REPORT NO. 2011-043
DECEMBER 2010

MONROE COUNTY
DISTRICT SCHOOL BOARD

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

and

Student Transportation

For the Fiscal Year Ended
June 30, 2010

STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

BOARD MEMBERS AND SUPERINTENDENTS

Monroe County District School Board members and the Superintendents of Schools who served during the 2009-10 fiscal year are listed below:

	District No.
Steven R. Pribramsky	*1*
Andy Griffiths, Chair	*2*
R. Duncan Mathewson, III, Ph.D.	*3*
John R. Dick, Vice Chair from 11-17-09	*4*
Debra S. Walker, Ph.D., Vice Chair to 11-16-09	*5*

Michael Henriquez, Acting Superintendent to August 23, 2009

Dr. Joseph P. Burke, Interim Superintendent from August 24, 2009

The examination team leader was Christopher E. Tynes, CPA, and the examination was supervised by J. David Hughes, CPA. Please address inquiries regarding this report to Joseph L. Williams, CPA, Audit Manager, via e-mail at joewilliams@aud.state.fl.us 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.

Monroe County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2010

ELL – English Language Learner

ESE – Exceptional Student Education

ESOL – English for Speakers of Other Languages

IDEA – Individuals with Disabilities Education Act

IEP – Individual Educational Plan

OJT – On-the-Job Training

PK – Prekindergarten

Monroe 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 ESOL and student transportation, the Monroe 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, 2010.

- **Of the 111 students in our ESOL sample, 20 had exceptions involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located.**
- **Of the 236 students in our student transportation sample, 75 had exceptions involving their reported ridership category or eligibility for State transportation funding.**

Noncompliance related to FTE resulted in 23 findings. The resulting audit adjustments to the District's reported, unweighted FTE totaled to a negative 1.4992 but have a potential impact on the District's weighted FTE of a negative 12.7237. Noncompliance related to student transportation resulted in 14 findings and a net audit adjustment of a negative 349 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 Monroe County District School Board, the estimated gross dollar effect of our FTE audit adjustments is a negative $46,194.92 (negative 12.7237 times $3,630.62).

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 Monroe County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Monroe County. Those services are provided primarily to prekindergarten through twelfth grade students and 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 Monroe County.

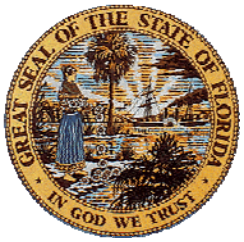
The governing body of the District is the District School Board, which is composed of five elected members. The executive officer of the Board is the appointed Superintendent of Schools. For the fiscal year ended June 30, 2010, the District operated 19 schools serving prekindergarten through twelfth grade students, reported 7,896.09 unweighted FTE for those students, and received approximately $821,000 in State funding for those FTE.

Florida Education Finance Program (FEFP)

Florida school districts receive State funding through FEFP to serve prekindergarten through twelfth grade students (adult education is not funded by FEFP). FEFP 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 the student's 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 5 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 Career Education 9-12 or ESE 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 $1.2 million in State transportation funding.



AUDITOR GENERAL
STATE OF FLORIDA

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

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

We have examined management's assertion, included in its representation letter dated August 17, 2010, that the Monroe 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, 2010. 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 the following material noncompliance: 20 of the 111 students in our ESOL sample had exceptions involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located. (See SCHEDULE D, Finding Nos. 3, 4, 5, 12, 13, 14, 15, 16, 18, 22, and 23.)

In our opinion, except for the material noncompliance mentioned above involving the reporting of, and preparation and maintenance of supporting documentation for, students in ESOL, the Monroe 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, 2010.

The results of our examination disclosed other noncompliance with the State requirements mentioned above. We considered this other noncompliance in forming our opinion regarding the District's compliance 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 the reporting of, and preparation and maintenance of supporting documentation for, students in ESOL. 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.

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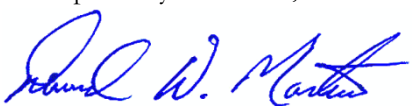
[1] *A control deficiency in the entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance on a timely basis. A significant deficiency 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
November 30, 2010

SCHEDULE A

Monroe 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, 2010

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]	19	100.00%	4,337	100.00%	5,500.9400	100.00%
Sample Size[4]	8	42.11%	93	2.14%	77.3383	1.41%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments[5]	-	-	-	-	17.2364	-
2. Basic with ESE Services						
Population[3]	18	100.00%	1,433	100.00%	1,702.2400	100.00%
Sample Size[4]	8	44.44%	76	5.30%	68.4666	4.02%
Students w/Exceptions	-	-	(1)	(1.32%)	-	-
Net Audit Adjustments[5]	-	-	-	-	1.0000	-
3. ESOL						
Population[3]	13	100.00%	431	100.00%	448.6700	100.00%
Sample Size[4]	8	61.54%	111	25.75%	91.2369	20.33%
Students w/Exceptions	-	-	(20)	(18.02%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(16.7364)	-
4. ESE Support Levels 4 and 5						
Population[3]	11	100.00%	57	100.00%	56.3600	100.00%
Sample Size[4]	7	63.64%	53	92.98%	45.3617	80.49%
Students w/Exceptions	-	-	(8)	(15.09%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(2.5000)	-
5. Career Education 9-12 (OJT)						
Population[3]	3	100.00%	62	100.00%	187.8800	100.00%
Sample Size[4]	1	33.33%	30	48.39%	6.6588	3.54%
Students w/Exceptions	-	-	(3)	(10.00%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(.4992)	-
All Programs						
Population[3]	19	100.00%	6,320	100.00%	7,896.0900	100.00%
Sample Size[4]	8	42.11%	363	5.74%	289.0623	3.66%
Students w/Exceptions	-	-	(32)	(8.82%)	-	-
Net Audit Adjustments[5]	-	-	-	-	(1.4992)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Monroe 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, 2010

Description[1]	Number of Schools	% of Pop.	Number of Teachers (w/Exceptions)	% of Pop. (Sample)
Teachers				
Population[3]	19	100.00%	326	100.00%
Sample Size[4]	8	42.11%	49	15.03%
Teachers w/Exceptions	-	-	(3)	(6.12%)

[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 data for students reflect 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, 2010. 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

Monroe 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, 2010

No.	Program[1]	Net Audit Adjustment[2]	Cost Factor	Weighted FTE[3]
101	Basic K-3	.8100	1.074	.8699
102	Basic 4-8	4.3840	1.000	4.3840
103	Basic 9-12	12.0424	1.033	12.4398
111	Grades K-3 with ESE Services	.5000	1.074	.5370
112	Grades 4-8 with ESE Services	.0000	1.000	.0000
113	Grades 9-12 with ESE Services	.5000	1.033	.5165
130	ESOL	(16.7364)	1.124	(18.8117)
254	ESE Support Level 4	.0000	3.520	.0000
255	ESE Support Level 5	(2.5000)	4.854	(12.1350)
300	Career Education 9-12	(.4992)	1.050	(.5242)
Total		(1.4992)		(12.7237)

[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

Monroe 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, 2010

		Audit Adjustments[1]			
No.	**Program**	**District-Wide**	**#0041**	**#0101**	**Balance Forward**
101	Basic K-3	.....	.....	.....	.0000
102	Basic 4-8	.2668	.....	.....	.2668
103	Basic 9-12	.....	.1334	3.8360	3.9694
111	Grades K-3 with ESE Services	.....	.....	.....	.0000
112	Grades 4-8 with ESE Services	.....	.....	.....	.0000
113	Grades 9-12 with ESE Services	.....	.....	.5000	.5000
130	ESOL	(.2668)	(.1334)	(3.8360)	(4.2362)
254	ESE Support Level 4	.....	.....	1.0000	1.0000
255	ESE Support Level 5	.....	.....	(2.3800)	(2.3800)
300	Career Education 9-12	.....	.....	(.4992)	(.4992)
Total		.0000	.0000	(1.3792)	(1.3792)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Monroe 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, 2010

Program No.	Brought Forward	Audit Adjustments[1] #0111	#0131	#0152	#0201	Balance Forward
101	.0000	.....	.....	.8100	.....	.8100
102	.2668	.....	2.1672	.....	.5000	2.9340
103	3.9694	.....	8.0730	.....	.....	12.0424
111	.0000	.....	.....	.5000	.....	.5000
112	.0000	.....	.....	.....	.0000	.0000
113	.5000	.....	.....	.....	.....	.5000
130	(4.2362)	.....	(10.2402)	(.8100)	.....	(15.2864)
254	1.0000	.....	.....	(.5000)	(.5000)	.0000
255	(2.3800)	(.1200)	.....	.....	.....	(2.5000)
300	(.4992)	.....	.....	.....	.....	(.4992)
Total	(1.3792)	(.1200)	.0000	.0000	.0000	(1.4992)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Monroe 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, 2010

Program No.	Brought Forward	Audit Adjustments[1] #0291	#0311	Total
101	.8100	.....	.....	.8100
102	2.9340	.4500	1.0000	4.3840
103	12.0424	.....	.....	12.0424
111	.5000	.....	.....	.5000
112	.0000	.....	.....	.0000
113	.5000	.....	.....	.5000
130	(15.2864)	(.4500)	(1.0000)	(16.7364)
254	.0000	.....	.....	.0000
255	(2.5000)	.....	.....	(2.5000)
300	(.4992)	.....	.....	(.4992)
Total	(1.4992)	.0000	.0000	(1.4992)

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Monroe 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, 2010

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 the material noncompliance involving the reporting of, and preparation and maintenance of supporting documentation for, students in ESOL, the Monroe 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, 2010. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 18.

Findings	**Net Audit Adjustments (Unweighted FTE)**

Our examination included the July and October 2009 surveys and the February and June 2010 surveys (see NOTE A5). Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2009 survey or the February 2010 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

District-Wide -- Ineligible Courses Reported in ESOL

1. [Ref. 149] Our examination procedures included an automated test that compared the course numbers reported in ESOL by the District to the courses that have been designated eligible for such reporting by the Department of Education. The results of this test disclosed that the District incorrectly reported three Basic subject area courses in ESOL that were ineligible for such reporting. The courses were taught at two schools during the school terms covered by the October 2009 and February 2010 reporting surveys. We made the following audit adjustment:

102 Basic 4-8	.2668	
130 ESOL	(.2668)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Monroe 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, 2010

Findings		Net Audit Adjustments (Unweighted FTE)
Coral Shores High School (#0041)		
2. [Ref. 4170] One teacher was appropriately approved by the School Board to teach ELL students out of field; however, the parents of the students taught by this teacher were not notified of the teacher's out-of-field status. We made the following audit adjustment:		
103 Basic 9-12	.1334	
130 ESOL	(.1334)	.0000
		.0000
Key West High School (#0101)		
3. [Ref. 10101] The files for three ELL students did not contain documentation that the students' parents had been notified of the students' placement in ESOL. We made the following audit adjustment:		
103 Basic 9-12	1.5842	
130 ESOL	(1.5842)	.0000
4. [Ref. 10102] The English language proficiency of one student was prematurely assessed prior to the student's continued ESOL placement for a fourth year. The assessment was conducted in May 2009 but should have been conducted in November 2009, just prior to the anniversary date of the student's initial ESOL placement. We made the following audit adjustment:		
103 Basic 9-12	.4170	
130 ESOL	(.4170)	.0000
5. [Ref. 10103] The *ELL Student Plan* for one student was not reviewed and updated for the 2009-10 school year. We made the following audit adjustment:		
103 Basic 9-12	.3336	
130 ESOL	(.3336)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Monroe 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, 2010

Findings		Net Audit Adjustments (Unweighted FTE)
Key West High School (#0101) (Continued)		
6. [Ref. 10104] Two students were reported incorrectly for .5000 FTE in the Hospital and Homebound program. The homebound instructor's contact log for one of the students documented only six hours of instruction (or .1200 FTE) and the homebound instructor's contact log for the second student indicated that homebound instruction had not begun until after the reporting survey. We made the following audit adjustment:		
255 ESE Support Level 5	(.8800)	(.8800)
7. [Ref. 10105] Three ESE students were not reported in accordance with the students' *Matrix of Services* forms. We made the following audit adjustment:		
113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	1.0000	
255 ESE Support Level 5	(1.5000)	.0000
8. [Ref. 10106] The timecards for three Career Education 9-12 (OJT) students were missing and could not be located. We made the following audit adjustment:		
300 Career Education 9-12	(.4992)	(.4992)
9. [Ref. 10170] One teacher taught Math to classes that included ELL students but had earned only 18 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	1.5012	
130 ESOL	(1.5012)	.0000
		(1.3792)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Monroe 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, 2010

Findings		Net Audit Adjustments (Unweighted FTE)
Horace O'Bryant Middle School (#0111)		
10. [Ref. 11101] The reported FTE for one student in the Hospital and Homebound program was overstated. The FTE was based upon 540 instructional minutes but only 360 instructional minutes were authorized by the student's IEP. We made the following audit adjustment:		
255 ESE Support Level 5	(.1200)	(.1200)
		(.1200)
Marathon High School (#0131)		
11. [Ref. 13170] One teacher was hired as a long-term substitute for the 2009-10 school year and taught courses during the school term covered by the February 2010 survey. Since there are no specific limitations placed on substitute teaching by law or rule and because State Board of Education Rule 6A 1.0503, Florida Administrative Code, in particular, defines qualified instructional personnel but does not address the area of substitute teaching, we made no audit adjustments.		
		.0000
12. [Ref. 13101] One student was reported incorrectly in ESOL during the 2009-10 school year. The student's file indicated that the student had been exited from ESOL on January 16, 2009; consequently, the student should have been reported in program No. 103 (Basic 9-12). We made the following audit adjustment:		
103 Basic 9-12	.7502	
130 ESOL	(.7502)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Monroe 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, 2010

Findings		Net Audit Adjustments (Unweighted FTE)
Marathon High School (#0131) (Continued)		
13. [Ref. 13102] The *ELL Student Plans* for two students in the October 2009 and February 2010 surveys were not reviewed and updated until February 19, 2010, and thus did not cover those surveys. We made the following audit adjustment:		
102 Basic 4-8	.5000	
103 Basic 9-12	.9286	
130 ESOL	(1.4286)	.0000
14. [Ref. 13103] Five students in ESOL had one or more of the following exceptions:		
➢ *ELL Student Plan* not completed.		
➢ No evidence the student's parents had been notified of the student's ESOL placement.		
➢ Student's English language proficiency either not assessed or not assessed on a timely basis.		
We made the following audit adjustment:		
102 Basic 4-8	1.6672	
103 Basic 9-12	1.8344	
130 ESOL	(3.5016)	.0000
15. [Ref. 13104] We noted the following exceptions involving the parental notification letters for three ELL students: (a) the letters for two students were dated August 23, 2010, and were therefore not valid for the October 2009 and February 2010 surveys; and (b) the letter for one student was missing and could not be located. We made the following audit adjustment:		
103 Basic 9-12	3.0000	
130 ESOL	(3.0000)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Monroe 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, 2010

Findings		Net Audit Adjustments (Unweighted FTE)
Marathon High School (#0131) (Continued)		
16. [Ref. 13105] The *ELL Student Plan* for one student was not reviewed and updated for the 2009-10 school year. We also noted that the student's parents were not notified of the student's ESOL placement until August 23, 2010, after the end of the 2009-10 school year. We made the following audit adjustment:		
103 Basic 9-12	1.0000	
130 ESOL	(1.0000)	.0000
17. [Ref. 13171] The parents of ELL students taught by one out-of-field teacher were not notified of the teacher's out-of-field status. We also noted that the teacher 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	.5598	
130 ESOL	(.5598)	.0000
		.0000
Glynn Archer Elementary School (#0152)		
18. [Ref. 15201] The *ELL Student Plan* for one student was not reviewed and updated for the 2009-10 school year. We made the following audit adjustment:		
101 Basic K-3	.8100	
130 ESOL	(.8100)	.0000
19. [Ref. 15202] The *Matrix of Services* form for one ESE student in the October 2009 survey was more than three years old and had expired and the new *Matrix* form was not completed until November 30, 2009. We made the following audit adjustment:		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Monroe 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, 2010

Findings		Net Audit Adjustments (Unweighted FTE)
Glynn Archer Elementary School (#0152) (Continued)		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
		.0000
Sugarloaf School (#0201)		
20. [Ref. 20101] One student in ESE in the February 2010 survey had been dismissed from ESE prior to that survey and should have been reported in program No. 102 (Basic 4-8). We made the following audit adjustment:		
102 Basic 4-8	.5000	
112 Grades 4-8 with ESE Services	(.5000)	.0000
21. [Ref. 20102] 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
		.0000
Key Largo School (#0291)		
22. [Ref. 29101] The English language proficiency of one student was prematurely assessed prior to the student's continued ESOL placement for a fifth year. The assessment was conducted in April 2009 but should have been conducted in December 2009, just prior to the anniversary date of the student's initial ESOL placement. We made the following audit adjustment:		
102 Basic 4-8	.4500	
130 ESOL	(.4500)	.0000
		.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Monroe 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, 2010

Findings		Net Audit Adjustments (Unweighted FTE)
Gerald Adams Elementary School (#0311)		
23. [Ref. 31101] The English language proficiency of one student was not assessed prior to the student's continued ESOL placement for a fifth year. We made the following audit adjustment:		
102 Basic 4-8	1.0000	
130 ESOL	(1.0000)	.0000
		.0000
		(1.4992)

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Monroe 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, 2010

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) documentation for ESE, ESOL, and Career Education 9-12 (OJT) students is properly prepared and maintained in readily accessible files; (2) the FTE reported for students in the Hospital and Homebound program is based on the homebound instructors' contact logs and the time authorized on the students' IEPs; (3) ESE students are reported in accordance with their *Matrix of Services* forms; (4) only ESOL-eligible students and courses are reported in ESOL; (5) parents are appropriately notified of teachers' out-of-field status; and (6) teachers earn in-service training points in ESOL strategies on a timely basis 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 2009-10

Career Education On-the-Job Attendance

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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Monroe 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, 2010

Regulatory Citations (Continued)

English for Speakers of Other Languages (ESOL)

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

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

Rule 6A-6.0901, F.A.C. ..... Definitions Which Apply to Programs for English Language Learners

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

Rule 6A-6.0903, F.A.C. ..... Requirement for Classification, Reclassification, and Post Reclassification of English Language Learners

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

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

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 2009-10

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Monroe 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, 2010

Regulatory Citations (Continued)

Teacher Certification

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

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

Rule 6A-1.0502, F.A.C. .....Non-certificated Instructional Personnel

Rule 6A-1.0503, F.A.C. .....Definition of Qualified Instructional Personnel

Rule 6A-4.001, F.A.C. .....Instructional Personnel Certification

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.

Monroe County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

NOTE A - SUMMARY

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

1. School District of Monroe County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Monroe County, Florida. Those services are provided primarily to prekindergarten through twelfth grade students and 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 Monroe County.

For the fiscal year ended June 30, 2010, the District operated 19 schools serving prekindergarten through twelfth grade students, reported 7,896.09 unweighted FTE for those students, and received approximately $821,000 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 to serve students in prekindergarten through twelfth grade (adult education is not funded by FEFP). FEFP 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 the student's 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.

Monroe County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

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 prekindergarten through third grade, one FTE is defined as one student in membership in a program or a group of programs for 20 hours per week for 180 days; for grade levels four through twelve, one FTE is defined as one student in membership in a program or a group of programs for 25 hours per week for 180 days.

4. Calculation of FEFP Funds

The amount of State and local FEFP funds is calculated by the Department of Education by multiplying the number of unweighted FTE in each educational program by the specific cost factor of each program to obtain weighted FTEs. Weighted FTEs are multiplied by the base student allocation amount and that product is multiplied by the appropriate cost differential factor. Various adjustments are then added to this product to obtain the total State and local FEFP dollars. All cost factors, the base student allocation amount, cost differential factors, and various adjustment figures are established by the Florida Legislature.

5. FTE Surveys

FTE is determined and reported during the school year by means of four FTE membership surveys, which are conducted under the direction of district and school management. Each survey is a sampling of FTE membership for a period of one week. The surveys for the 2009-10 school year were conducted during and for the following weeks: survey one was performed for July 13 through 17, 2009; survey two was performed for October 12 through 16, 2009; survey three was performed for February 8 through 12, 2010; and survey four was performed for June 14 through 18, 2010.

Monroe County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

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, 2010. 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:

Monroe County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

NOTE B - SAMPLING (Continued)

School Name/Description	Finding Number(s)
District-Wide – Ineligible Courses Reported in ESOL	1
1. Coral Shores High School	2
2. Key West High School	3 through 9
3. Horace O'Bryant Middle School	10
4. Marathon High School	11 through 17
5. Glynn Archer Elementary School	18 and 19
6. Sugarloaf School	20 and 21
7. Key Largo School	22
8. Gerald Adams Elementary School	23

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

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

We have examined management's assertion, included in its representation letter dated August 17, 2010, that the Monroe 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, 2010. 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: 75 of the 236 transported students in our sample had exceptions involving their reported ridership category or eligibility for State transportation funding. (See SCHEDULE G, Finding Nos. 3 through 14.)

In our opinion, except for the material noncompliance mentioned above involving the classification and reporting of transported students, the Monroe 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, 2010.

The results of our examination disclosed other noncompliance with the State requirements mentioned above. We considered this other noncompliance in forming our opinion regarding the District's compliance 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
November 30, 2010

SCHEDULE F

Monroe County District School Board
Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
For the Fiscal Year Ended June 30, 2010

Description	Number of Vehicles	% of Pop.	No. of Students Transported	% of Pop. (Sample)
Population[1]	102	100.00%	6,136	100.00%
Sample[2]	-	-	236	3.85%
Sample Students				
With Exceptions[3]	-	-	75	(31.78%)
Net Audit Adjustments	-	-	(58)	(24.58%)
Non-Sample Students				
With Exceptions[3]	-	-	307	5.00%
Net Audit Adjustments	-	-	(291)	4.74%
Sample and Non-Sample Students				
Net Audit Adjustments	-	-	(349)	5.69%

[1] *The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2010. The District reported 6,136 students in the following ridership categories: 109 in IDEA (K-12), Weighted; 1 in IDEA (K-12), Unweighted; 31 in IDEA (PK), Weighted; 327 in Hazardous Walking; 5,614 in Two Miles or More; and 54 in Center to Center (Vocational and Dual Enrollment). The District also reported operating a total of 102 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 in Finding Nos. 1 and 2 are not included.*

The accompanying notes are an integral part of this schedule.

SCHEDULE G

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Overview

Management is responsible for determining and reporting the number of students transported in compliance with State requirements. These requirements are found primarily in Chapter 1006, Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. Except for material noncompliance involving the classification and reporting of transported students, the Monroe 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, 2010. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 39.

Findings	Students Transported Net Audit Adjustments
Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey. Our detailed tests involved verification of the specific ridership categories reported for students sampled from the July and October 2009 surveys and the February and June 2010 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 2009 survey and once for the February 2010 survey) will be presented in our findings as two sample students.	
1. [Ref. 64] The number of days-in-term for 31 students in the June 2010 survey was incorrectly reported. The students were reported for terms ranging from 8 days to 12 days; however, according to the District's supporting instructional schedules for summer school, the students should have been reported for a term of either 10 days or 13 days. We also noted various ridership classification and reporting exceptions involving 4 of these 31 students and have adjusted those 4 students in other findings: see Finding No. 4, Ref. 52 (1 student); No. 6, Ref. 54 (1 student); No. 11, Ref. 59 (1 student), and No. 13, Ref. 62 (1 student). We made the following audit adjustment here for the 27 students who were affected only by the days-in-term exception:	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		Students Transported Net Audit Adjustments
June 2010 Survey		
12 Days-in-Term		
Two Miles or More	(1)	
11 Days-in-Term		
Two Miles or More	(14)	
10 Days-in-Term		
Two Miles or More	(6)	
9 Days-in-Term		
Two Miles or More	(2)	
8 Days-in-Term		
Two Miles or More	(4)	(27)
13 Days-in-Term		
Two Miles or More	23	
10 Days-in-Term		
Two Miles or More	4	27

2. [Ref. 60] The number of days-in-term for 25 students in Center to Center (Vocational and Dual Enrollment) in the October 2009 survey was reported incorrectly as 90 days. The students should have been reported for 18 days. We made the following audit adjustment:

October 2009 Survey	
90 Days-in-Term	
Center to Center (Vocational and Dual Enrollment)	(25)
18 Days-in-Term	
Center to Center (Vocational and Dual Enrollment)	25

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings	Students Transported Net Audit Adjustments
3. [Ref. 51] We noted the following exceptions involving 268 students:	
a. The three bus drivers' reports necessary to support the reported ridership of 256 students (27 in our sample) were missing and could not be located. We also noted the following additional exceptions involving 31 of these 256 students: (1) 1 student who lived less than two miles from school was reported incorrectly in Two Miles or More; (2) 1 student who lived more than two miles from school was reported incorrectly in Hazardous Walking; (3) 2 PK students were reported incorrectly in Two Miles or More; and (4) 27 students were reported incorrectly in Center to Center (Vocational and Dual Enrollment) for a 90-day term (they should have been reported for only an 18-day term).	
b. Eleven students (one of whom was in our sample) were either not transported during the 11-day window of the reporting survey (nine students) or were not listed on the supporting bus driver's report (two students) and should not have been reported for State transportation funding.	
c. One student in our sample lived less than two miles from school but was reported incorrectly in Two Miles or More.	

We made the following audit adjustments:

a. July 2009 Survey	
12 Days-in-Term	
IDEA (K-12), Weighted *(Non-Sample Students)*	(3)
Two Miles or More *(Sample Students)*	(3)
Two Miles or More *(Non-Sample Student)*	(1)
October 2009 Survey	
90 Days-in-Term	
Hazardous Walking *(Sample Students)*	(9)
Hazardous Walking *(Non-Sample Students)*	(54)
Two Miles or More *(Sample Student)*	(1)
Two Miles or More *(Non-Sample Students)*	(76)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		Students Transported Net Audit Adjustments
February 2010 Survey		
90 Days-in-Term		
Two Miles or More *(Sample Students)*	(4)	
Two Miles or More *(Non-Sample Students)*	(78)	
Center to Center (Vocational and Dual Enrollment) *(Sample Students)*	(10)	
Center to Center (Vocational and Dual Enrollment) *(Non-Sample Students)*	(17)	(256)
b. October 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Non-Sample Students)*	(10)	
June 2010 Survey		
13 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	(11)
c. June 2010 Survey		
13 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	(1)
		(268)

4. [Ref. 52] The IEPs for two sample students in IDEA (K-12), Weighted were missing and could not be located. Consequently, the students' IDEA-weighted classification was not adequately supported. We noted, however, that both students were eligible for Two Miles or More. We also noted that the number of days-in-term for the June 2010 survey for one of the students was incorrectly reported as 10 days. The term should have been reported as 13 days (see Finding No. 1, Ref. 64). We made the following audit adjustments:

July 2009 Survey	
12 Days-in-Term	
IDEA (K-12), Weighted *(Sample Student)*	(1)
Two Miles or More *(Sample Student)*	1
June 2010 Survey	
13 Days-in-Term	
Two Miles or More *(Sample Student)*	1

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		Students Transported Net Audit Adjustments
10 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	(1)	0

5. [Ref. 53] The IEPs for four sample students 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, however, that three of the students were eligible for other ridership categories: two for Two Miles or More and one for Hazardous Walking. The remaining student was not eligible for State transportation funding. We made the following audit adjustments:

July 2009 Survey		
12 Days-in-Term		
IDEA (PK), Weighted *(Sample Student)*	(1)	
October 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(2)	
Two Miles or More *(Sample Students)*	2	
February 2010 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	(1)	
Hazardous Walking *(Sample Student)*	1	(1)

6. [Ref. 54] Sixty-two non-sample PK students were reported incorrectly in Two Miles or More. Of these 62 PK students, 16 should have been reported in other ridership categories: 15 in IDEA (PK), Weighted and 1 in IDEA (PK), Unweighted. The remaining 46 students should not have been reported (i.e., they were not IDEA students and were not enrolled in a Teenage Parent Program). We also noted that the reported number of days-in-term for the June 2010 survey for one of these PK students was incorrectly reported as 11 days. The term should have been reported as 13 days (see Finding No. 1, Ref. 64). We made the following audit adjustments:

July 2009 Survey	
12 Days-in-Term	
Two Miles or More *(Non-Sample Students)*	(3)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		Students Transported Net Audit Adjustments
October 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Non-Sample Students)*	(7)	
February 2010 Survey		
90 Days-in-Term		
Two Miles or More *(Non-Sample Students)*	(37)	
June 2010 Survey		
13 Days-in-Term		
Two Miles or More *(Non-Sample Students)*	(14)	
11 Days-in-Term		
Two Miles or More *(Non-Sample Student)*	(1)	(62)
July 2009 Survey		
12 Days-in-Term		
IDEA (PK), Weighted *(Non-Sample Students)*	3	
October 2009 Survey		
90 Days-in-Term		
IDEA (PK), Weighted *(Non-Sample Students)*	3	
IDEA (PK), Unweighted *(Non-Sample Student)*	1	
February 2010 Survey		
90 Days-in-Term		
IDEA (PK), Weighted *(Non-Sample Students)*	7	
June 2010 Survey		
13 Days-in-Term		
IDEA (PK), Weighted *(Non-Sample Students)*	2	16

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		Students Transported Net Audit Adjustments
7. [Ref. 55] The reported ridership of 16 sample students was not adequately supported. The supporting bus drivers' reports indicated that the students were not transported during the 11-day window of the applicable survey. We also noted the following additional exceptions involving 6 of these 16 students: (a) 2 students were reported incorrectly in Center to Center (Vocational and Dual Enrollment) for a 90-day term (they should have been reported for an 18-day term); and (b) 4 students who lived less than two miles from school were reported incorrectly in Two Miles or More. We made the following audit adjustments:		
October 2009 Survey		
90 Days-in-Term		
IDEA (PK), Weighted *(Sample Student)*	(1)	
Two Miles or More *(Sample Students)*	(3)	
Center to Center (Vocational and Dual Enrollment) *(Sample Students)*	(2)	
February 2010 Survey		
90 Days-in-Term		
Hazardous Walking *(Sample Students)*	(3)	
Two Miles or More *(Sample Students)*	(6)	
June 2010 Survey		
13 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	(16)
8. [Ref. 56] The reported ridership of two sample students in the October 2009 survey was not adequately supported. The students were not listed on the supporting bus driver's report. We made the following audit adjustment:		
October 2009 Survey		
90 Days-in-Term		
Two Miles or More *(Sample Students)*	(2)	(2)
9. [Ref. 57] Seven PK students in our sample were reported incorrectly in IDEA (K-12), Weighted. They should have been reported in IDEA (PK), Weighted. We made the following adjustments:		

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		Students Transported Net Audit Adjustments
October 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(3)	
IDEA (PK), Weighted *(Sample Students)*	3	
February 2010 Survey		
90 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(2)	
IDEA (PK), Weighted *(Sample Students)*	2	
June 2010 Survey		
13 Days-in-Term		
IDEA (K-12), Weighted *(Sample Students)*	(2)	
IDEA (PK), Weighted *(Sample Students)*	2	0

10. [Ref. 58] Four sample students were reported incorrectly: one in IDEA (K-12), Unweighted and three in Hazardous Walking. The students lived more than two miles from school and should have been reported in Two Miles or More. We made the following audit adjustments:

October 2009 Survey		
90 Days-in-Term		
IDEA (K-12), Unweighted *(Sample Student)*	(1)	
Two Miles or More *(Sample Student)*	1	
February 2010 Survey		
90 Days-in-Term		
Hazardous Walking *(Sample Student)*	(1)	
Two Miles or More *(Sample Student)*	1	
June 2010 Survey		
13 Days-in-Term		
Hazardous Walking *(Sample Students)*	(2)	
Two Miles or More *(Sample Students)*	2	0

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		Students Transported Net Audit Adjustments
11. [Ref. 59] Six sample students who lived less than two miles from school were reported incorrectly in Two Miles or More. We also noted that: (a) one of the students was eligible for IDEA (K-12), Weighted in the June 2010 survey, and (b) the number of days-in-term for that survey for this student was incorrectly reported as 8 days when it should have been reported as 13 days (see Finding No. 1, Ref. 64). The remaining five students were not eligible for State transportation funding. We made the following audit adjustments:		
February 2010 Survey		
90 Days-in-Term		
Two Miles or More *(Sample Students)*	(3)	
June 2010 Survey		
13 Days-in-Term		
Two Miles or More *(Sample Students)*	(2)	
8 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	(6)
13 Days-in-Term		
IDEA (K-12), Weighted *(Sample Student)*	1	1
12. [Ref. 61] Seven students in the June 2010 survey (one of whom was in our sample) should not have been reported for State transportation funding. The students were transported only to attend Band Camp and were not enrolled in school for FEFP-fundable instruction. We made the following audit adjustment:		
June 2010 Survey		
13 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	
Two Miles or More *(Non-Sample Students)*	(6)	(7)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Monroe County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2010

Findings		Students Transported Net Audit Adjustments
13. [Ref. 62] The reported ridership of three sample students in Two Miles or More in the June 2010 survey was not adequately supported. The students were transported by their parents from their homes in Miami-Dade County to a bus stop in the District and were then transported by District bus to their assigned District schools. However, two of the students were not listed on the supporting bus driver's report, and the bus stop location and miles transported for the third student were not documented. We also noted that the number of days-in-term for one of these students was incorrectly reported as 11 days. The term should have been reported as 13 days (see Finding No. 1, Ref. 64). We made the following audit adjustment:		
June 2010 Survey		
13 Days-in-Term		
Two Miles or More *(Sample Students)*	(2)	
11 Days-in-Term		
Two Miles or More *(Sample Student)*	(1)	(3)
14. [Ref. 63] One PK student in our sample was reported incorrectly in Hazardous Walking in the June 2010 survey. The student was not an IDEA student and was not enrolled in a Teenage Parent Program. Thus, the student was not eligible for State transportation funding. We made the following audit adjustment:		
June 2010 Survey		
13 Days-in-Term		
Hazardous Walking *(Sample Student)*	(1)	(1)
Net Audit Adjustments		(349)
Summary		
Sample Students w/Exceptions	75	--
Sample Students - Net Audit Adjustments	--	(58)
Non-Sample Students w/Exceptions	307	--
Non-Sample Students - Net Audit Adjustments	--	(291)
Net Audit Adjustments		(349)

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Monroe County District School Board
Student Transportation
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2010

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) the number of days-in-term is correctly reported based on the District's calendar and course schedules of students transported from one school center to another; (2) IEPs and bus drivers' reports are maintained in readily accessible files to support the reported ridership and classification of transported students; (3) only eligible transported students are reported for State transportation funding and such students are reported in the ridership categories for which they are eligible; (4) the distance from home to school is verified prior to students being reported in Two Miles or More; and (5) students transported for Band Camp or other non-FEFP-fundable programs are not reported for State transportation funding.

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.

Monroe County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

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 9-12 or ESE 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 Monroe County

For the fiscal year ended June 30, 2010, the District received approximately $1.2 million in State transportation funding. The District's transportation reporting by survey was as follows:

Survey Period	No. of Vehicles	No. of Students
July 2009	7	23
October 2009	42	2,947
February 2010	42	2,994
June 2010	11	172
Total	102	6,136

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

Monroe County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2010

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, 2010. 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

Members of the Board

District # 1
ROBIN SMITH-MARTIN

District # 2
ANDY GRIFFITHS
Vice Chair

District # 3
DR. R. DUNCAN MATHEWSON, III

District # 4
JOHN R. DICK
Chair

District # 5
RONALD A. MARTIN

DR. JOSEPH P. BURKE
Superintendent of Schools

"Student Success,
Whatever It Takes"

November 29, 2010

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

Subject: Report on the examination of full-time equivalent (FTE) students and student transportation, as reported by the Monroe County District School Board for the fiscal year ended June 30, 2010

Dear Mr. Martin:

The context for this audit response by the management team of Monroe County School District (MCSD) includes the suspension of the former Superintendent by the Governor of the State of Florida on June 11, 2009, and the subsequent conviction of the Superintendent on three felony counts on August 28, 2009. The new Superintendent appointed by the Governor, assumed office on August 24, 2009.

The new Chief Operations Officer assumed full-time duties on February 16th, 2010, a new Supervisor of Transportation assumed full-time duties on July 6th, 2010. The newly appointed staff members began to place new procedures and practices.

I would like to thank the Auditor General's staff for the professional matter in which the audit was conducted.

Sincerely,

Dr. Joseph P. Burke
Superintendent of Schools

Cc: School Board Members
MCSD Administrative Staff

241 Trumbo Road • Key West, FL 33040
Tel. (305) 293-1400 • Fax (305) 293-1408
www.KeysSchools.com

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Managements Response to Auditor General Preliminary & Tentative Audit Findings and Recommendations for F/Y Ending June 30, 2010

Finding # 1 - District Wide ESOL
The district agrees with the auditor's findings and we have taken corrective action to ensure future compliance with the FEFP and FTE guidelines.

Finding #'s 2, 3, 4, 5, 12, 13, 14, 15, 16, 17, 18, 22, & 23 - ESOL
The district agrees with the auditor's findings and we have taken corrective action to ensure future compliance with the FEFP and FTE guidelines. Outlined below is the course of action taken and training provided.

1. Make sure that documentation for ESOL students is properly prepared and maintained in readily accessible files.
2. That only ESOL eligible students and courses are reported in ESOL.

Finding #'s 6, 7, 10, 19, 20, and 21 - ESE
The district agrees with the auditor's findings and we have taken corrective action to ensure future compliance with the FEFP and FTE guidelines. Outlined below is the course of action taken and training provided.

Finding # 6 & 10 - Hospital Homebound
Outlined below is the course of action taken and training provided.

1. Corrected the homebound instructors' contact log form to include reporting of absences, and time sheets to reflect the IEP agreed upon time authorized and clarified the start date of the services provided for reporting purposes.
2. Training on usage of the forms and reporting practices in accordance with compliance procedures.
3. Proceeding with approval of forms via the ESE Policies and Procedures Manual

Findings #'s 7, 19, 20, and 21 – Matrix Related
The district agrees with the auditor's findings and we have taken corrective action to ensure future compliance with the FEFP and FTE guidelines. Outlined below is the course of action taken and training provided.

1. Reviewed FDLRS-S Matrix provided training and corrected inaccuracies as per the findings.
2. Trained and self-assessed current procedures for completing Matrix forms in order to report accurate and timely documents.
3. Highlighted data entry's role in accurate and timely reporting.

Finding # 8 - OJT
The district agrees with the auditor's findings and we have taken corrective action to ensure future compliance with the FEFP and FTE guidelines. Outlined below is the course of action taken and training provided.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

1. For this school year, and moving forward, the CTE coordinator for the school district will verify that each student is properly documenting hours and the cards are secured in the CTE office. Students who are enrolled and no longer employees will be withdrawn from the program.

Finding #'s 2,9,11, and 17 – Teacher Certification
The district agrees with the auditor's findings and we have taken corrective action to ensure future compliance with the FEFP and FTE guidelines. Outlined below is the course of action taken.

Teacher A [redacted] Employed at CSHS but no longer with the district. She was reported to the Board as out of field, but CSHS did not have a copy of a letter notifying parents.

Teacher B [redacted] Alternative Ed teacher at MHS. During his first 3 years he added English 6-12, MG Integrated Curriculum 5-9 and the Reading Endorsement to his certificate. These were all needed to be in field and highly qualified for his self-contained, alternative ed teaching assignment. He also added ESOL at the end of the of the 2009-10 school year, so the problem cited in the exception has been corrected. He was reported to the Board as out of field, but MHS did not have a copy of a letter notifying parents.

Teacher C [redacted] Math teacher at KWHS, who formerly taught Band. He had 18hours ESOL training, but not the required 60 hours. He is currently enrolled in the ESOL Methods course at Sugarloaf (which will meet the 60 hour requirement), and teaching only 1 section of Algebra 1 Honors that doesn't include any ESOL students.

Finding # 1 – Student Transportation
The district agrees with the auditor's finding and the transportation department has taken corrective action to ensure that future compliance with the FTE guidelines governing student transportation.