 57 schools, reported 51,070.83 unweighted FTE, and received approximately $120 million in State funding for those FTE.

Florida Education Finance Program (FEFP)

Florida school districts receive State funding through FEFP, which was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system the availability of an educational environment appropriate to his educational needs which is substantially equal to that 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. 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 unweighted FTE (full-time equivalent student). For example, one student would be reported as one FTE if the student was enrolled in six classes per day at 50 minutes per class for the full 180-day school year (i.e., six classes at 50 minutes each per day is five hours of class a day or 25 hours per week, which equals one FTE).

Student Transportation

Any student who is transported by the District must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Vocational or Exceptional student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes. The District received approximately $9.6 million in State transportation funding.



AUDITOR GENERAL
STATE OF FLORIDA

DAVID W. MARTIN, CPA
AUDITOR GENERAL

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

PHONE: 850-488-5534
FAX: 850-488-6975

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

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

We have examined management's assertion, included in its representation letter dated October 6, 2009, that the Osceola 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, 2009. 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

Our examination procedures disclosed material noncompliance involving students reported in Career Education 9-12 (OJT). We noted exceptions involving missing timecards for 6 of the 17 students in our sample for Career Education 9-12 (OJT). (See SCHEDULE D, Finding Nos. 56 and 65.)

In our opinion, except for the material noncompliance mentioned above involving missing timecards for students in Career Education 9-12 (OJT), the Osceola County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2009.

The results of our examination disclosed other noncompliance with the State requirements 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 D. The impact of 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.[1] However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to maintenance of supporting timecards for students in Career Education 9-12 (OJT). Other noncompliance disclosed by our examination procedures is indicative of control deficiencies[1] 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.

[1] *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.

Pursuant to Section 11.45(4)(c), 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
June 7, 2010

SCHEDULE A

Osceola 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, 2009

Description[1]	Number of Schools	% of Pop.	Number of Students (w/Exceptions)	% of Pop. (Sample)	Number of Unweighted FTE[2]	% of Pop. (Sample)
1. Basic						
Population[3]	56	100.00%	22,019	100.00%	35,868.7800	100.00%
Sample Size[4]	21	37.50%	251	1.14%	183.0715	0.51%
Students w/Exceptions	-	-	(2)	(0.80%)	-	-
Net Audit Adjustments[5]	-	-	-	-	100.4376	-
2. Basic with ESE Services						
Population[3]	56	100.00%	3,956	100.00%	7,046.4100	100.00%
Sample Size[4]	22	39.29%	191	4.83%	161.8492	2.30%
Students w/Exceptions	-	-	(4)	(2.09%)	-	-
Net Audit Adjustments[5]	-	-	-	-	7.0336	-
3. ESOL						
Population[3]	54	100.00%	4,793	100.00%	6,478.0600	100.00%
Sample Size[4]	20	37.04%	1,564	32.63%	1,168.4829	18.04%
Students w/Exceptions	-	-	(154)	(9.85%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(99.3639)	-
4. ESE Support Levels 4 and 5						
Population[3]	42	100.00%	461	100.00%	702.1100	100.00%
Sample Size[4]	22	52.38%	346	75.05%	286.5122	40.81%
Students w/Exceptions	-	-	(30)	(8.67%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(10.6539)	-
5. Career Education 9-12						
Population[3]	17	100.00%	18	100.00%	975.4700	100.00%
Sample Size[4]	2	11.76%	17	94.44%	3.3188	0.34%
Students w/Exceptions	-	-	(6)	(35.29%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(.0321)	-
All Programs						
Population[3]	57	100.00%	31,247	100.00%	51,070.8300	100.00%
Sample Size[4]	22	38.60%	2,369	7.58%	1,803.2346	3.53%
Students w/Exceptions	-	-	(196)	(8.27%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(2.5787)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Osceola 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, 2009

Description[1]	Number of Schools	% of Pop.	Number of Teachers (w/Exceptions)	% of Pop. (Sample)
Teachers				
Population[3]	57	100.00%	1,278	100.00%
Sample Size[4]	22	38.60%	324	25.35%
Teachers w/Exceptions	-	-	(25)	(7.72%)

[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 9-12). 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 9-12 population and sample reflects only those students who participated in OJT. The population shown for full-time equivalent (FTE) students is the total FTE for all of the District's schools (sample schools plus nonsample schools) as reported for each survey conducted for the fiscal year ended June 30, 2009. The population shown for teachers is the total number of teachers at schools in our sample who taught courses in ESE Support Levels 4 and 5 or Career Education 9-12 or taught courses to ELL students. (See NOTE A5.)*

[4] *See NOTE B.*

[5] *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

Osceola 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, 2009

No.	Program[1]	Net Audit Adjustment[2]	Cost Factor	Weighted FTE[3]
101	Basic K-3	8.3688	1.066	8.9211
102	Basic 4-8	40.7522	1.000	40.7522
103	Basic 9-12	51.3166	1.052	53.9851
111	Grades K-3 with ESE Services	4.0336	1.066	4.2998
112	Grades 4-8 with ESE Services	2.5000	1.000	2.5000
113	Grades 9-12 with ESE Services	.5000	1.052	.5260
130	ESOL	(99.3639)	1.119	(111.1882)
254	ESE Support Level 4	(12.9470)	3.570	(46.2208)
255	ESE Support Level 5	2.2931	4.970	11.3967
300	Career Education 9-12	(.0321)	1.077	(.0346)
Total		(2.5787)		(35.0627)

[1] *See NOTE A6.*

[2] *These adjustments are for unweighted FTE. (See SCHEDULE C.)*

[3] *Weighted FTE adjustments are presented for illustrative purposes only; they do not take special program caps or allocation factors into consideration and are not intended to indicate the FTE used to compute the dollar value of audit adjustments. That computation is the responsibility of the Department of Education. (See NOTE A4.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2009

			Audit Adjustments[1]		
No.	Program	District - Wide	#0042	#0061	Balance Forward
101	Basic K-3	.2163	.4340	.0150	.6653
102	Basic 4-8	.5103	1.8274	.....	2.3377
103	Basic 9-12	.5315	.....	.....	.5315
111	Grades K-3 with ESE Services	.....	2.0000	.....	2.0000
112	Grades 4-8 with ESE Services	.....	.....	.....	.0000
113	Grades 9-12 with ESE Services	.....	.....	.....	.0000
130	ESOL	(1.2581)	(2.7614)	.....	(4.0195)
254	ESE Support Level 4	.....	(3.0000)	.....	(3.0000)
255	ESE Support Level 5	.....	1.0000	(.0150)	.9850
300	Career Education 9-12	.....	.....	.....	.0000
Total		.0000	(.5000)	.0000	(.5000)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2009

Program No.	Brought Forward	Audit Adjustments[1] #0081	#0091	#0251	#0271	Balance Forward
101	.6653	.....	.....	.....	.4355	1.1008
102	2.3377	.....	11.0338	8.5192	1.3249	23.2156
103	.5315	24.4575	.....	.....	.....	24.9890
111	2.0000	.....	.....	.....	.....	2.0000
112	.0000	.....	.....	.0000	.....	.0000
113	.0000	.5000	.....	.....	.....	.5000
130	(4.0195)	(24.3850)	(11.0338)	(7.4475)	(1.7604)	(48.6462)
254	(3.0000)	(.5000)	.....	(1.0717)	.....	(4.5717)
255	.9850	(.5000)	.....	.....	.....	.4850
300	.0000	.4275	.....	.....	.....	.4275
Total	(.5000)	.0000	.0000	.0000	.0000	(.5000)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2009

Program No.	Brought Forward	Audit Adjustments[1] #0301	#0311	#0321	#0341	Balance Forward
101	1.1008	.....	.....	1.4370	.....	2.5378
102	23.2156	.4331	2.6609	.9301	4.9164	32.1561
103	24.9890	.....	.....	.....	.....	24.9890
111	2.0000	.....	.....	.....	.....	2.0000
112	.0000	.....	.....	1.0000	1.0000	2.0000
113	.5000	.....	.....	.....	.....	.5000
130	(48.6462)	(.4331)	(2.0896)	(2.3671)	(4.9164)	(58.4524)
254	(4.5717)	.....	(1.5094)	(1.0000)	(1.0000)	(8.0811)
255	.4850	.....	.9381	.....	.....	1.4231
300	.4275	.....	.....	.....	.....	.4275
Total	(.5000)	.0000	.0000	.0000	.0000	(.5000)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2009

Program No.	Brought Forward	Audit Adjustments[1] #0601	#0711	#0801	#0831	Balance Forward
101	2.5378	.....	.....	.4123	1.9192	4.8693
102	32.1561	.....	1.8770	.....	.4834	34.5165
103	24.9890	5.2490	.....	.....	.....	30.2380
111	2.0000	.....	(.0564)	.....	.....	1.9436
112	2.0000	.....	.....	.....	.....	2.0000
113	.5000	.....	.....	.....	.....	.5000
130	(58.4524)	(5.2490)	(1.8770)	(.9123)	(2.4026)	(68.8933)
254	(8.0811)	.....	.....	.....	(1.0000)	(9.0811)
255	1.4231	.....	.....	.....	1.0000	2.4231
300	.4275	.....	.....	.....	.....	.4275
Total	(.5000)	.0000	(.0564)	(.5000)	.0000	(1.0564)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2009

Program No.	Brought Forward	Audit Adjustments[1] #0841	#0842	#0900	#0902	Balance Forward
101	4.8693	.....	.....	.....	.....	4.8693
102	34.5165	.....	.....	.....	.....	34.5165
103	30.2380	4.4503	11.8244	.....	4.8039	51.3166
111	1.9436	.....	.....	1.6150	.....	3.5586
112	2.0000	.....	.....	.....	.....	2.0000
113	.5000	.....	.....	.....	.....	.5000
130	(68.8933)	(4.6071)	(11.8244)	.....	(4.3039)	(89.6287)
254	(9.0811)	.....	.....	(1.8659)	(.5000)	(11.4470)
255	2.4231	.....	.....	(.1300)	(.5000)	1.7931
300	.4275	(.0632)	(.3964)	.....	.....	(.0321)
Total	(1.0564)	(.2200)	(.3964)	(.3809)	(.5000)	(2.5537)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2009

Program No.	Brought Forward	Audit Adjustments[1] #0931	#0933	#0957	Total
101	4.8693	2.3590	1.1405	.....	8.3688
102	34.5165	4.3726	.8641	.9990	40.7522
103	51.3166	.....	.....	.....	51.3166
111	3.5586	(.0250)	.5000	.....	4.0336
112	2.0000	.....	.5000	.....	2.5000
113	.5000	.....	.....	.....	.5000
130	(89.6287)	(6.7316)	(2.0046)	(.9990)	(99.3639)
254	(11.4470)	.....	(1.5000)	.....	(12.9470)
255	1.7931	.....	.5000	.....	2.2931
300	(.0321)	.....	.....	.....	(.0321)
Total	(2.5537)	(.0250)	.0000	.0000	(2.5787)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

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 missing timecards for students in Career Education 9-12 (OJT), the Osceola County District School Board complied, in all material respects, with State requirements governing the determination and reporting of FTE for the fiscal year ended June 30, 2009. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 39.

Findings	Net Audit Adjustments (Unweighted FTE)
Our examination included the July and October 2008 surveys and the February and June 2009 surveys (see NOTE A5). Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2008 survey or the February 2009 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.	

Ineligible Courses Reported in ESOL

1. [Ref. 149] Our examination procedures include an automated test that compares the course numbers reported in ESOL by the District to the courses that have been designated for that program by the Department of Education. The results of this test disclosed that 11 of the District's schools reported a total of 8 courses in ESOL that were ineligible for such reporting. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Ineligible Courses Reported in ESOL (Continued)		
101 Basic K-3	.2163	
102 Basic 4-8	.5103	
103 Basic 9-12	.5315	
130 ESOL	(1.2581)	.0000
		.0000

Kissimmee Elementary School (#0042)

2. [Ref. 4201] One student was reported incorrectly in ESOL. The student had been dismissed from ESOL prior to the reporting survey. We made the following audit adjustment:

101 Basic K-3	.4670	
130 ESOL	(.4670)	.0000

3. [Ref. 4202] The *Matrix of Services* forms for one ESE student did not include the Special Considerations points for which the student was eligible (i.e., the one point designated for students with a *Matrix* score of 21 points and a Level 5 rating in four Domains or the three points designated for students identified as being Visually Impaired). We made the following audit adjustment:

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

4. [Ref. 4203] The *Matrix of Services* form for one ESE student, who earned .5000 FTE, incorrectly included the three Special Considerations points designated for PK students who earned less than .5000 FTE. We made the following audit adjustment:

111 Grades K-3 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Kissimmee Elementary School (#0042) (Continued)		
5. [Ref. 4204] The services on one ESE student's IEP did not agree with the services on the student's *Matrix of Services* form. The *Matrix* form indicated that the student was provided services in the Speech and Language Impaired program but the student's IEP did not authorize such services. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000
6. [Ref. 4205] Two ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
102 Basic 4-8	1.8274	
130 ESOL	(1.8274)	.0000
7. [Ref. 4206] One ELL student withdrew from school before the reporting survey and should not have been included with that survey's results. We made the following audit adjustment:		
101 Basic K-3	(.0330)	
130 ESOL	(.4670)	(.5000)
		(.5000)
Central Avenue Elementary School (#0061)		
8. [Ref. 6171] One teacher was hired as a long-term substitute for the school term covered by the February 2009 survey. Since there are no specific limitations placed on substitute teaching by law or rule, we made no audit adjustment.		
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Central Avenue Elementary School (#0061) (Continued)		
9. [Ref. 6101] A portion of the reported course schedule for one student in our ESE Support Levels 4 and 5 sample was reported incorrectly in program No. 255 (ESE Support Level 5) for Hospital and Homebound services. The student had resumed a regular, on-campus schedule and should have been reported in program No. 101 (Basic K-3). We made the following audit adjustment:		
101 Basic K-3	.0150	
255 ESE Support Level 5	(.0150)	.0000
		.0000
Osceola High School (#0081)		
10. [Ref. 8101] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
11. [Ref. 8102] One student was reported incorrectly in program No. 255 (ESE Support Level 5) for Hospital and Homebound services. The student was provided only on-campus instruction and should have been reported in program No. 103 (Basic 9-12). We made the following audit adjustment:		
103 Basic 9-12	.5000	
255 ESE Support Level 5	(.5000)	.0000
12. [Ref. 8103] Three ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
103 Basic 9-12	1.8700	
130 ESOL	(1.8700)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Osceola High School (#0081) (Continued)		
13. [Ref. 8104] The reported FTE was overstated for 17 students (16 in our ESOL sample and 1 in our Basic sample) because their 9-week courses were reported as if they were 18-week courses. We made the following audit adjustment:		
103 Basic 9-12	1.1675	
130 ESOL	(1.5950)	
300 Career Education 9-12	.4275	.0000
14. [Ref. 8171/72/78/79] Four teachers were not properly certified to teach ELL students and were not approved by the School Board to teach such students out-of-field. We also noted that: (a) the parents of the ELL students concerned were not notified of the teachers' out-of-field status; and (b) one of the teachers (Ref. 8179) had earned only 79 of the 180 in-service training points required by rule and the teacher's in-service training timeline. We made the following audit adjustments:		
Ref. 8171		
103 Basic 9-12	.2750	
130 ESOL	(.2750)	.0000
Ref. 8172		
103 Basic 9-12	.1450	
130 ESOL	(.1450)	.0000
Ref. 8178		
103 Basic 9-12	.2100	
130 ESOL	(.2100)	.0000
Ref. 8179		
103 Basic 9-12	15.6200	
130 ESOL	(15.6200)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Osceola High School (#0081) (Continued)		
15. [Ref. 8174] One teacher was not properly certified to teach Reading to ELL 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 in Reading. We made the following audit adjustment:		
103 Basic 9-12	3.2200	
130 ESOL	(3.2200)	.0000
16. [Ref. 8177] One teacher was not properly certified and was not approved by the School Board to teach out-of-field. The teacher was certified in ESE but taught courses to ELL students that required certification in Middle Grades Integrated Curriculum and ESOL. We also noted that the parents of the ELL students concerned were not notified of the teacher's out-of-field status in ESOL or Basic education subject areas. We made the following audit adjustment:		
103 Basic 9-12	1.4500	
130 ESOL	(1.4500)	.0000
		.0000
Denn John Middle School (#0091)		
17. [Ref. 9101] The English language proficiency of five ELL students was not assessed until after the students' ESOL placements were made for a fourth, fifth, or sixth year. We noted that two of the students were determined to be FES and not eligible for ESOL. We made the following audit adjustment:		
102 Basic 4-8	2.1103	
130 ESOL	(2.1103)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Denn John Middle School (#0091) (Continued)		
18. [Ref. 9102] Eight ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
102 Basic 4-8	4.1546	
130 ESOL	(4.1546)	.0000
19. [Ref. 9103] The files for four ELL students did not contain documentation justifying the students' continued ESOL placements for a fourth, fifth, or sixth year. We made the following audit adjustment:		
102 Basic 4-8	1.8257	
130 ESOL	(1.8257)	.0000
20. [Ref. 9174] One teacher was not properly certified to teach ELL students and was not approved by the School Board to teach such students out-of-field. We also noted that the parents of the ELL students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:		
102 Basic 4-8	2.9432	
130 ESOL	(2.9432)	.0000
		.0000
Kissimmee Middle School (#0251)		
21. [Ref. 25101] The IEP for one ESE student was incomplete. The signature page of the IEP was missing and could not be located. We made the following audit adjustment:		
102 Basic 4-8	1.0000	
112 Grades 4-8 with ESE Services	(1.0000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Kissimmee Middle School (#0251) (Continued)		
22. [Ref. 25102] The files for three ELL students did not contain documentation justifying the students' continued ESOL placement for a fourth or fifth year. We made the following audit adjustment:		
102 Basic 4-8	2.1476	
130 ESOL	(2.1476)	.0000
23. [Ref. 25103] Two ESE students were not reported in accordance with their *Matrix of Services* forms. We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000
24. [Ref. 25177] The parents of certain ELL students taught by one teacher were not properly notified of the teacher's out-of-field status in ESOL. Although the school's newsletter identified the teacher as teaching out-of-field, the teacher's out-of-field subject area was not disclosed. We made the following audit adjustment:		
102 Basic 4-8	3.7992	
130 ESOL	(3.7992)	.0000
25. [Ref. 25178] The parents of students taught by one teacher were not properly notified of the teacher's out-of-field status in ESOL and Reading. Although the school's newsletter identified the teacher as teaching out-of-field, the teacher's out-of-field subject areas were not disclosed. We made the following audit adjustment:		
102 Basic 4-8	1.5724	
130 ESOL	(1.5007)	
254 ESE Support Level 4	(.0717)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Michigan Avenue Elementary School (#0271)		
26. [Ref. 27101] The English language proficiency assessments for three students were not completed prior to the students' ESOL placements for a fifth or sixth year. We noted that one of the students was determined to be FES and ineligible for ESOL. We made the following audit adjustment:		
101 Basic K-3	.4355	
102 Basic 4-8	.8822	
130 ESOL	(1.3177)	.0000
27. [Ref. 27102] One student was reported incorrectly in ESOL. The student had been dismissed from ESOL prior to the reporting survey. We made the following audit adjustment:		
102 Basic 4-8	.4427	
130 ESOL	(.4427)	.0000
		.0000
Reedy Creek Elementary School (#0301)		
28. [Ref. 30171] One teacher was hired as a long-term substitute for the school term covered by the February 2009 survey. Since there are no specific limitations placed on substitute teaching by law or rule, we made no audit adjustment.		
		.0000
29. [Ref. 30101] The assessment of one ELL student's English language proficiency was not completed until after the student's ESOL placement for a sixth year. We made the following audit adjustment:		
102 Basic 4-8	.4331	
130 ESOL	(.4331)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Neptune Middle School (#0311)		
30. [Ref. 31101] The *Matrix of Services* form for one ESE student did not include the Special Considerations point designated for students with four of five Domains rated Level 5 with a total of 21 points and for which the student was eligible. We made the following audit adjustment:		
254 ESE Support Level 4	(1.0000)	
255 ESE Support Level 5	1.0000	.0000
31. [Ref. 31102] The English language proficiency assessments for two ELL students were not completed until after the students' ESOL placements for a fourth or fifth year. We made the following audit adjustment:		
102 Basic 4-8	.8660	
130 ESOL	(.8660)	.0000
32. [Ref. 31173/75] Two teachers taught Basic subject area classes that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by rule and the teachers' in-service training timelines. We made the following audit adjustments:		
Ref. 31173		
102 Basic 4-8	.1508	
130 ESOL	(.1508)	.0000
Ref. 31175		
102 Basic 4-8	1.0728	
130 ESOL	(1.0728)	.0000
33. [Ref. 31180] One teacher was appropriately approved by the School Board to teach out-of-field in Reading; however, the newsletters used to notify parents of the teacher's out-of-field status did not disclose that the teacher's out-of-field subject area was Reading. We made the following audit adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Neptune Middle School (#0311) (Continued)		
102 Basic 4-8	.5713	
254 ESE Support Level 4	(.5094)	
255 ESE Support Level 5	(.0619)	.0000
		.0000
Ventura Elementary School (#0321)		
34. [Ref. 32101] The file for one ELL student did not contain documentation justifying the student's continued ESOL placement for a fourth year. We made the following audit adjustment:		
102 Basic 4-8	.4667	
130 ESOL	(.4667)	.0000
35. [Ref. 32102] The English language proficiency assessments for two students in ESOL were not completed prior to the students' ESOL placements for a fourth year. We also noted that the students were determined to be FES and not eligible for ESOL. We made the following audit adjustment:		
101 Basic K-3	.9302	
102 Basic 4-8	.4634	
130 ESOL	(1.3936)	.0000
36. [Ref. 32103] Two ESE students were not reported in accordance with their *Matrix of Services* forms. We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000
37. [Ref. 32172] One teacher taught a Basic subject area to a class that included ELL students but had earned only 60 of the 120 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We made the following audit adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Ventura Elementary School (#0321) (Continued)		
101 Basic K-3	.5068	
130 ESOL	(.5068)	.0000
		.0000
Horizon Middle School (#0341)		
38. [Ref. 34171] One teacher was hired as a long-term substitute for the school term covered by the February 2009 survey. Since there are no specific limitations placed on substitute teaching by law or rule, we made no audit adjustment.		.0000
39. [Ref. 34101] The file for one ESE student who was reported in program No. 254 (ESE Support Level 4) contained two *Matrix of Services* forms having the same date of preparation but indicating two different cost factors: program No. 254 and program No. 112 (Grades 4-8 with ESE Services). We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000
40. [Ref. 34102] The assessments of the English language proficiency for eight students in ESOL were not completed until after the students' ESOL placements for a fourth, fifth, or sixth year. We also noted that two of the students were determined to be FES and not eligible for ESOL. We made the following audit adjustment:		
102 Basic 4-8	2.6974	
130 ESOL	(2.6974)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Horizon Middle School (#0341) (Continued)		
41. [Ref. 34172/77] Two teachers taught Basic subject area classes that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by rule and the teachers' in-service training timelines. We made the following audit adjustments:		
Ref. 34172		
102 Basic 4-8	.1268	
130 ESOL	(.1268)	.0000
Ref. 34177		
102 Basic 4-8	2.0922	
130 ESOL	(2.0922)	.0000
		.0000
Gateway High School (#0601)		
42. [Ref. 60101] The English language proficiency assessments for two ELL students were not completed on a timely basis. One student was placed in ESOL on August 20, 2007, but was not assessed until April 1, 2009. The other student began a sixth year of ESOL placement on October 30, 2008, but was not assessed until February 16, 2009. We also noted that one ESOL course for one of the students was reported twice. We made the following audit adjustment:		
103 Basic 9-12	1.3472	
130 ESOL	(1.3472)	.0000
43. [Ref. 60102] The files for three ELL students did not contain documentation justifying the students' continued ESOL placement beyond the initial three-year base period. We made the following audit adjustment:		
103 Basic 9-12	2.0512	
130 ESOL	(2.0512)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Gateway High School (#0601) (Continued)		
44. [Ref. 60103] One ELL student was beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
103 Basic 9-12	.0834	
130 ESOL	(.0834)	.0000
45. [Ref. 60104] The reported FTE was overstated for two students because their 9-week courses were reported as if they were 18-week courses. We made the following audit adjustment:		
103 Basic 9-12	.1528	
130 ESOL	(.1528)	.0000
46. [Ref. 60176/83] Two teachers taught Basic subject area classes that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by rule and the teachers' in-service training timelines. We made the following audit adjustments:		
Ref. 60176		
103 Basic 9-12	.4402	
130 ESOL	(.4402)	.0000
Ref. 60183		
103 Basic 9-12	1.1742	
130 ESOL	(1.1742)	.0000
		.0000
Celebration School (#0711)		
47. [Ref. 71101] The source attendance record necessary to support the eligibility of one part-time Gifted student was missing and could not be located. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	(.0564)	(.0564)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Celebration School (#0711) (Continued)		
48. [Ref. 71102] The English language proficiency assessments for two ELL students were not completed until after the students' ESOL placements for a fourth and fifth year. We made the following audit adjustment:		
102 Basic 4-8	.7836	
130 ESOL	(.7836)	.0000
49. [Ref. 71103] Two ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We also noted that the English language proficiency assessment for one of the students were not completed until after the student's ESOL placement. We made the following audit adjustment:		
102 Basic 4-8	.6979	
130 ESOL	(.6979)	.0000
50. [Ref. 71104] The parents of one ELL student in the October 2008 survey were not notified of the student's ESOL placement until after that survey. We made the following audit adjustment:		
102 Basic 4-8	.3955	
130 ESOL	(.3955)	.0000
		(.0564)
Lakeview Elementary School (#0801)		
51. [Ref. 80101] One ELL student withdrew from school before the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:		
101 Basic K-3	(.0812)	
130 ESOL	(.4188)	(.5000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Lakeview Elementary School (#0801) (Continued)		
52. [Ref. 80102] The FTE reported in ESOL for 25 ELL students (24 in our ESOL sample and 1 in our Basic sample) was overstated because their FTE calculations were based on more instructional minutes than were provided in the students' ESOL courses. We made the following audit adjustment:		
101 Basic K-3	.4935	
130 ESOL	(.4935)	.0000
		(.5000)
Deerwood Elementary School (#0831)		
53. [Ref. 83101] The English language proficiency assessments for five students were not completed prior to the students' ESOL placements for a fourth or fifth year. We also noted that three of these students were determined to be FES and not eligible for ESOL. We made the following audit adjustment:		
101 Basic K-3	1.9192	
102 Basic 4-8	.4834	
130 ESOL	(2.4026)	.0000
54. [Ref. 83102] The *Matrix of Services* forms for two ESE students were incorrectly scored. The ratings total did not include the Special Considerations points for which the students were eligible. We made the following audit adjustment:		
254 ESE Support Level 4	(1.0000)	
255 ESE Support Level 5	1.0000	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Poinciana High School (#0841)		
55. [Ref. 84177] One teacher was not properly certified and was not approved by the School Board to teach out-of-field. The teacher held certification in Business Education but taught a course which required an endorsement in Teacher Coordinator of Cooperative Education. We also noted that the parents of the student concerned were not notified of the teacher's out-of-field status. Since the student has been cited in finding No. 56 (Ref. 84101), we made no audit adjustment here.		.0000
56. [Ref. 84101] The timecard for one Career Education 9-12 (OJT) student was missing and could not be located. We also noted that the FTE reported for three of the student's courses was overstated because it was based on more instructional minutes than were provided in those courses. We made the following audit adjustment:		
103 Basic 9-12	(.1568)	
300 Career Education 9-12	(.0632)	(.2200)
57. [Ref. 84102] The files for two ELL students did not contain documentation justifying the students' continued ESOL placement for a fourth or sixth year. We made the following audit adjustment:		
103 Basic 9-12	1.4803	
130 ESOL	(1.4803)	.0000
58. [Ref. 84103] One ELL student was beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
103 Basic 9-12	.0934	
130 ESOL	(.0934)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Poinciana High School (#0841) (Continued)		
59. [Ref. 84104] The English language proficiency assessment for one ELL student was not completed until after the student's ESOL placement for a sixth year. We made the following audit adjustment:		
103 Basic 9-12	.4803	
130 ESOL	(.4803)	.0000
60. [Ref. 84175] One teacher was not properly certified and was not approved by the School Board to teach ELL students or Reading out-of-field. The teacher was certified in Social Science but taught courses that required certification in Middle Grades Integrated Curriculum (for Reading) and ESOL. We also noted: (a) the parents of the students concerned were not notified of the teacher's out-of-field status in Reading or ESOL, and (b) the teacher taught Basic subject area classes that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We made the following audit adjustment:		
103 Basic 9-12	2.5531	
130 ESOL	(2.5531)	.0000
		(.2200)
Liberty High School (#0842)		
61. [Ref. 84201] The English language proficiency assessments for seven students were not completed until after the students' ESOL placements for a fourth, fifth, or sixth year. We noted that two of the students were determined to be FES and not eligible for ESOL. We made the following audit adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Liberty High School (#0842) (Continued)		
103 Basic 9-12	3.0120	
130 ESOL	(3.0120)	.0000
62. [Ref. 84202] Ten ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
103 Basic 9-12	4.0920	
130 ESOL	(4.0920)	.0000
63. [Ref. 84203] The English language proficiency assessments for five ELL students were not completed prior to the students' ESOL placements for a fifth year. We made the following audit adjustment:		
103 Basic 9-12	2.3570	
130 ESOL	(2.3570)	.0000
64. [Ref. 84204] One student was reported incorrectly in ESOL. The student had been dismissed from ESOL prior to the reporting survey. We made the following audit adjustment:		
103 Basic 9-12	.4584	
130 ESOL	(.4584)	.0000
65. [Ref. 84205] The timecards for five Career Education OJT students were missing and could not be located. We made the following audit adjustment:		
300 Career Education 9-12	(.3964)	(.3964)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings	Net Audit Adjustments (Unweighted FTE)

Liberty High School (#0842) (Continued)

Management's Response – Management states that the five students cited in our Finding were withdrawn from the OJT program prior to the reporting survey and should have been reported in Basic education rather than in Career Education 9-12. Management's response implies that our audit adjustment should have reclassified the students' FTE to Basic rather than taking the FTE to zero.

Auditor's Resolution – There are no timecards to support the OJT FTE reported for the five cited students. Since a timecard is both a supporting record of reported OJT time and a student attendance record for the work site, the lack of a supporting timecard requires that the reported OJT FTE be disallowed rather than reclassified to Basic. According, our Finding and its associated audit adjustment stand as presented.

66. [Ref. 84271] One teacher in the October 2008 survey taught Basic subject area classes that included ELL students but had earned none of the 60 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline at the time of that survey. We made the following audit adjustment:

103 Basic 9-12	1.1136	
130 ESOL	(1.1136)	.0000

67. [Ref. 84273] One teacher was not properly certified and was not approved by the School Board to teach out-of-field. The teacher was certified in Mathematics and ESE but taught courses that required certification in Middle Grades Integrated Curriculum. 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	.7014	
130 ESOL	(.7014)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Liberty High School (#0842) (Continued)		
68. [Ref. 84275] One teacher taught a class that included one ELL student but was not properly certified to teach ELL students and was not approved by the School Board to teach such students out-of-field. We also noted that the parents of the ELL student concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:		
103 Basic 9-12	.0900	
130 ESOL	(.0900)	.0000
		(.3964)
UCP Osceola Child Development Center Charter School (#0900)		
69. [Ref. 90001] The file for one ESE student did not contain an *Individualized Family Support Plan* (IFSP) covering the reporting survey. We also noted the student's reported FTE was overstated because it was based on a 720-hour school year rather than a 900-hour school year. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	.1200	
254 ESE Support Level 4	(.1502)	(.0302)
70. [Ref. 90002] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
71. [Ref. 90003] The IEP for one ESE student was not signed by the IEP committee members who had participated in the IEP's development. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	1.0000	
254 ESE Support Level 4	(1.0000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
UCP Osceola Child Development Center Charter School (#0900) (Continued)		
72. [Ref. 90004] The FTE reported for nine PK students (eight in our ESE Support Levels 4 and 5 sample and one in our Basic with ESE Services sample) was overstated. The students were reported for .1500 FTE based on a 720-hour school year. They should have been reported for only .1200 FTE based on a 900-hour school year. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	(.0300)	
254 ESE Support Level 4	(.2107)	
255 ESE Support Level 5	(.1100)	(.3507)
73. [Ref. 90072] One teacher was reported as having provided physical therapy to two ESE students in the October 2008 survey. We noted that this teacher was not licensed to provide such services and was not employed by the School during the 2008-09 school year. We determined that the School had a properly licensed therapist in place for that school year but neither ESE student concerned was provided physical therapy during the reporting survey. We made the following audit adjustment.		
111 Grades K-3 with ESE Services	.0250	
254 ESE Support Level 4	(.0050)	
255 ESE Support Level 5	(.0200)	.0000
		(.3809)
Celebration High School (#0902)		
74. [Ref. 90201] The English language proficiency assessments for five students were not completed until after the students' ESOL placements for a fifth or sixth year. We noted that one of the students was determined to be FES and not eligible for ESOL. We made the following audit adjustment:		
103 Basic 9-12	2.9185	
130 ESOL	(2.9185)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Celebration High School (#0902) (Continued)		
75. [Ref. 90202] Evidence of parental notification and the *ELL Student Plan* for one student were missing and could not be located. We made the following audit adjustment:		
103 Basic 9-12	.4185	
130 ESOL	(.4185)	.0000
76. [Ref. 90203] Two ELL students were beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
103 Basic 9-12	.9669	
130 ESOL	(.9669)	.0000
77. [Ref. 90204] One ESE student was absent from school during the 11-day window of the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:		
254 ESE Support Level 4	(.5000)	(.5000)
78. [Ref. 90205] One student was reported incorrectly in program No. 255 (ESE Support Level 5) based on the student's placement in the Hospital and Homebound program. However, the student was provided only on-campus instruction during the reporting survey and should have been reported in program No. 103 (Basic 9-12). We made the following audit adjustment:		
103 Basic 9-12	.5000	
255 ESE Support Level 5	(.5000)	.0000
		(.5000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Flora Ridge Elementary School (#0931)		
79. [Ref. 93101] One part-time PK student was absent from school during the 11-day window of the reporting survey and should not have been included with the survey's results. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	(.0250)	(.0250)
80. [Ref. 93102] The English language proficiency assessments for seven students were not completed until after the students' ESOL placements for a fourth or fifth year. We noted that two of the students were determined to be FES and not eligible for ESOL. We made the following audit adjustment:		
101 Basic K-3	1.8872	
102 Basic 4-8	1.9272	
130 ESOL	(3.8144)	.0000
81. [Ref. 93103] The files for three ELL students did not contain documentation justifying the students' continued ESOL placements for a fourth or sixth year. We also noted that one student was beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:		
102 Basic 4-8	1.9636	
130 ESOL	(1.9636)	.0000
82. [Ref. 93104] The parents of two ELL students in the October 2008 survey were not notified of their child's ESOL placement until after that survey had ended. We made the following audit adjustment:		
101 Basic K-3	.4718	
102 Basic 4-8	.4818	
130 ESOL	(.9536)	.0000
		(.0250)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Neptune Elementary School (#0933)		
83. [Ref. 93301] One student was reported incorrectly in ESOL. The student had been dismissed from ESOL prior to the reporting survey. We made the following audit adjustment:		
102 Basic 4-8	.4539	
130 ESOL	(.4539)	.0000
84. [Ref. 93302] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We made the following audit adjustment:		
112 Grades 4-8 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
85. [Ref. 93303] The *Matrix of Services* form for one ESE student incorrectly included one Special Considerations point for which the student was not eligible. The point was designated for students with a Matrix score of 17 points and a Level 5 rating in three Domains. This student had a Level 5 rating in only two Domains. We made the following audit adjustment:		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
86. [Ref. 93304] The *Matrix of Services* form for one ESE student did not include three Special Considerations point for which the student was eligible. The student was Dual Sensory Impaired according to the student's IEP and the Special Considerations points in question were designated for Dual Sensory Impaired students. We made the following audit adjustment:		
254 ESE Support Level 4	(.5000)	
255 ESE Support Level 5	.5000	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Osceola 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, 2009

Findings		Net Audit Adjustments (Unweighted FTE)
Neptune Elementary School (#0933) (Continued)		
87. [Ref. 93372/74] Two teachers, whose classes included ELL students, had earned only 120 of the 180 (Ref. 93372) and 240 (Ref. 93374) required in-service training points in ESOL strategies required by rule and the teachers' in-service training timelines. We made the following audit adjustments:		
Ref. 93372		
102 Basic 4-8	.4102	
130 ESOL	(.4102)	.0000
Ref. 93374		
101 Basic K-3	1.1405	
130 ESOL	(1.1405)	.0000
		.0000
Chestnut Elementary School (#0957)		
88. [Ref. 95701] The English language proficiency assessment for one student was not completed until after the student's ESOL placement for a fifth year. We made the following audit adjustment:		
102 Basic 4-8	.9990	
130 ESOL	(.9990)	.0000
		.0000
		(2.5787)

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Osceola 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, 2009

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) English language proficiency assessments are completed on a timely basis; (3) only eligible students who were in attendance and membership for a particular survey are reported for FTE funding; (4) timecards for students in OJT programs are properly completed and retained in readily accessible files; (5) students are reported in the proper funding categories for the correct FTE and have adequate documentation to support that reporting, particularly with regard to students in ESOL and ESE; (6) teachers are properly certified or, if out-of-field, have School Board approval to teach out-of-field; (7) the parents of students taught by out-of-field teachers are properly and timely notified of the teachers' out-of-field status; and (8) teachers earn their required in-service training points as required by rule and their in-service training timelines.

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

Reporting

Section 1011.60, F.S. .....Minimum Requirements of the Florida Education Finance Program
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 2008-2009

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Osceola 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, 2009

Regulatory Citations (Continued)

Attendance

Section 1003.23, F.S. ..... Attendance Records and Reports

Rules 6A-1.044(3) and

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

Rule 6A-1.04513, F.A.C. ..... Maintaining Auditable FTE Records

FTE General Instructions 2008-2009

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 English Language Learners

Rule 6A-6.0902, F.A.C. ..... Requirements for Identification, Eligibility, Programmatic and Annual Assessments of English Language Learners

Rule 6A-6.0904, F.A.C. ..... Equal Access to Appropriate Instruction for English Language Learners

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. ..... Provision of Free Appropriate Public Education (FAPE) and 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 Modifications for Exceptional Students

Rule 6A-6.0331, F.A.C. ..... General Education Intervention Procedures, Identification, Evaluation, Reevaluation and the Initial Provision of Exceptional Education Services

Rule 6A-6.0334, F.A.C. ..... Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students

Rule 6A-6.03411, F.A.C. ..... Definitions, ESE Policies and Procedures, and ESE Administrators

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Osceola 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, 2009

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 2008-2009

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.

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2009

NOTE A - SUMMARY

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

1. School District of Osceola County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Osceola County, Florida. Those services are provided primarily to students attending kindergarten through high school but also to adults seeking career education-type training. The District is part of the State system of public education under the general direction and control of the State Board of Education. The geographic boundaries of the District are those of Osceola County. For the fiscal year ended June 30, 2009, the District operated 57 schools, reported 51,070.83 unweighted FTE, and received approximately $120 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 to guarantee to each student in the Florida public school system the availability of an educational environment to his educational needs which is substantially equal to that available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per student cost for equivalent educational programs due to sparsity and dispersion of student population.

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2009

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 that 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 2008-2009 school year were conducted during and for the following weeks: survey one was performed for July 14 through 18, 2008; survey two was performed for October 13 through 17, 2008; survey three was performed for February 9 through 13, 2009; and survey four was performed for June 8 through 12, 2009.

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2009

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

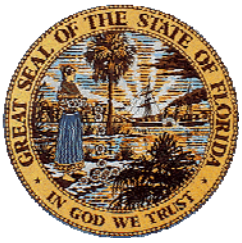
NOTE B - SAMPLING

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, 2009. 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:

Osceola County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2009

NOTE B - SAMPLING (Continued)

	School Name/Description	Finding Number(s)
	Ineligible Courses Reported in ESOL	1
1.	Kissimmee Elementary School	2 through 7
2.	Central Avenue Elementary School	8 and 9
3.	Osceola High School	10 through 16
4.	Denn John Middle School	17 through 20
5.	Kissimmee Middle School	21 through 25
6.	Michigan Avenue Elementary School	26 and 27
7.	Reedy Creek Elementary School	28 and 29
8.	Neptune Middle School	30 through 33
9.	Ventura Elementary School	34 through 37
10.	Horizon Middle School	38 through 41
11.	Gateway High School	42 through 46
12.	Celebration School	47 through 50
13.	Lakeview Elementary School	51 and 52
14.	Deerwood Elementary School	53 and 54
15.	Poinciana High School	55 through 60
16.	Liberty High School	61 through 68
17.	Osceola County Commitment Facility	NA
18.	UCP Osceola Child Development Center Charter School	69 through 73
19.	Celebration High School	74 through 78
20.	Flora Ridge Elementary School	79 through 82
21.	Neptune Elementary School	83 through 87
22.	Chestnut Elementary School	88



DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL
STATE OF FLORIDA

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

PHONE: 850-488-5534
FAX: 850-488-6975

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

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

We have examined management's assertion, included in its representation letter dated October 6, 2009, that the Osceola County District School Board complied with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2009. 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 with the District's reported student ridership data, as follows: 220 of the 548 transported students in our sample had exceptions involving their reported ridership category or eligibility for State transportation funding. (See SCHEDULE G, Finding Nos. 7, 8, 9, 10, 11, 12, 13, and 14.)

In our opinion, except for the material noncompliance mentioned above involving the reported ridership categories or eligibility for State transportation funding of transported students, the Osceola County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2009.

The results of our examination disclosed other noncompliance with the State requirements 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 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.[1] 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 deficiencies,[1] and is also presented herein. The findings, populations, samples, and exception totals that pertain to material and other noncompliance are presented in SCHEDULE F and SCHEDULE G.

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[1] *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.

Pursuant to Section 11.45(4)(c), 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
June 7, 2010

SCHEDULE F

Osceola County District School Board
Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2009

Description	Number of Buses	% of Pop.	No. of Students Transported	% of Pop. (Sample)
Population[1]	729	100.00%	46,919	100.00%
Sample[2]	-	-	548	1.17%
Sample Students				
With Exceptions[3]	-	-	220	(40.15%)
Net Audit Adjustments	-	-	(51)	(9.31%)
Non-Sample Students				
With Exceptions[3]	-	-	226	0.48%
Net Audit Adjustments	-	-	(64)	0.14%
Sample and Non-Sample Students				
Net Audit Adjustments	-	-	(115)	0.25%

[1] *The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2009. The District reported 46,919 students in the following ridership categories: 854 in IDEA (K-12), Weighted; 6,778 in IDEA (K-12), Unweighted; 352 in IDEA (PK), Weighted; 172 in Teenage Parents and Infants; 262 in Hazardous Walking; 38,263 in Two Miles or More; 3 in Center to Center (IDEA), Unweighted; and 235 in Center to Center (Vocational and Dual Enrollment). The District also reported operating a total of 729 buses. (IDEA stands for Individuals with Disabilities Education Act.)*

[2] *See NOTE B.*

[3] *Students with exceptions are students with exceptions affecting their ridership classification. Students cited only for incorrect reporting of days-in-term, if any, are not included. (See Finding Nos. 1, 2, 3, 4, 5, and 6 [two students].)*

The accompanying notes are an integral part of this schedule.

SCHEDULE G

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

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 reported ridership categories or eligibility for State transportation funding of transported students, the Osceola County District School Board complied, in all material respects, with State requirements governing the determination and reporting of students transported for the fiscal year ended June 30, 2009. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 69.

Findings	Students Transported Net Audit Adjustments

Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey. Our detailed tests involved verification of the specific ridership categories reported for students sampled from the July and October 2008 surveys and the February and June 2009 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 2008 survey and once for the February 2009 survey) will be presented in our findings as two sample students.

1. [Ref. 51] The number of days-in-term was reported incorrectly for 81 students who were enrolled in the District's Gifted program. The students were reported for a 72-day or 90-day term rather than for the 18-day term during which they were transported. We made the following audit adjustments:

October 2008 Survey	
90 Days-in-Term	
Center to Center (Vocational and Dual Enrollment)	(3)
72 Days-in-Term	
Center to Center (Vocational and Dual Enrollment)	(33)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
February 2009 Survey		
90 Days-in-Term		
Center to Center (Vocational and Dual Enrollment)	(7)	
72 Days-in-Term		
Center to Center (Vocational and Dual Enrollment)	(38)	(81)
October 2008 Survey		
18 Days-in-Term		
Center to Center (Vocational and Dual Enrollment)	36	
February 2009 Survey		
18 Days-in-Term		
Center to Center (Vocational and Dual Enrollment)	45	81

2. [Ref. 54] The number of days-in-term was reported incorrectly for 92 students who were enrolled in the District's Project Intern program. The students were reported for a 72-day or 90-day term rather than for the 10-day or 11-day term during which they were transported. We made the following audit adjustments:

October 2008 Survey		
90 Days-in-Term		
Center to Center (IDEA), Unweighted	(1)	
Center to Center (Vocational and Dual Enrollment)	(24)	
72 Days-in-Term		
Center to Center (IDEA), Unweighted	(1)	
Center to Center (Vocational and Dual Enrollment)	(13)	
February 2009 Survey		
90 Days-in-Term		
Center to Center (IDEA), Unweighted	(1)	
Center to Center (Vocational and Dual Enrollment)	(46)	
72 Days-in-Term		
Center to Center (Vocational and Dual Enrollment)	(6)	(92)
October 2008 Survey		
20 Days-in-Term		
Center to Center (Vocational and Dual Enrollment)	1	
11 Days-in-Term		
Center to Center (IDEA), Unweighted	1	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
October 2008 Survey		
10 Days-in-Term		
Center to Center (IDEA), Unweighted	1	
Center to Center (Vocational and Dual Enrollment)	36	
February 2009 Survey		
11 Days-in-Term		
Center to Center (IDEA), Unweighted	1	
Center to Center (Vocational and Dual Enrollment)	47	
10 Days-in-Term		
Center to Center (Vocational and Dual Enrollment)	5	92

3. [Ref. 60] The number of days-in-term was reported incorrectly for 4,030 students who were enrolled under an alternative class schedule (i.e., block scheduling). The students were reported for a 54-day term rather than for the 90-day term during which they were transported. We made the following audit adjustments:

October 2008 Survey		
54 Days-in-Term		
IDEA (K-12), Weighted	(8)	
IDEA (K-12), Unweighted	(288)	
Two Miles or More	(1,692)	
February 2009 Survey		
54 Days-in-Term		
IDEA (K-12), Weighted	(9)	
IDEA (K-12), Unweighted	(303)	
Teenage Parents and Infants	(1)	
Two Miles or More	(1,729)	(4,030)
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted	8	
IDEA (K-12), Unweighted	288	
Two Miles or More	1692	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted	9	
IDEA (K-12), Unweighted	303	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
February 2009 Survey		
Teenage Parents and Infants	1	
Two Miles or More	1729	4,030

4. [Ref. 62] The number of days-in-term was reported incorrectly for 26 students in the July 2008 survey as follows:

a. Ten students were enrolled in the Extended School year program that ran for a 10-day or 11-day term but were reported for a 1-day, 4-day, 5-day, 6-day, or 9-day term.

b. Sixteen students were enrolled in the 21st Century program that ran for a 1-day term but were reported for a 2-day term.

We made the following audit adjustments:

a. July 2008 Survey		
4 Days-in-Term		
IDEA (K-12), Weighted	(3)	
IDEA (K-12), Unweighted	(1)	
June 2009 Survey		
9 Days-in-Term		
IDEA (K-12), Unweighted	(2)	
6 Days-in-Term		
IDEA (K-12), Unweighted	(2)	
5 Days-in-Term		
IDEA (K-12), Unweighted	(1)	
1 Days-in-Term		
Two Miles or More	(1)	(10)
July 2008 Survey		
11 Days-in-Term		
IDEA (K-12), Weighted	3	
IDEA (K-12), Unweighted	1	
June 2009 Survey		
10 Days-in-Term		
IDEA (K-12), Unweighted	5	
Two Miles or More	1	10

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
b. July 2008 Survey		
2 Days-in-Term		
IDEA (K-12), Unweighted	(2)	
Two Miles or More	(14)	(16)
1 Days-in-Term		
IDEA (K-12), Unweighted	2	
Two Miles or More	14	16

5. [Ref. 66] The number of days-in-term was reported incorrectly for 157 students. The students were reported for a 72-day term; however, they were actually transported for a 90-day term. We made the following audit adjustments:

October 2008 Survey		
72 Days-in-Term		
IDEA (K-12), Unweighted	(5)	
Hazardous Walking	(1)	
Two Miles or More	(82)	
February 2009 Survey		
72 Days-in-Term		
IDEA (K-12), Unweighted	(4)	
Two Miles or More	(65)	(157)
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted	5	
Hazardous Walking	1	
Two Miles or More	82	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted	4	
Two Miles or More	65	157

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
6. [Ref. 63] The number of days-in-term was reported incorrectly for 122 nonsample students. The students were reported for a 72-day term but were transported for a 90-day term. Additionally, 120 of these 122 students were reported incorrectly in IDEA (K-12), Unweighted. We noted that 96 of these 120 students should have been reported in other ridership categories: 94 in Two Miles or More and 2 in Hazardous Walking. The remaining 24 students (120 minus 96) lived less than two miles and were not eligible for State transportation funding. We made the following audit adjustments:		
October 2008 Survey		
72 Days-in-Term		
IDEA (K-12), Weighted *(Non-Sample Student)*	(1)	
IDEA (K-12), Unweighted *(Non-Sample Students)*	(50)	
February 2009 Survey		
72 Days-in-Term		
IDEA (K-12), Weighted *(Non-Sample Student)*	(1)	
IDEA (K-12), Unweighted *(Non-Sample Students)*	(70)	(122)
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Non-Sample Student)*	1	
IDEA (K-12), Unweighted *(Non-Sample Students)*	50	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Non-Sample Student)*	1	
IDEA (K-12), Unweighted *(Non-Sample Students)*	70	122
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Non-Sample Students)*	(50)	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Non-Sample Students)*	(70)	(120)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
October 2008 Survey		
90 Days-in-Term		
Hazardous Walking *(Non-Sample Student)*	1	
Two Miles or More *(Non-Sample Students)*	40	
February 2009 Survey		
90 Days-in-Term		
Hazardous Walking *(Non-Sample Student)*	1	
Two Miles or More *(Non-Sample Students)*	54	96
		(24)

7. [Ref. 52] The reported ridership of 13 students (12 in our sample) was not adequately supported. We noted that 12 of the 13 students were indicated as non-riders on their assigned bus drivers' reports and the remaining student had been assigned to the Hospital and Homebound program, did not attend a school location, and did not require transportation services. We also noted the following additional exceptions involving 8 of these students:

a. One student in the February 2009 survey in Center to Center IDEA, Unweighted, was reported incorrectly for a 90-day term (the correct term length was 11 days).

b. The IEPs for two students in IDEA (K-12), Weighted, did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification. We noted that one of these two students was not enrolled in school and should not have been reported for State transportation funding.

c. The documentation necessary to support the reporting of two students in Center to Center (Vocational and Dual Enrollment) was missing and could not be located.

d. One student was classified incorrectly as Two Miles or More. The student lived less than two miles from school.

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
e. Three students were classified in incorrect ridership categories: two in IDEA (K-12), Unweighted, and one nonsample PK student in IDEA (K-12), Weighted. We also noted that the PK student was not enrolled in school.		
We made the following audit adjustments:		
July 2008 Survey		
19 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(2)	
IDEA (K-12), Unweighted *(Sample Student)*	(1)	
Two Miles or More *(Sample Student)*	(1)	
Center to Center (Vocational and Dual Enrollment) *(Sample Student)*	(1)	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	(1)	
Hazardous Walking *(Sample Student)*	(1)	
Center to Center (IDEA), Unweighted *(Sample Student)*	(1)	
Center to Center (Vocational and Dual Enrollment) *(Sample Student)*	(1)	
June 2009 Survey		
1 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	(1)	
IDEA (K-12), Weighted *(Non-Sample Student)*	(1)	
Two Miles or More *(Sample Student)*	(1)	(13)

8. [Ref. 53] The reported ridership of nine students in our sample was not adequately supported. The students were not listed on the bus drivers' reports for their assigned buses. We also noted the following exceptions for four of these nine students:

a. One student in the October 2008 survey was reported incorrectly in IDEA (K-12), Unweighted, for a 54-day term. The student should have been reported in Two Miles or More for a 90-day term.

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
b. One student in the July 2008 survey was reported incorrectly in Two Miles or More. The student lived less than two miles from school.		
c. Two students in the July 2008 survey in Two Miles or More were reported incorrectly for a 2-day term. They should have been reported for a 1-day term.		
We made the following audit adjustments:		
July 2008 Survey		
11 Days-in-Term		
Two Miles or More *(Sample Students)*	(2)	
3 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	
2 Days-in-Term		
Two Miles or More *(Sample Students)*	(2)	
October 2008 Survey		
90 Days-in-Term		
Teenage Parents and Infants *(Sample Student)*	(1)	
54 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	(1)	
June 2009 Survey		
10 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	(1)	
IDEA (PK), Weighted *(Sample Student)*	(1)	(9)

9. [Ref. 55] In our sample, 130 students were reported incorrectly as follows: (a) 129 students (122 in IDEA (K-12), Unweighted, and 7 in Hazardous Walking) lived more than two miles from their assigned school and should have been reported in Two Miles or More; and (b) 1 student in Two Miles or More in the October 2008 survey lived less than two miles from school, had to cross a designated hazard, and should have been reported in Hazardous Walking. *(Continued on next page.)*

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
We also noted the following additional exceptions for 8 of the 122 students in IDEA (K-12), Unweighted: (a) seven students were reported incorrectly for a 54-day term (the correct term length was 90 days); and (b) one student was reported incorrectly for a 9-day term (the correct term length was 10 days). We made the following audit adjustments:		
July 2008 Survey		
19 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	(1)	
18 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	(1)	
11 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(22)	
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(34)	
Hazardous Walking *(Sample Students)*	(5)	
Two Miles or More *(Sample Student)*	(1)	
54 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(4)	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(35)	
Hazardous Walking *(Sample Students)*	(2)	
54 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(4)	
June 2009 Survey		
10 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(20)	
9 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	(1)	(130)
July 2008 Survey		
19 Days-in-Term		
Two Miles or More *(Sample Student)*	1	
18 Days-in-Term		
Two Miles or More *(Sample Student)*	1	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
July 2008 Survey (Continued)		
11 Days-in-Term		
Two Miles or More *(Sample Students)*	22	
October 2008 Survey		
90 Days-in-Term		
Two Miles or More *(Sample Students)*	43	
Hazardous Walking (*Sample Student)*	1	
February 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Sample Students)*	41	
June 2009 Survey		
10 Days-in-Term		
Two Miles or More *(Sample Students)*	21	130

10. [Ref. 56] The documentation necessary to support the classification of 19 students in the Center to Center (Vocational and Dual Enrollment) (7 in our sample) was missing and could not be located. We made the following audit adjustments:

October 2008 Survey		
90 Days-in-Term		
Center to Center (Vocational and Dual Enrollment) *(Sample Students)*	(2)	
Center to Center (Vocational and Dual Enrollment) *(Non-Sample Student)*	(1)	
February 2009 Survey		
90 Days-in-Term		
Center to Center (Vocational and Dual Enrollment) *(Sample Students)*	(3)	
Center to Center (Vocational and Dual Enrollment) *(Non-Sample Students)*	(11)	
54 Days-in-Term		
Center to Center (Vocational and Dual Enrollment) *(Sample Students)*	(2)	(19)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
11. [Ref. 57] We noted the following exceptions involving 16 students in our sample as follows: (a) 14 students were reported incorrectly in Two Miles or More (they lived less than two miles from their assigned school and were not eligible for State transportation funding); and (b) 2 students in Teenage Parents and Infants were not enrolled in a Teenage Parent program but were eligible for Two Miles or More. We made the following audit adjustments:		
July 2008 Survey		
19 Days-in-Term		
Two Miles or More *(Sample Students)*	(2)	
October 2008 Survey		
90 Days-in-Term		
Teenage Parents and Infants *(Sample Students)*	(2)	
Two Miles or More *(Sample Students)*	(2)	
February 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Sample Students)*	(6)	
June 2009 Survey		
10 Days-in-Term		
Two Miles or More *(Sample Students)*	(4)	(16)
October 2008 Survey		
90 Days-in-Term		
Two Miles or More *(Sample Students)*	2	2

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings	Students Transported Net Audit Adjustments
12. [Ref. 58] We noted the following exceptions involving eight students (four in our sample):	
a. Six students were not enrolled in school during the reporting surveys concerned; consequently, they were not eligible for State transportation funding. We also noted the following exceptions for three of these students: (1) one student was classified as IDEA (K-12), Unweighted, but lived more than two miles from school and should have been classified as Two Miles or More; and (2) two PK students were classified incorrectly in ridership categories for K-12 students.	
b. The IEPs for two students in IDEA (K-12), Weighted, did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification. We noted that the students were eligible for Two Miles or More.	
We made the following audit adjustments:	
a. July 2008 Survey	
11 Days-in-Term	
IDEA (K-12), Unweighted *(Sample Student)* (1)	
June 2009 Survey	
10 Days-in-Term	
Two Miles or More *(Sample Student)* (1)	
8 Days-in-Term	
Two Miles or More *(Non-Sample Student)* (1)	
5 Days-in-Term	
IDEA (K-12), Unweighted *(Non-Sample Students)* (2)	
1 Days-in-Term	
IDEA (K-12), Weighted *(Non-Sample Student)* (1)	(6)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
b. October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	(1)	
Two Miles or More *(Sample Student)*	1	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	(1)	
Two Miles or More *(Sample Student)*	1	0

13. [Ref. 59] We noted the following exceptions involving 71 students (4 in our sample):

a. Twenty-four PK students who should have been reported in IDEA (PK), Weighted, were reported incorrectly in IDEA (K-12), Weighted.

b. Forty-three PK students who should have been reported in IDEA (PK), Unweighted, were reported incorrectly in IDEA (K-12), Unweighted (29 students), Two Miles or More (11 students), and Hazardous Walking (3 students).

c. One nonsampled PK student in a Voluntary PK program was reported incorrectly in Two Miles or More. Students in Voluntary PK programs are not eligible for State Transportation funding.

d. Three K-12 students were reported incorrectly in IDEA (PK), Weighted. They should have been reported in IDEA (K-12), Weighted.

We made the following audit adjustments:

a. July 2008 Survey	
11 Days-in-Term	
IDEA (K-12), Weighted *(Sample Students)*	(2)
IDEA (K-12), Weighted *(Non-Sample Students)*	(2)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Non-Sample Students)*	(10)	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	(1)	
IDEA (K-12), Weighted *(Non-Sample Students)*	(9)	(24)
July 2008 Survey		
11 Days-in-Term		
IDEA (PK), Weighted *(Sample Students)*	2	
IDEA (PK), Weighted *(Non-Sample Students)*	2	
October 2008 Survey		
90 Days-in-Term		
IDEA (PK), Weighted *(Non-Sample Students)*	10	
February 2009 Survey		
90 Days-in-Term		
IDEA (PK), Weighted *(Sample Student)*	1	
IDEA (PK), Weighted *(Non-Sample Students)*	9	24
b. October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	(1)	
IDEA (K-12), Unweighted *(Non-Sample Students)*	(21)	
Hazardous Walking *(Non-Sample Students)*	(3)	
Two Miles or More *(Non-Sample Students)*	(9)	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Non-Sample Students)*	(7)	
Two Miles or More *(Non-Sample Students)*	(2)	(43)
October 2008 Survey		
90 Days-in-Term		
IDEA (PK), Unweighted *(Sample Student)*	1	
IDEA (PK), Unweighted *(Non-Sample Students)*	33	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
February 2009 Survey		
90 Days-in-Term		
IDEA (PK), Unweighted *(Sample Students)*	9	43
c. February 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Non-Sample Students)*	(1)	(1)
d. July 2008 Survey		
11 Days-in-Term		
IDEA (PK), Weighted *(Sample Students)*	(2)	
4 Days-in-Term		
IDEA (PK), Weighted *(Sample Student)*	(1)	(3)
July 2008 Survey		
11 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	2	
4 Days-in-Term		
IDEA (K-12), Weighted *(Non-Sample Student)*	1	3
		(1)

14. [Ref. 61] We noted the following exceptions involving 38 students in our sample:

a. The IEPs for 30 students reported in IDEA-Weighted ridership categories did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification. We noted that the students were eligible for other ridership categories as follows: 13 for Two Miles or More, 15 for IDEA (PK), Unweighted, and 2 for the IDEA (K-12), Unweighted.

b. The IEPs for 8 students reported in IDEA (K-12), Unweighted, did not specifically authorize transportation services. We determined that one of the students was eligible for Hazardous Walking and the remaining seven students were not eligible for State transportation funding.

We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
a. July 2008 Survey		
11 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(3)	
IDEA (PK), Weighted *(Sample Students)*	(3)	
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(6)	
IDEA (PK), Weighted *(Sample Students)*	(7)	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(3)	
IDEA (PK), Weighted *(Sample Students)*	(3)	
June 2009 Survey		
10 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(3)	
IDEA (PK), Weighted *(Sample Students)*	(2)	(30)
July 2008 Survey		
11 Days-in-Term		
IDEA (PK), Unweighted *(Sample Students)*	3	
Two Miles or More *(Sample Students)*	3	
October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	1	
IDEA (PK), Unweighted *(Sample Students)*	7	
Two Miles or More *(Sample Students)*	5	
February 2009 Survey		
90 Days-in-Term		
IDEA (PK), Unweighted *(Sample Students)*	3	
Two Miles or More *(Sample Students)*	3	
June 2009 Survey		
10 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	1	
IDEA (PK), Unweighted *(Sample Students)*	2	
Two Miles or More *(Sample Students)*	2	30

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
b. October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(4)	
February 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Students)*	(4)	(8)
October 2008 Survey		
90 Days-in-Term		
Hazardous Walking *(Sample Student)*	1	1
		(7)

15. [Ref. 64] Six nonsampled students (one in IDEA (K-12), Unweighted, and 5 five in Two Miles or More) were reported more than once for State transportation funding contrary to the *Student Transportation General Instructions* resulting in a duplicated reporting. We made the following audit adjustments:

October 2008 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Non-Sample Student)*	(1)	
Two Miles or More *(Non-Sample Students)*	(4)	
February 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Non-Sample Student)*	(1)	(6)

16. [Ref. 65] Our examination procedures included an automated comparison of students reported to the State transportation database to the students reported to the State FEFP database. This comparison disclosed that 16 nonsampled students who were reported for State transportation funding were not listed as enrolled students on the State FEFP data base. Consequently, the eligibility of these students for State transportation funding was not adequately supported. We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Osceola County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2009

Findings		Students Transported Net Audit Adjustments
July 2008 Survey		
11 Days-in-Term		
Two Miles or More *(Non-sample Student)*	(1)	
October 2008 Survey		
90 Days-in-Term		
Two Miles or More *(Non-sample Students)*	(8)	
February 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Non-sample Students)*	(2)	
Center to Center (Vocational and Dual Enrollment) *(Non-sample Student)*	(1)	
54 Days-in-Term		
Two Miles or More *(Non-sample Student)*	(1)	
June 2009 Survey		
10 Days-in-Term		
Two Miles or More *(Non-sample Students)*	(2)	
8 Days-in-Term		
Two Miles or More *(Non-sample Student)*	(1)	(16)
Net Audit Adjustments		(115)
Summary		
Sample Students w/Exceptions	220	--
Sample Students - Net Audit Adjustments	--	(51)
Non-Sample Students w/Exceptions	226	--
Non-Sample Students - Net Audit Adjustments	--	(64)
Net Audit Adjustments		(115)

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Osceola County District School Board
Student Transportation
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2009

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) transported students are reported in the correct ridership category for the correct number of days-in-term as evidenced by appropriate supporting documentation; (2) students are reported only if they were enrolled in school during the survey week and were transported at least one day during the 11-day survey window as evidenced by the supporting bus drivers' reports; (3) the distance from home to school for students classified in the Two Miles or More ridership category is verified prior to those students being reported; and (4) only ESE students whose need for special transportation services has been properly documented on their IEPs are reported in IDEA weighted ridership categories.

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.

Osceola County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2009

NOTE A - SUMMARY

A summary discussion of the significant features of student transportation and related areas follows:

1. Student Eligibility

Any student who is transported by bus must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Career Education or Exceptional student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes.

2. Transportation in Osceola County

For the fiscal year ended June 30, 2009, the District received approximately $9.6 million in State transportation funding. The District's transportation reporting by survey was as follows:

Survey Period	No. of Vehicles	No. of Students
July 2008	73	607
October 2008	306	23,068
February 2009	303	22,780
June 2009	47	464
Total	729	46,919

3. Statutes and Rules

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

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

Osceola County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2009

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, 2009. 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.

EXHIBIT A
MANAGEMENT'S RESPONSE

THE SCHOOL DISTRICT OF OSCEOLA COUNTY, FLORIDA

817 Bill Beck Boulevard • Kissimmee• Florida 34744-4492
Phone: 407-870-4600 • Fax: 407-870-4010 • www.osceola.k12.fl.us

SCHOOL BOARD MEMBERS
District 1 – Jay Wheeler 407-390-0505
District 2 – Marjorie Guillen-Melendez 407-922-5113
District 3 – Cindy Lou Hartig 407-832-3999
District 4 – David Stone, Vice Chair 407-933-2700
District 5 – John McKay, Chair 407-957-4056

Superintendent of Schools
Michael A. Grego, Ed.D.

June 2, 2010

Mr. David W. Martin, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Mr. Martin:

The School District of Osceola County, Florida has reviewed the draft report of the Florida Education Finance Program (FEFP), Full-Time Equivalent (FTE) Students, and Student Transportation for the Fiscal Year Ended June 30, 2009.

With respect to Finding 56, the District agrees that a time card for one OJT student was missing. However, with respect to Finding 65, the five students were no longer employed in the OJT program. They should have been withdrawn from program 300 funding and reclassified back to basic funding prior to FTE Survey period. We do not believe that one missing time card constitutes a material weakness in compliance.

With respect to the findings involving reported ridership categories and eligibility for State transportation funding, the District is implementing system enhancements to interface our student system with our school bus routing software. This should correct the deficiencies.

The audit highlighted procedural and clerical errors in the areas of Certification, English for Speakers of Other Languages, Exceptional Student Education, Information Systems and Transportation. In response to these findings, the District has and continues to improve FTE procedures. These include effective communication of rules, information systems enhancements, expansion of our internal auditing process, and implementing a Pre-Survey FTE Verification process that was implemented this year.

The District does not dispute any other findings that are applicable to Osceola County Schools.

In closing, I would like to thank your staff auditor for her assistance and suggestions to improve our processes.

Sincerely,

Michael A. Grego, Ed.D.
Superintendent
The School District of Osceola County, Florida

Student Achievement – Our Number One Priority
Districtwide Accreditation by the Southern Association of Colleges and Schools
An Equal Opportunity Agency