

**PUTNAM 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



BOARD MEMBERS AND SUPERINTENDENT

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

	<u>District No.</u>
<i>John D. Milton, Vice Chair</i>	1
<i>Terry Wright</i>	2
<i>Lisa Parsons</i>	3
<i>C. L. Overturf, Jr., Chair</i>	4
<i>Joann Barber</i>	5

Thomas D. Townsend, Superintendent

The examination team leader was Jennifer Taylor, 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) 487-9175; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Putnam 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

FES – Fluent English Speaker

IDEA – Individuals with Disabilities Education Act

IEP – Individual Educational Plan

OJT – On-the-Job Training

PK – Prekindergarten

Putnam 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 teachers; the reporting of, and preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT); and students transported, the Putnam 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 42 teachers in our sample, 11 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, notification to parents regarding teachers' out-of-field status, or the earning of required in-service training points in ESOL strategies.
- Thirteen of the 87 students in our ESOL sample, 7 of the 46 students in our ESE Support Levels 4 and 5 sample, and 14 of the 54 students in our Career Education 9-12 (OJT) sample had exceptions involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located.
- Of the 273 students in our sample, 97 had exceptions involving their reported ridership classification or eligibility for State transportation funding.

Noncompliance related to FTE resulted in 26 findings. The resulting audit adjustments to the District's reported, unweighted FTE totaled to a negative 2.4964 but have a potential impact on the District's weighted FTE of a negative 12.7522. Noncompliance related to student transportation resulted in 10 findings and a net audit adjustment of a negative 7 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 Putnam County District School Board, the estimated gross dollar effect of our FTE audit adjustments is a negative \$46,298 (negative 12.7522 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 Putnam County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Putnam 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 Putnam 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 elected Superintendent of Schools. For the fiscal year ended June 30, 2010, the District operated 19 schools serving prekindergarten through twelfth grade students, reported 11,050.14 unweighted FTE for those students, and received approximately \$34.8 million 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 \$2.7 million in State transportation funding.



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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 PUTNAM COUNTY DISTRICT SCHOOL BOARD FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated July 1, 2010, that the Putnam 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:

1. Teachers

Of the 42 teachers in our sample, 11 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, notification of parents regarding teachers' out-of-field status, or the earning of required in-service training points in ESOL strategies.¹

2. Students

We noted exceptions involving 13 of the 87 students in our ESOL sample,² 7 of the 46 students in our ESE Support Levels 4 and 5 sample,³ and 14 of the 54 students in our Career Education 9-12 (OJT) sample.⁴ These exceptions involved reporting errors or records that were not properly and accurately prepared or were missing and could not be located.

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

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.

¹For teachers, see SCHEDULE D, Finding Nos. 2, 6, 7, 8, 9, 10, 13, 15, 18, 19, and 24.

²For ESOL, see SCHEDULE D, Finding Nos. 1, 3, 11, 12, 14, 16, 17, 21, and 22.

³For ESE Support Levels 4 and 5, see SCHEDULE D, Finding Nos. 23, 25, and 26.

⁴For Career Education 9-12 (OJT), see SCHEDULE D, Finding Nos. 4, 5, and 20.

Internal Control Over Compliance

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

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

Pursuant to Section 11.45(4)(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
March 7, 2011

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

SCHEDULE A

Putnam 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

<u>Description¹</u>	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Students (w/Exceptions)</u>	<u>% of Population (Sample)</u>	<u>Number of Unweighted FTE²</u>	<u>% of Population (Sample)</u>
1. Basic						
Population ³	18	100.00%	4,954	100.00%	7,881.6500	100.00%
Sample Size ⁴	8	44.44%	95	1.92%	80.1260	1.02%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	34.5637	-
2. Basic with ESE Services						
Population ³	19	100.00%	1,456	100.00%	2,343.1500	100.00%
Sample Size ⁴	9	47.37%	71	4.88%	64.6548	2.76%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	3.0000	-
3. ESOL						
Population ³	17	100.00%	399	100.00%	425.7900	100.00%
Sample Size ⁴	8	47.06%	87	21.80%	75.2109	17.66%
Students w/Exceptions	-	-	(13)	(14.94%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(12.3881)	-
4. ESE Support Levels 4 and 5						
Population ³	13	100.00%	75	100.00%	59.9100	100.00%
Sample Size ⁴	7	53.85%	46	61.33%	31.2166	52.11%
Students w/Exceptions	-	-	(7)	(15.22%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(3.5000)	-
5. Career Education 9-12						
Population ³	3	100.00%	104	100.00%	339.6400	100.00%
Sample Size ⁴	2	66.67%	54	51.92%	10.9483	3.22%
Students w/Exceptions	-	-	(14)	(25.93%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(24.1720)	-

All Programs						
Population ³	19	100.00%	6,988	100.00%	11,050.1400	100.00%
Sample Size ⁴	9	47.37%	353	5.05%	262.1566	2.37%
Students w/Exceptions	-	-	(34)	(9.63%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(2.4964)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Putnam 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

<u>Description</u> ¹	<u>Number of Schools</u>	<u>% of Population</u>	<u>Number of Teachers (w/Exceptions)</u>	<u>% of Population (Sample)</u>
<u>Teachers</u>				
Population ³	19	100.00%	231	100.00%
Sample Size ⁴	9	47.37%	42	18.18%
Teachers w/Exceptions	-	-	(11)	(26.19%)

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 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, 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

Putnam 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

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
101 Basic K-3	5.6052	1.074	6.0200
102 Basic 4-8	4.3651	1.000	4.3651
103 Basic 9-12	24.5934	1.033	25.4050
112 Grades 4-8 with ESE Services	.5000	1.000	.5000
113 Grades 9-12 with ESE Services	2.5000	1.033	2.5825
130 ESOL	(12.3881)	1.124	(13.9242)
254 ESE Support Level 4	(3.5000)	3.520	(12.3200)
300 Career Education 9-12	<u>(24.1720)</u>	1.050	<u>(25.3806)</u>
Total	<u>(2.4964)</u>		<u>(12.7522)</u>

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

Putnam 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

<u>No. Program</u>	<u>Audit Adjustments¹</u>			<u>Balance Forward</u>
	<u>#0091</u>	<u>#0112</u>	<u>#0171</u>	
101 Basic K-3	.9802	.....	.....	.9802
102 Basic 4-8	.....	.....	.1600	.1600
103 Basic 9-12	.....	1.3004	.....	1.3004
112 Grades 4-8 with ESE Services	.....	.....	.....	.0000
113 Grades 9-12 with ESE Services	.....	.....	.....	.0000
130 ESOL	(.9802)	(1.3004)	(.1600)	(2.4406)
254 ESE Support Level 4	.....	.....	.....	.0000
300 Career Education 9-12	.....	<u>(1.4146)</u>	.....	<u>(1.4146)</u>
Total	<u>.0000</u>	<u>(1.4146)</u>	<u>.0000</u>	<u>(1.4146)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Putnam 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 Adjustments¹				Balance Forward
		#0201	#0211	#0231	#0251	
101	.9802	(.5000)	.6600	.....	4.4650	5.6052
102	.1600	.....	.....	4.2051	.....	4.3651
103	1.3004	.....	.....	.....	.....	1.3004
112	.0000	.....	.....	.....	.....	.0000
113	.0000	.....	.....	.....	.....	.0000
130	(2.4406)	.5000	(.6600)	(4.2051)	(4.4650)	(11.2707)
254	.0000	.....	.....	.....	.....	.0000
300	<u>(1.4146)</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>(1.4146)</u>
Total	<u>(1.4146)</u>	<u>.0000</u>	<u>.0000</u>	<u>.0000</u>	<u>.0000</u>	<u>(1.4146)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE C (Continued)

Putnam 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	<u>Audit Adjustments</u>¹		Total
		#0301	#0321	
101 Basic K-3	5.6052	.....	.....	5.6052
102 Basic 4-8	4.3651	.....	.....	4.3651
103 Basic 9-12	1.3004	23.2930	.....	24.5934
112 Grades 4-8 with ESE Services	.0000	.....	.5000	.5000
113 Grades 9-12 with ESE Services	.0000	.5000	2.0000	2.5000
130 ESOL	(11.2707)	(1.1174)	.....	(12.3881)
254 ESE Support Level 4	.0000	(.5000)	(3.0000)	(3.5000)
300 Career Education 9-12	<u>(1.4146)</u>	<u>(22.7574)</u>	.....	<u>(24.1720)</u>
Total	<u>(1.4146)</u>	<u>(.5818)</u>	<u>(.5000)</u>	<u>(2.4964)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Putnam 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 material noncompliance involving teachers and the reporting of, and preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Putnam 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

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.

**Net Audit
Adjustments
(Unweighted FTE)**

Mellon Elementary School (#0091)

1. [Ref. 9101] One student was reported incorrectly in ESOL. The student was assessed FES prior to the beginning of the 2009-10 school year and should have been reported in Basic education. We made the following audit adjustment:

101 Basic K-3	.9802	
130 ESOL	<u>(.9802)</u>	<u>.0000</u>
		<u>.0000</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Interlachen High School (#0112)

2. [Ref. 11272] One teacher who taught a Basic subject area class that included an ELL student had earned none of the 60 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. Since this student is adjusted in Finding No. 3 (Ref. 11201), we made no audit adjustment here.

.0000

3. [Ref. 11201] The files for two ELL students were missing documentation of one or more of the following items: initial placement date, oral and aural assessment, and parental notification of ESOL placement. We noted that these two students had transferred to the Putnam County School District (Putnam) from other Florida school districts prior to the 2009-10 school year but those districts did not forward the students' supporting ESOL documentation to Putnam. Putnam should have subsequently prepared appropriate ESOL documentation but did not do so. We made the following audit adjustment:

103 Basic 9-12	.6834	
130 ESOL	(.6834)	.0000

4. [Ref. 11202] The timecards for five Career Education 9-12 (OJT) students were missing and could not be located. We made the following audit adjustment:

300 Career Education 9-12	(.6988)	(.6988)
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5. [Ref. 11203] We noted the following exceptions involving three Career Education 9-12 (OJT) students: (a) the timecard for one student indicated that the student did not work during the survey week, and (b) the timecards for two students were not signed by the students' employers. We made the following audit adjustment:

300 Career Education 9-12	(.7158)	(.7158)
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The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Interlachen High School (#0112) (Continued)

6. [Ref. 11270] The parents of two ELL students taught by an out-of-field ESOL teacher were not notified of the teacher's out-of-field status. We made the following audit adjustment:

103 Basic 9-12	.3419	
130 ESOL	(.3419)	.0000

7. [Ref. 11271] One teacher who taught a Basic subject area class that included an ELL student had earned only 19 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	.1834	
130 ESOL	(.1834)	.0000

8. [Ref. 11274] 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 made the following audit adjustment:

103 Basic 9-12	.0917	
130 ESOL	(.0917)	.0000

(1.4146)

Robert H. Jenkins, Jr. Middle School (#0171)

9. [Ref. 17170] One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher was certified in Elementary Education but taught a course that required certification in Science. 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:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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

<u>Findings</u>	<u>Net Audit Adjustments (Unweighted FTE)</u>	
<u>Robert H. Jenkins, Jr. Middle School (#0171) (Continued)</u>		
102 Basic 4-8	.0800	
130 ESOL	(.0800)	.0000
<p>10. [Ref. 17171] <u>One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher was certified in Biology but taught a course that required certification in Science. We also noted that: (a) the parents of the students concerned were not notified of the teacher's out-of-field status, and (b) 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:</u></p>		
102 Basic 4-8	.0800	
130 ESOL	(.0800)	<u>.0000</u>
		<u>.0000</u>
<u>Interlachen Elementary School (#0201)</u>		
<p>11. [Ref. 20101] <u>One ELL student was incorrectly reported in program No. 101 (Basic K-3). We made the following audit adjustment:</u></p>		
101 Basic K-3	(.5000)	
130 ESOL	.5000	<u>.0000</u>
		<u>.0000</u>
<u>Browning-Pearce Elementary School (#0211)</u>		
<p>12. [Ref. 21101] <u>The file for one ELL student did not contain an <i>ELL Student Plan</i> or evidence that the student's parents were notified of the student's ESOL placement. We made the following audit adjustment:</u></p>		
101 Basic K-3	.4600	
130 ESOL	(.4600)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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

<u>Findings</u>	Net Audit Adjustments (Unweighted FTE)
------------------------	---

Browning-Pearce Elementary School (#0211) (Continued)

13. [Ref. 21170] The parents of one ELL student taught by an out-of-field ESOL teacher were not notified of the teacher's out-of-field status. We made the following audit adjustment:

101 Basic K-3	.2000	
130 ESOL	(.2000)	.0000
		<u>.0000</u>

George C. Miller, Jr. Intermediate School (#0231)

14. [Ref. 23101] Four 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	1.9068	
130 ESOL	(1.9068)	.0000

15. [Ref. 23170] 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	2.2983	
130 ESOL	(2.2983)	.0000
		<u>.0000</u>

Middleton-Burney Elementary School (#0251)

16. [Ref. 25101] The ELL Committee for one FES student, who was placed in ESOL based on the Committee's recommendation, did not consider at least two of the five ESOL placement criteria specified in State Board of Education Rule 6A-6.0902(2)(a)4., Florida Administrative Code. We made the following audit adjustment:

101 Basic K-3	.9900	
130 ESOL	(.9900)	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Middleton-Burney Elementary School (#0251) (Continued)

17. [Ref. 25102] The file for one ELL student did not contain documentation justifying the student’s ESOL placement for a fifth year. We made the following audit adjustment:

101 Basic K-3	.4750	
130 ESOL	<u>(.4750)</u>	.0000

18. [Ref. 25170] 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:

101 Basic K-3	3.0000	
130 ESOL	<u>(3.0000)</u>	<u>.0000</u>
		<u>.0000</u>

Palatka High School (#0301)

19. [Ref. 30171] One teacher who taught a Basic subject area class that included an ELL student had earned none of the 60 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. Since this student is adjusted in Finding No. 21 (Ref. 30103), we made no audit adjustment here.

.0000

20. [Ref. 30102] We noted the following exceptions involving six Career Education 9-12 (O)I students: (a) the timecards for five students were missing and could not be located, and (b) the timecard for one student did not list the student's work hours on a daily basis and we could not otherwise determine the actual hours worked by the student during the reporting survey. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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

<u>Findings</u>	<u>Net Audit Adjustments (Unweighted FTE)</u>	
<u>Palatka High School (#0301)</u> (Continued)		
300 Career Education 9-12	(.5818)	(.5818)
21. [Ref. 30103] <u>One ELL student was beyond the maximum six-year period allowed for State funding of ESOL. We made the following audit adjustment:</u>		
103 Basic 9-12	.4336	
130 ESOL	(.4336)	.0000
22. [Ref. 30104] <u>The ELL Committee for one FES student, who was a Competent English Reader and Writer and was placed in ESOL based on the Committee's recommendation, did not consider at least two of the five ESOL placement criteria specified in State Board of Education Rule 6A-6.0902(2)(a)4., Florida Administrative Code. We made the following audit adjustment:</u>		
103 Basic 9-12	.6838	
130 ESOL	(.6838)	.0000
23. [Ref. 30105] <u>One ESE student was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustment:</u>		
113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
24. [Ref. 30170] <u>One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher was certified in Family and Consumer Science but taught courses that required certification in Any Vocational Field with the Teacher/Coordinator of Cooperative Education Endorsement. 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:</u>		

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Putnam 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

<u>Findings</u>		<u>Net Audit Adjustments (Unweighted FTE)</u>
<u>Palatka High School (#0301)</u> (Continued)		
103 Basic 9-12	22.1756	
300 Career Education 9-12	<u>(22.1756)</u>	<u>.0000</u>
		<u>(.5818)</u>
 <u>Eleanor H. Miller School (#0321)</u>		
25. [Ref. 32101] <u>One ESE 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:</u>		
254 ESE Support Level 4	<u>(.5000)</u>	<u>(.5000)</u>
26. [Ref. 32102] <u>Five ESE students were not reported in accordance with the students' Matrix of Services forms. We made the following audit adjustment:</u>		
112 Grades 4-8 with ESE Services	.5000	
113 Grades 9-12 with ESE Services	2.0000	
254 ESE Support Level 4	<u>(2.5000)</u>	<u>.0000</u>
		<u>(.5000)</u>
		<u>(2.4964)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Putnam 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) ELL students are placed and reported correctly in ESOL and have appropriate documentation to support that placement and reporting; (2) the timecards for students in Career Education 9-12 (OJT) are properly completed, retained in readily accessible files, and supportive of the students’ reported work hours; (3) ELL students are not reported for State funding of ESOL beyond six years; (4) ELL Committees consider at least two of the five ESOL placement criteria specified in State Board of Education Rule 6A-6.0902(2)(a)4., Florida Administrative Code; (5) students in ESE Support Levels 4 and 5 are reported in accordance with their *Matrix of Services* forms; (6) only students who are in attendance at least one day during the 11-day window of the survey period and in membership during the survey week are reported with that survey’s results; (7) teachers are either properly certified or, if out of field, are approved by the School Board to teach out of field; (8) teachers earn in-service training points in ESOL strategies as required by rule and their in-service training timelines; and (9) parents are appropriately notified when their children are assigned to classes taught by out-of-field teachers.

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

Regulatory Citations

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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Putnam 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)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 2009-10
 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-6.0903, 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

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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Putnam 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)

Exceptional Education (Continued)

- 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

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.

Putnam 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 Putnam County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Putnam 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 Putnam County.

For the fiscal year ended June 30, 2010, the District operated 19 schools serving prekindergarten through twelfth grade students, reported 11,050.14 unweighted FTE, and received approximately \$34.8 million in State funding for those FTE. The primary sources of funding for the District are funds from FEFP, local ad valorem taxes, and Federal grants and donations.

2. Florida Education Finance Program (FEFP)

Florida school districts receive State funding through FEFP 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.

Putnam 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 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 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.

Putnam 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:

Putnam 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)

<u>School Name</u>	<u>Finding Number(s)</u>
1. Mellon Elementary School	1
2. Interlachen High School	2 through 8
3. Robert H. Jenkins, Jr. Middle School	9 and 10
4. Interlachen Elementary School	11
5. Browning-Pearce Elementary School	12 and 13
6. George C. Miller, Jr. Intermediate School	14 and 15
7. Middleton-Burney Elementary School	16 through 18
8. Palatka High School	19 through 24
9. Eleanor H. Miller School	25 and 26



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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 PUTNAM COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated July 1, 2010, that the Putnam 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 involving the student ridership data reported by the District, as follows: 97 of the 273 students in our sample had exceptions involving their reported ridership classification or eligibility for State transportation funding. (See SCHEDULE G, Finding Nos. 3, 5, 6, 7, 8, 9, and 10.)

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

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
March 7, 2011

SCHEDULE F

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

<u>Description</u>	<u>Number of Buses</u>	<u>% of Population</u>	<u>No. of Students Transported</u>	<u>% of Population (Sample)</u>
Population ¹	208	100.00%	13,140	100.00%
Sample ²	-	-	273	2.08%
<u>Sample Students</u>				
With Exceptions ³	-	-	97	(35.53%)
Net Audit Adjustments	-	-	(5)	(1.83%)
<u>Non-Sample Students</u>				
With Exceptions ³	-	-	40	NM
Net Audit Adjustments	-	-	(2)	NM
<u>Sample and Non-Sample Students</u>				
Net Audit Adjustments	-	-	(7)	NM

NM – Not meaningful

¹ The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2010. The District reported 13,140 students in the following ridership categories: 58 in IDEA (K-12), Weighted; 1,362 in IDEA (K-12), Unweighted; 77 in IDEA (PK), Weighted; 77 in IDEA (PK), Unweighted; 67 in Teenage Parents and Infants; and 11,499 in Two Miles or More. (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.

The accompanying notes are an integral part of this schedule.

SCHEDULE G

Putnam 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 Putnam 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 35.

**Students
 Transported
 Net Audit
 Adjustments**

Findings

Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey. Our detailed tests involved verification of the specific ridership categories reported for students sampled from the October 2009 survey and the February and June 2010 surveys. (The District did not transport students during the July 2009 survey.) Adjusted students who were in more than one survey, if any, 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. 51] The District's reported number of buses in operation incorrectly included five buses that were not in operation (i.e., were not used to transport students) during the October 2009 and June 2010 surveys, as follows: three buses (with ridership of 14 students) were reported incorrectly in the October 2009 survey and two buses (with ridership of 2 students) were reported incorrectly in the June 2010 survey. We were able to determine that: (a) 1 of the 14 students reported in the October 2009 survey and both of the students reported in the June 2010 survey were transported to school on other District buses and were eligible for State transportation funding, and (b) the reported ridership of the 13 other students in the October 2009 survey was not supported by the District's transportation records; thus, those 13 students should not have been reported for State transportation funding. We made the following audit adjustments:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>		<u>Students Transported Net Audit Adjustments</u>
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
Buses in Operation	<u>(3)</u>	--
<u>June 2010 Survey</u>		
<u>11 Days-in-Term</u>		
Buses in Operation	<u>(2)</u>	--
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Unweighted (<i>Non-Sample Student</i>)	(1)	
Two Miles or More (<i>Non-Sample Students</i>)	<u>(12)</u>	(13)
2. [Ref. 52] <u>One student was reported under an identification number for which no name or other demographic information could be located in the District's records; consequently, the ridership and eligibility of this student could not be established. We made the following audit adjustment.</u>		
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Non-Sample Student</i>)	(1)	(1)
3. [Ref. 53] <u>Twelve PK students (one of whom was in our sample) were incorrectly reported: eight in IDEA (K-12), Unweighted; three in IDEA (K-12), Weighted; and one in Two Miles or More. The students should have been reported in the appropriate IDEA (PK) ridership category. We made the following audit adjustments:</u>		
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Weighted (<i>Non-Sample Student</i>)	(1)	
IDEA (K-12), Unweighted (<i>Non-Sample Students</i>)	(2)	
Two Miles or More (<i>Non-Sample Student</i>)	(1)	
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Weighted (<i>Non-Sample Students</i>)	(2)	
IDEA (K-12), Unweighted (<i>Non-Sample Students</i>)	(4)	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustments</u>
<u>June 2010 Survey</u>		
<u>9 Days-in-Term</u>		
IDEA (K-12), Unweighted (<i>Non-Sample Student</i>)	(1)	
IDEA (K-12), Unweighted (<i>Sample Student</i>)	<u>(1)</u>	(12)
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Weighted (<i>Non-Sample Student</i>)	1	
IDEA (PK), Unweighted (<i>Non-Sample Students</i>)	3	
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Weighted (<i>Non-Sample Students</i>)	2	
IDEA (PK), Unweighted (<i>Non-Sample Students</i>)	4	
<u>June 2010 Survey</u>		
<u>9 Days-in-Term</u>		
IDEA (PK), Unweighted (<i>Non-Sample Student</i>)	1	
IDEA (PK), Unweighted (<i>Sample Student</i>)	<u>1</u>	12
4. <u>[Ref. 54] Twelve students who were transported during the February 2010 survey were incorrectly omitted from the District's reporting for that survey. The students were eligible to be reported in, and should have been reported in, Two Miles or More. We made the following audit adjustment:</u>		
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Non-Sample Students</i>)	<u>12</u>	12
5. <u>[Ref. 55] Eighty students were reported incorrectly in IDEA (K-12), Unweighted. They should have been reported in Two Miles or More. We made the following audit adjustments:</u>		
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Unweighted (<i>Sample Students</i>)	(36)	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustments</u>
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Unweighted (<i>Sample Students</i>)	(37)	
<u>June 2010 Survey</u>		
<u>11 Days-in-Term</u>		
IDEA (K-12), Unweighted (<i>Sample Students</i>)	(3)	
<u>9 Days-in-Term</u>		
IDEA (K-12), Unweighted (<i>Sample Students</i>)	(4)	(80)
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	36	
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	37	
<u>June 2010 Survey</u>		
<u>11 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	3	
<u>9 Days-in-Term</u>		
Two Miles or More (<i>Sample Students</i>)	4	80

6. [Ref. 56] We noted the following exceptions involving 11 PK students: (a) the IEPs for 10 students in IDEA (PK), Weighted did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification, and (b) the IEP for 1 student, who was reported incorrectly in IDEA (K-12), Unweighted, did not specifically authorize transportation services for that student who was otherwise ineligible to be reported. We made the following audit adjustments:

<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Weighted (<i>Sample Students</i>)	(3)	

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustments</u>
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (K-12), Unweighted (<i>Sample Student</i>)	(1)	
IDEA (PK), Weighted (<i>Sample Students</i>)	(3)	
<u>June 2010 Survey</u>		
<u>9 Days-in-Term</u>		
IDEA (PK), Weighted (<i>Sample Students</i>)	(4)	(11)
<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Unweighted (<i>Sample Students</i>)	3	
<u>February 2010 Survey</u>		
<u>90 Days-in-Term</u>		
IDEA (PK), Unweighted (<i>Sample Students</i>)	3	
<u>June 2010 Survey</u>		
<u>9 Days-in-Term</u>		
IDEA (PK), Unweighted (<i>Sample Students</i>)	4	10

7. [Ref. 57] One student was reported incorrectly in Teenage Parents and Infants. The student was not enrolled in a Teenage Parent program. However, the student lived more than two miles from school and was eligible to be reported in Two Miles or More. We made the following audit adjustment:

<u>October 2009 Survey</u>		
<u>90 Days-in-Term</u>		
Teenage Parents and Infants (<i>Sample Student</i>)	(1)	
Two Miles or More (<i>Sample Student</i>)	1	0

8. [Ref. 58] One PK student was reported incorrectly in IDEA (PK), Unweighted. The student was not an IDEA student and was otherwise ineligible for State transportation funding. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

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

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustments</u>
<p><u>February 2010 Survey</u> <u>90 Days-in-Term</u> IDEA (PK), Unweighted (<i>Sample Student</i>)</p>		
	(1)	(1)
<p>9. [Ref. 59] <u>Two students were reported incorrectly in Two Miles or More. The students lived less than two miles from school and were otherwise ineligible for State transportation funding. We made the following audit adjustment:</u></p>		
<p><u>February 2010 Survey</u> <u>90 Days-in-Term</u> Two Miles or More (<i>Sample Students</i>)</p>		
	(2)	(2)
<p>10. [Ref. 60] <u>One student in IDEA (K-12), Weighted was not listed on the supporting bus driver's report as a transported student; consequently, the student should not have been reported for State transportation funding. We made the following audit adjustment:</u></p>		
<p><u>February 2010 Survey</u> <u>90 Days-in-Term</u> IDEA (K-12), Weighted (<i>Sample Student</i>)</p>		
	(1)	(1)
Net Audit Adjustments		<u>(7)</u>
<u>Summary</u>		
Buses in Operation	<u>(5)</u>	--
Sample Students w/Exceptions	<u>97</u>	--
Sample Students - Net Audit Adjustments	--	(5)
Non-Sample Students w/Exceptions	<u>(40)</u>	--
Non-Sample Students - Net Audit Adjustments	--	<u>(2)</u>
Net Audit Adjustments		<u>(7)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Putnam 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 buses operated during each survey is accurately reported; (2) students are reported for the buses on which they were transported; (3) students are reported using appropriate identification numbers that can be traced to supporting student demographic information in the District’s records; (4) PK students are reported in the appropriate IDEA (PK) ridership category; (5) students transported during a survey are included in the District’s reporting for that survey; (6) ESE students eligible for IDEA classification, and only such students, are reported in appropriate IDEA ridership categories; (7) the IEPs for students in IDEA weighted ridership categories indicate that the students met at least one of the five criteria required for IDEA-weighted classification; (8) only students who are enrolled in Teenage Parent programs are reported in the Teenage Parents and Infants ridership category; (9) the distance from home to school for students classified in Two Miles or More is verified prior to those students being reported; and (10) only students who are transported at least one day during the 11-day survey window, as evidenced by a supporting bus driver’s report, are 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.

Putnam 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 Putnam County

For the fiscal year ended June 30, 2010, the District received approximately \$2.7 million in State transportation funding. The District’s transportation reporting by survey was as follows:

<u>Survey Period</u>	<u>No. of Buses</u>	<u>No. of Students</u>
July 2009	0	0
October 2009	96	6,517
February 2010	94	6,520
June 2010	<u>18</u>	<u>103</u>
Total	<u>208</u>	<u>13,140</u>

3. Statutes and Rules

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

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

Putnam 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



March 2, 2011

Mr. David W. Martin, CPA
Auditor General
Room 476A, Claude Pepper Building
ATTN: Joe Williams, Section 241
111 W. Madison Street
Tallahassee, FL 32399-1450

Dear Mr. Martin:

Contained herein are our responses to the draft report on the examination of the full-time equivalent students and student transportation for the fiscal year ended June 30, 2010.

As in previous years, we appreciate the service your office provides. Your staff conducted themselves in a courteous and professional manner.

Should you have any questions regarding the enclosed responses, please contact Mrs. Rhonda Odom, Chief Financial Officer, at (386)329-0513.

Sincerely,

Tom Townsend
Superintendent



Nikki Cummings
District I

Thomas D. Townsend
Superintendent of Schools

Terry Wright
District II

Lisa Parsons
District III

C. L. Overturf, Jr.
District IV

Kathy Jorgensen
District V

200 South 7th Street * Palatka, FL 32177
www.putnamschools.org

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Full-Time Equivalent Students
Schedule D

Finding #1:

Schools have been instructed to report students in the appropriate programs.

Finding #2:

Schools have been instructed to ensure that teachers have the necessary in-service training points in ESOL strategies that are required to instruct ELL students.

Finding #3:

Schools have been instructed to maintain proper files on all ELL students and to inform parents in a timely and dated manner of the students' placement in ESOL. Schools have been instructed to maintain proper records documenting English language assessments and LEP Committee recommendations for maintaining students in ESOL placement for continuous years.

Finding #4:

Schools have been instructed to properly maintain time cards of students in OJT, being sure that all time cards are properly signed and verifying that hours reported are the actual hours worked.

Finding #5:

Schools have been instructed to properly maintain time cards of students in OJT, being sure that all time cards are properly signed and verifying that hours reported are the actual hours worked.

Finding #6:

Schools have been informed to use timely and dated material to notify parents of teachers teaching out-of-field.

Finding #7:

Schools have been instructed to ensure that teachers have the necessary in-service training points in ESOL strategies that are required to instruct ELL students.

Finding #8:

Schools have been instructed to use properly certified teachers or to have the teacher properly and timely approved to teach out-of-field.

Finding #9:

Schools have been instructed to use properly certified teachers or to have the teacher properly and timely approved to teach out-of-field and to use timely and dated material to notify parents of out-of-field teachers.

Finding #10:

Schools have been instructed to use properly certified teachers or to have the teacher properly and timely approved to teach out-of-field and to use timely and dated material to notify parents of out-of-field teachers. Additionally, schools have been instructed to verify that teachers have earned the in-service training points necessary for ESOL strategies.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Finding #11:

Schools have been instructed to report students in the appropriate programs.

Finding #12:

Schools have been instructed to maintain proper files on all LEP students and to inform parents in a timely and dated manner of the student's placement in ESOL.

Finding #13:

Schools have been instructed to use properly certified teachers or to have the teacher properly and timely approved to teach out-of-field and to use timely and dated material to notify parents of out-of-field teachers.

Finding #14:

Schools have been instructed not to report students in ESOL beyond the maximum six years allowed.

Finding #15:

Schools have been instructed to use properly certified teachers or to have the teacher properly and timely approved to teach out-of-field and to use timely and dated material to notify parents of out-of-field teachers.

Finding #16:

Schools have been instructed to properly review to verify that LEP Committees considered all of the ESOL-placement criteria in placing students.

Finding #17:

Schools have been instructed to maintain proper records documenting English language assessments and LEP Committee recommendations for maintaining students in ESOL placement for continuous years.

Finding #18:

Schools have been instructed to use properly certified teachers or to have the teacher properly and timely approved to teach out-of-field and to use timely and dated material to notify parents of out-of-field teachers.

Finding #19:

Schools have been instructed to ensure that teachers have the necessary in-service training points in ESOL strategies that are required to instruct ELL students.

Finding #20:

Schools have been instructed to properly maintain time cards of students in OJT, being sure that all time cards are properly signed and verifying that hours reported are the actual hours worked.

Finding #21:

Schools have been instructed not to report students in ESOL beyond the maximum six years allowed.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Finding #22:

Schools have been instructed to properly review to verify that LEP Committees considered all of the ESOL-placement criteria in placing students.

Finding #23:

Schools have been instructed to report ESE students in accordance with the students' Matrix of Services form.

Finding #24:

Schools have been instructed to use properly certified teachers or to have the teacher properly and timely approved to teach out-of-field and to use timely and dated material to notify parents of out-of-field teachers.

Finding #25:

Schools have been instructed to timely process withdrawal forms and to not include withdrawn students in the reporting survey.

Finding #26:

Schools have been instructed to report ESE students in accordance with the students' Matrix of Services form.

EXHIBIT A (CONTINUED)
MANAGEMENT'S RESPONSE

Student Transportation
Schedule G

Finding #1:

The Transportation Department has been instructed to properly report the number of buses in service, as well as the correct ridership.

Finding #2:

The Transportation Department has been instructed to exercise more care and report students with the appropriate identification numbers that can be traced to supporting student demographic information.

Finding #3:

The Transportation Department has been instructed to report PK students in the appropriate IDEA (PK) ridership category.

Finding #4:

The Transportation Department has been instructed to ensure that students transported during a survey are included in the District's reporting for that survey.

Finding #5:

The Transportation Department has been instructed to ensure that ESE students eligible for IDEA classification, and only such students, are reported in appropriate IDEA ridership categories, and that all students are reported in the correct category

Finding #6:

The Transportation Department has been instructed to ensure that the IEPs for students in IDEA weighted ridership categories indicate that the students met at least one of the five criteria required for IDEA weighted classification.

Finding #7:

The Transportation Department has been instructed to ensure that only students who are enrolled in Teenage Parent programs are reported in the Teenage Parents and Infants ridership category, and that all students are reported in the correct category.

Finding #8:

The Transportation Department has been instructed to report all students in the correct category.

Finding #9:

The Transportation Department has been instructed to ensure that the distance from home to school for students classified in Two Miles or More is verified prior to those students being reported.

Finding #10:

The Transportation Department has been instructed to reconcile drivers' records with the reporting records.