STATE OF FLORIDA AUDITOR GENERAL

Attestation Examination

Report No. 2016-003
July 2015

BAY COUNTY
DISTRICT SCHOOL BOARD

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

For the Fiscal Year Ended
June 30, 2014

Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

Bay County District School Board members and the Superintendent of Schools who served during the 2013-14 fiscal year are listed below:

Member	District No.
Jerry L. Register, Chair	1
Ginger Littleton	2
Joe Wayne Walker	3
Ryan Scott Neves	4
Steven T. Moss, Vice Chair	5

William V. Husfelt III, Superintendent

The team leader was John Ray Speaks, Jr., and the examination was supervised by Aileen B. Peterson, CPA, CPM.

Please address inquiries regarding this report to J. David Hughes, CPA, Audit Manager, by e-mail at davidhughes@aud.state.fl.us or by telephone at (850) 412-2971.

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BAY COUNTY DISTRICT SCHOOL BOARD

LIST OF ABBREVIATIONS

ELL	English Language Learner
ESE	Exceptional Student Education
ESOL	English for Speakers of Other Languages
FAC	Florida Administrative Code
FEFP	Florida Education Finance Program
FES	Fluent English Speaker
FS	Florida Statutes
FTE	Full-Time Equivalent
IDEA	Individuals with Disabilities Education Act
IEP	Individual Educational Plan
OJT	On-the-Job Training
PK	Prekindergarten

BAY COUNTY DISTRICT SCHOOL BOARD

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SUMMARY

SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below involving teachers and reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in ESOL, ESE Support Levels 4 and 5, Career Education 9-12 (OJT), and student transportation, the Bay 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, 2014:

- Of the 129 teachers in our test, 15 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, the earning of college credits towards certification in the out-of-field subject areas, or the earning of required in-service training points in ESOL strategies. Of the 129 teachers in our test, 3 (2 percent) taught at charter schools and 1 of the 15 teachers (7 percent) with exceptions taught at charter schools.
- Eleven of the 65 students in our ESOL test, 25 of the 212 students in our ESE Support Levels 4 and 5 test, and 11 of the 34 students in our Career Education 9-12 (OJT) test had exceptions involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located. Of the 65 students in our ESOL test, 3 (5 percent) attended charter schools and 1 of the 11 students (9 percent) with exceptions attended charter schools. Of the 212 students in our ESE Support Levels 4 and 5 test, 1 (less than 1 percent) attended charter schools and 1 of the 25 students (4 percent) with exceptions attended charter schools. None of the students in our Career Education 9-12 (OJT) test attended charter schools.
- Of the 402 students in our student transportation test, 66 had exceptions involving their reported ridership classification or eligibility for State transportation funding.

Noncompliance related to reported FTE resulted in 47 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative 2.6608 (negative 2.6608 is all applicable to District schools other than charter schools) but has a potential impact on the District's weighted FTE of a negative 39.2890 (negative 35.4782 is applicable to District schools other than charter schools and negative 3.8108 is applicable to charter schools). Noncompliance related to student transportation resulted in 11 findings and a proposed net adjustment of a negative 890 students.

Weighted adjustments to FTE are presented in our report for illustrative purposes only. The weighted adjustments to FTE 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 adjustments. That computation is the responsibility of the Department of Education. However, the gross dollar effect of our proposed adjustments to FTE may be estimated by multiplying the proposed net weighted adjustment to FTE by the base student allocation amount. For the Bay County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative $147,424 (negative 39.2890 times $3,752.30), of which a negative $133,125 is applicable to District schools other than charter schools and a negative $14,299 is applicable to charter schools.

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

The ultimate resolution of our proposed adjustments to FTE and student transportation and the computation of their financial impact is the responsibility of the Department of Education.

SCHOOL DISTRICT OF BAY COUNTY

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

The governing body of the District is the District School Board that 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, 2014, State funding through FEFP was provided to the District for 37 District schools other than charter schools, 10 charter schools, 1 District cost center, and 3 virtual education cost centers serving prekindergarten through twelfth grade students. The District reported 26,261.89 unweighted FTE as recalibrated for those students that included 3,128.53 unweighted FTE as recalibrated for charter school students and received approximately $63.4 million in State funding through FEFP.

FLORIDA EDUCATION FINANCE PROGRAM (FEFP)

Full-Time Equivalent (FTE) Students

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, including charter schools, the availability of programs and services appropriate to the student's educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per-student cost for equivalent educational programs due to sparsity and dispersion of student population. 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 brick and mortar school students, 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 that equals one FTE). For virtual education students, one student would be reported as one FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be a fraction of

an FTE. Half-credit completions will be included in determining an FTE. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

For the 2013-14 school year and beyond, all student FTE enrollment is capped at 1.0 FTE except for FTE reported by the Department of Juvenile Justice (DJJ) students beyond the 180-day school year. School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The Department of Education combines all FTE enrollment reported for the student by all school districts, including the Florida Virtual School (FLVS) Part-Time Program, using a common student identifier. The Department of Education then recalibrates all reported FTE student enrollment for each student to 1.0 FTE, if the total reported FTE for the student exceeds 1.0 FTE. The FTE reported for extended school year periods and DJJ FTE enrollment earned beyond the 180-day school year is not included in the recalibration to 1.0 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 2 or more miles from school, be physically handicapped, be a Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. Additionally, Section 1002.33(20)(c), Florida Statutes, provides that the governing board of the charter school may provide transportation through an agreement or contract with the district school board, a private provider, or parents. The charter school and the sponsor shall cooperate in making arrangements that ensure that transportation is not a barrier to equal access for all students residing within a reasonable distance of the charter school as determined in its charter. The District received approximately $4.4 million for student transportation as part of the State funding through FEFP.

AUDITOR GENERAL
STATE OF FLORIDA

Sherrill F. Norman, CPA
Auditor General

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

Phone: (850) 412-2722
Fax: (850) 488-6975

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

INDEPENDENT AUDITOR'S REPORT
ON THE NUMBER OF FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined the Bay County District School Board's compliance 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, 2014. 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 2013-14* 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.

Our examination procedures disclosed the following material noncompliance:

Teachers

Of the 129 teachers in our test,[1] 15 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, the earning of college credits towards certification in the out-of-field subject areas, or

[1] For teachers, see SCHEDULE D, Findings 5, 6, 7, 12, 25, 35, 36, 37, 42, and 46.

the earning of required in-service training points in ESOL strategies. Of the 129 teachers in our test, 3 (2 percent) taught at charter schools and 1 of the 15 teachers (7 percent) with exceptions taught at charter schools.

Students

Eleven of the 65 students in our ESOL test,[2] 25 of the 212 students in our ESE Support Levels 4 and 5 test,[3] and 11 of the 34 students in our Career Education 9-12 (OJT) test[4] had exceptions involving reporting errors or records that were not properly or accurately prepared or were missing and could not be located. Of the 65 students in our ESOL test, 3 (5 percent) attended charter schools and 1 of the 11 students (9 percent) with exceptions attended charter schools. Of the 212 students in our ESE Support Levels 4 and 5 test, 1 (less than 1 percent) attended charter schools and 1 of the 25 students (4 percent) with exceptions attended charter schools. None of the students in our Career Education 9-12 (OJT) test attended charter schools.

In our opinion, except for the material noncompliance mentioned above involving teachers and reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Bay County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2014.

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the District's compliance with State requirements and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. The purpose of our examination was to express an opinion on the District's compliance with State requirements and did not include expressing an opinion on the District's related internal controls. Accordingly, we express no such opinion. Due to its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.[5] However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to teacher certification and reporting errors or records that were not properly or accurately prepared or were not available at the time of our

[2] For ESOL, see SCHEDULE D, Findings 4, 8, 13, 14, 15, 27, 28, 40, 41, and 47.

[3] For ESE Support Levels 4 and 5, see SCHEDULE D, Findings 1, 2, 3, 10, 11, 17, 18, 19, 20, 21, 22, 23, 24, 26, 34, 38, 39, and 45.

[4] For Career Education 9-12 (OJT), see SCHEDULE D, Findings 29, 30, 31, 43, and 44.

[5] A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis.

examination and could not be subsequently located for students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT). Our examination disclosed certain other findings that are required to be reported under *Government Auditing Standards* and those findings, along with the views of responsible officials, are described in SCHEDULE A and EXHIBIT A, respectively. The impact of this noncompliance on the District's reported FTE is presented in SCHEDULES A, B, C, and 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,

Sherrill F. Norman
Tallahassee, Florida
July 20, 2015

SCHEDULE A

POPULATIONS, TEST SELECTION, AND TEST RESULTS
FULL-TIME EQUIVALENT (FTE) STUDENTS

Reported FTE

The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. FEFP funds ten specific programs that are grouped under the following four general program titles: Basic, ESOL, ESE, and Career Education 9-12 (OJT). Unweighted FTE represents FTE prior to the application of the specific cost factor for each program. (See SCHEDULE B and NOTES A3, A4, and A6.) The District reported 26,261.89 unweighted FTE as recalibrated, which included 3,128.53 unweighted FTE as recalibrated for the charter schools students, at 37 District schools other than charter schools, 10 charter schools, 1 District cost center, and 3 virtual education cost centers reported to the Department of Education for the fiscal year ended June 30, 2014.

Schools and Students

As part of our examination procedures, we tested FTE reported to the Department of Education for schools and students for the fiscal year ended June 30, 2014. (See NOTE B.) The population of schools (51) consisted of the total number of brick and mortar schools in the District that offered courses, including charter schools, as well as the designated District virtual education cost centers in the District that offered virtual instruction in FEFP-funded programs. The population of students (10,100) consisted of the total number of students in each program at the schools and cost centers in our tests. Our Career Education 9-12 student test data includes only those students who participated in OJT. Our populations and tests of schools and students are summarized as follows:

	Number of Schools		Number of Students at Schools Tested		Students with	Recalibrated Unweighted FTE		Proposed
Programs	Population	Test	Population	Test	Exceptions	Population	Test	Adjustments
Basic	47	16	7,971	164	0	20,457.64	139.2820	20.5339
Basic with ESE Services	50	16	1,524	92	4	4,337.65	76.7980	8.2496
ESOL	37	11	152	65	11	298.12	45.7779	(10.4168)
ESE Support Levels 4 and 5	31	10	399	212	25	597.12	185.2018	(14.2999)
Career Education 9-12	13	2	54	34	11	571.36	7.5115	(6.7276)
All Programs	51	17	10,100	567	51	26,261.89	454.5712	(2.6608)

Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (356 of which 353 are applicable to District schools other than charter schools and 3 are applicable to charter schools) consisted of the total number of teachers at schools in our test who taught courses in ESE Support Levels 4 and 5, Career Education 9-12, or taught courses to ELL students, and of the total number of teachers reported under virtual education cost centers in our test who taught courses in Basic, Basic with ESE Services, ESE Support Levels 4 and 5, Career Education 9-12, or taught courses to ELL students. From the population of teachers,

we selected 129 teachers and found exceptions for 15. Of the 129 teachers included in our test, 3 (2 percent) taught at charter schools and 1 of the 15 teachers (7 percent) with exceptions taught at charter schools.

Proposed Adjustments

Our proposed adjustments present the net effects of noncompliance disclosed by our examination procedures, including those related to our tests of teacher certification. Our proposed 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. (See SCHEDULES B, C, and D.)

The ultimate resolution of our proposed adjustments to FTE and the computation of their financial impact is the responsibility of the Department of Education.

SCHEDULE B

EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FTE
FULL-TIME EQUIVALENT (FTE) STUDENTS

District Schools Other Than Charter Schools		Proposed Net	Cost	Weighted
No.	Program[1]	Adjustment[2]	Factor	FTE[3]
101	Basic K-3	2.3823	1.125	2.6801
102	Basic 4-8	3.2807	1.000	3.2807
103	Basic 9-12	13.2052	1.011	13.3505
111	Grades K-3 with ESE Services	8.7437	1.125	9.8367
112	Grades 4-8 with ESE Services	.4657	1.000	.4657
113	Grades 9-12 with ESE Services	(.9598)	1.011	(.9704)
130	ESOL	(9.6561)	1.145	(11.0562)
254	ESE Support Level 4	(14.3063)	3.558	(50.9018)
255	ESE Support Level 5	.9114	5.089	4.6381
300	Career Education 9-12	(6.7276)	1.011	(6.8016)
	Subtotal	(2.6608)		(35.4782)

Charter Schools		Proposed Net	Cost	Weighted
No.	Program[1]	Adjustment[2]	Factor	FTE[3]
102	Basic 4-8	1.6657	1.000	1.6657
130	ESOL	(.7607)	1.145	(.8710)
255	ESE Support Level 5	(.9050)	5.089	(4.6055)
	Subtotal	.0000		(3.8108)

Total of Schools		Proposed Net	Cost	Weighted
No.	Program[1]	Adjustment[2]	Factor	FTE[3]
101	Basic K-3	2.3823	1.125	2.6801
102	Basic 4-8	4.9464	1.000	4.9464
103	Basic 9-12	13.2052	1.011	13.3505
111	Grades K-3 with ESE Services	8.7437	1.125	9.8367
112	Grades 4-8 with ESE Services	.4657	1.000	.4657
113	Grades 9-12 with ESE Services	(.9598)	1.011	(.9704)
130	ESOL	(10.4168)	1.145	(11.9272)
254	ESE Support Level 4	(14.3063)	3.558	(50.9018)
255	ESE Support Level 5	.0064	5.089	.0326
300	Career Education 9-12	(6.7276)	1.011	(6.8016)
	Total	(2.6608)		(39.2890)

[1] See NOTE A6.

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

[3] Weighted adjustments to FTE are presented for illustrative purposes only. The weighted adjustments to FTE 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 adjustments. That computation is the responsibility of the Department of Education. (See NOTE A4.)

SCHEDULE C

PROPOSED ADJUSTMENTS[1] BY SCHOOL
FULL-TIME EQUIVALENT (FTE) STUDENTS

		Proposed Adjustments			
No.	Program	#0061	#0071	#0111	Balance Forward
101	Basic K-3	.....	.....	.4285	.4285
102	Basic 4-8	.....	1.4994	.4285	1.9279
103	Basic 9-12	3.4094	.....	.....	3.4094
111	Grades K-3 with ESE Services	.....	.....	.....	.0000
112	Grades 4-8 with ESE Services	.....	(.0242)	.....	(.0242)
113	Grades 9-12 with ESE Services	1.0002	.....	.....	1.0002
130	ESOL	(3.3494)	(.9996)	(.8570)	(5.2060)
254	ESE Support Level 4	(1.0602)	(.4756)	.....	(1.5358)
255	ESE Support Level 5	(.0250)	(.0150)	.....	(.0400)
300	Career Education 9-12	.....	.....	.....	.0000
Total		(.0250)	(.0150)	.0000	(.0400)

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

		Proposed Adjustments				
No.	**Brought Forward**	**#0191**	**#0241**	**#0281**	**#0461**	**Balance Forward**
101	.4285	.4264	(.4999)	.....	.....	.3550
102	1.9279	.....	.....	.....	.....	1.9279
103	3.4094	.....	.....	.4999	.....	3.9093
111	.0000	.....	2.0000	.....	5.7779	7.7779
112	(.0242)	(.0100)	.....	.....	.....	(.0342)
113	1.0002	.....	.....	.....	.....	1.0002
130	(5.2060)	(.4264)	.....	.....	.....	(5.6324)
254	(1.5358)	.....	(1.5001)	(1.9995)	(5.7779)	(10.8133)
255	(.0400)	.....	.....	1.0064	(.0150)	.9514
300	.0000	.....	.....	.....	.....	.0000
Total	(.0400)	(.0100)	.0000	(.4932)	(.0150)	(.5582)

No.	Brought Forward	Proposed Adjustments #0501	#0551	#0571	#0581	Balance Forward
101	.3550	.....	.....	2.0273	.....	2.3823
102	1.9279	.....	.....	1.3528	.....	3.2807
103	3.9093	.....	9.2959	.....	.....	13.2052
111	7.7779	.5001	.....	.4657	.....	8.7437
112	(.0342)	.....	.....	.4999	.....	.4657
113	1.0002	.....	(1.9600)	.....	.....	(.9598)
130	(5.6324)	.....	(2.6709)	(1.3528)	.....	(9.6561)
254	(10.8133)	(.5001)	.....	(2.9929)	.....	(14.3063)
255	.9514	.....	(.0400)	.....	.....	.9114
300	.0000	.....	(5.8360)	.....	(.8916)	(6.7276)
Total	(.5582)	.0000	(1.2110)	.0000	(.8916)	(2.6608)

			Proposed Adjustments		
No.	**Program**	**Brought Forward**	**#0711***	**#0751***	**Total**
101	Basic K-3	2.3823	.....	.....	2.3823
102	Basic 4-8	3.2807	1.2414	.4243	4.9464
103	Basic 9-12	13.2052	.....	.....	13.2052
111	Grades K-3 with ESE Services	8.7437	.....	.....	8.7437
112	Grades 4-8 with ESE Services	.4657	.....	.....	.4657
113	Grades 9-12 with ESE Services	(.9598)	.....	.....	(.9598)
130	ESOL	(9.6561)	(.3364)	(.4243)	(10.4168)
254	ESE Support Level 4	(14.3063)	.....	.....	(14.3063)
255	ESE Support Level 5	.9114	(.9050)	.....	.0064
300	Career Education 9-12	(6.7276)	.....	.....	(6.7276)
Total		(2.6608)	.0000	.0000	(2.6608)

*Charter School

SCHEDULE D

FINDINGS AND PROPOSED ADJUSTMENTS
FULL-TIME EQUIVALENT (FTE) STUDENTS

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 2013-14* issued by the Department of Education. Except for the material noncompliance involving teachers and reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Bay County District School Board complied, in all material respects, with State requirements governing the determination and reporting of FTE for the fiscal year ended June 30, 2014. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 22.

Findings		**Proposed Net Adjustments (Unweighted FTE)**
Our examination included the July and October 2013 reporting survey periods and the February and June 2014 reporting survey periods (see NOTE A5). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2013 reporting survey period or the February 2014 reporting survey period or both. Accordingly, our Findings do not mention specific reporting survey periods unless necessary for a complete understanding of the instances of noncompliance being disclosed.		
Bay High School (#0061)		
1. [Ref. 6101] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:		
113 Grades 9-12 with ESE Services	.5002	
254 ESE Support Level 4	(.5002)	.0000
2. [Ref. 6102] One ESE student enrolled in the Hospital and Homebound Program was reported for more homebound instruction than was provided. We propose the following adjustment:		
255 ESE Support Level 5	(.0250)	(.0250)

Findings		Proposed Net Adjustments (Unweighted FTE)

Bay High School (#0061) (Continued)

3. [Ref. 6103] There was no evidence that the *Matrix of Services* form for one ESE student was reviewed and updated when the student's new IEP was prepared. We propose the following adjustment:

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

4. [Ref. 6104] One ELL student's English language proficiency was not assessed within 30 school days prior to the student's ESOL anniversary date. We propose the following adjustment:

103 Basic 9-12	.2922	
130 ESOL	(.2922)	.0000

5. [Ref. 6171] One teacher was not properly certified and was not approved by the School Board to teach Art out of field. We also noted that the parents of the students were not notified of the teacher's out-of-field status. We propose the following adjustment:

103 Basic 9-12	.0600	
254 ESE Support Level 4	(.0600)	.0000

6. [Ref. 6172/76/77] Three Language Arts teachers had not earned the required number of in-service training points in ESOL strategies required by rule and the teachers' in-service training timelines (none of the 300 points for Ref. 6172, 79 of the 120 points for Ref. 6176, and 60 of the 120 points for Ref. 6177). We also noted that one of the teachers (Ref. 6176) was not approved by the School Board to teach ESOL out of field and the parents of the students were not notified of the teacher's out-of-field status. We propose the following adjustments:

Ref. 6172		
103 Basic 9-12	.2768	
130 ESOL	(.2768)	.0000
Ref. 6176		
103 Basic 9-12	.6920	
130 ESOL	(.6920)	.0000
Ref. 6177		
103 Basic 9-12	.3076	
130 ESOL	(.3076)	.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

Bay High School (#0061) (Continued)

7. [Ref. 6173/74/75] Three teachers taught Basic subject area classes that included ELL students but had not earned the required number of in-service training points in ESOL strategies required by rule and the teachers' in-service training timelines (20 of the 60 points – Ref. 6173 and none of the 60 points – Ref. 6174/75). We propose the following adjustments:

Ref. 6173		
103 Basic 9-12	.9504	
130 ESOL	(.9504)	.0000
Ref. 6174		
103 Basic 9-12	.1384	
130 ESOL	(.1384)	.0000
Ref. 6175		
103 Basic 9-12	.6920	
130 ESOL	(.6920)	.0000
		(.0250)

Merritt Brown Middle School (#0071)

8. [Ref. 7101] The file for one ELL student enrolled in the ESOL Program did not contain an *ELL Student Plan* that was valid for the 2013-14 school year. We propose the following adjustment:

102 Basic 4-8	.8330	
130 ESOL	(.8330)	.0000

9. [Ref. 7102] The file for one ESE student did not contain an IEP covering the February 2014 reporting survey period. We propose the following adjustment:

102 Basic 4-8	.4998	
112 Grades 4-8 with ESE Services	(.4998)	.0000

10. [Ref. 7103] One ESE student enrolled in the Hospital and Homebound Program was reported for more homebound instruction than was provided. We propose the following adjustment:

255 ESE Support Level 5	(.0150)	(.0150)

11. [Ref. 7104] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:

Findings		Proposed Net Adjustments (Unweighted FTE)
Merritt Brown Middle School (#0071) (Continued)		
112 Grades 4-8 with ESE Services	.4756	
254 ESE Support Level 4	(.4756)	.0000

12. [Ref. 7171] One teacher was not properly certified and was not approved by the School Board to teach English out of field. We also noted that the parents of the students were not notified of the teacher's out-of-field status. We propose the following adjustment:

102 Basic 4-8	.1666	
130 ESOL	(.1666)	.0000
		(.0150)

Merriam Cherry Street Elementary School (#0111)

13. [Ref. 11101] The file for one ELL student did not contain an *ELL Student Plan* that was valid for the 2013-14 school year. We also noted that the student's file did not contain evidence that the student's parents had been notified of their child's ESOL placement. We propose the following adjustment:

101 Basic K-3	.4285	
130 ESOL	(.4285)	.0000

14. [Ref. 11102] An ELL Committee was not convened within 30 school days prior to one ELL student's ESOL anniversary date to consider the student's extended ESOL placement for a sixth year. We propose the following adjustment:

102 Basic 4-8	.4285	
130 ESOL	(.4285)	.0000
		.0000

Oakland Terrace School for the Visual and Performing Arts (#0191)

15. [Ref. 19101] One ELL student's *ELL Student Plan* was incomplete as it did not include the student's instructional schedule indicating the courses and programs that would employ ESOL strategies. We propose the following adjustment:

101 Basic K-3	.4264	
130 ESOL	(.4264)	.0000

Findings			Proposed Net Adjustments (Unweighted FTE)
Oakland Terrace School for the Visual and Performing Arts (#0191) (Continued)			
16. [Ref. 19102] One ESE student was reported for more speech therapy instruction than was provided. We propose the following adjustment:			
	112 Grades 4-8 with ESE Services	(.0100)	(.0100)
			(.0100)
St. Andrew School (#0241)			
17. [Ref. 24102] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:			
	111 Grades K-3 with ESE Services	1.0000	
	254 ESE Support Level 4	(1.0000)	.0000
18. [Ref. 24103] The file for one ESE student contained a *Matrix of Services* form that was not dated; consequently, we were unable to determine if the *Matrix of Services* form was reviewed or updated when the student's new IEP was developed. We propose the following adjustment:			
	111 Grades K-3 with ESE Services	1.0000	
	254 ESE Support Level 4	(1.0000)	.0000
19. [Ref. 24104] One ESE student was not reported in accordance with the student's *Matrix of Services* form. We propose the following adjustment:			
	101 Basic K-3	(.4999)	
	254 ESE Support Level 4	.4999	.0000
			.0000
Margaret K. Lewis in Millville (#0281)			
20. [Ref. 28101] Six ESE students were not reported in accordance with the students' *Matrix of Services* forms. We propose the following adjustment:			
	254 ESE Support Level 4	(.4996)	
	255 ESE Support Level 5	.4996	.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

Margaret K. Lewis in Millville (#0281) (Continued)

21. [Ref. 28102] The IEP for one ESE student was not signed by the participants who had taken part in the development of the student's IEP. We also noted that the student's file did not contain a *Matrix of Services* form. We propose the following adjustment:

103 Basic 9-12	.4999	
254 ESE Support Level 4	(.4999)	.0000

22. [Ref. 28103] Three ESE students enrolled in the Hospital and Homebound Program were reported for less homebound instruction than was provided. We propose the following adjustment:

255 ESE Support Level 5	.0068	.0068

23. [Ref. 28104] One ESE student was not in attendance during the October 2013 reporting survey period and should not have been reported for FEFP funding. We also noted that the student was not reported in accordance with the student's *Matrix of Services* form in the February 2014 reporting survey. We propose the following adjustment:

254 ESE Support Level 4	(1.0000)	
255 ESE Support Level 5	.5000	(.5000)
		(.4932)

Deer Point Elementary School (#0461)

24. [Ref. 46101] One ESE student was reported for more homebound instruction than was provided. We propose the following adjustment:

255 ESE Support Level 5	(.0150)	(.0150)

25. [Ref. 46171] One teacher was not properly certified and was not approved by the School Board to teach an ESE course out of field. The teacher was certified in ESE; however, the course required that the teacher also have a PK Disabilities endorsement. We also noted that the parents of the students taught by this teacher were not notified of the teacher's out-of-field status. We propose the following adjustment:

111 Grades K-3 with ESE Services	5.7779	
254 ESE Support Level 4	(5.7779)	.0000
		(.0150)

Findings		Proposed Net Adjustments (Unweighted FTE)

Tyndall Elementary School (#0501)

26. [Ref. 50101] There was no evidence that the *Matrix of Services* form for one ESE student was reviewed and updated when the student's new IEP was prepared. We propose the following adjustment:

111 Grades K-3 with ESE Services	.5001	
254 ESE Support Level 4	(.5001)	.0000
		.0000

J.R. Arnold High School (#0551)

27. [Ref. 55101] Two ELL students were beyond the maximum 6-year period allowed for State funding of ESOL. We propose the following adjustment:

103 Basic 9-12	1.4376	
130 ESOL	(1.4376)	.0000

28. [Ref. 55102] One ELL student's *ELL Student Plan* was incomplete as it did not include the student's instructional schedule indicating the courses and programs that would employ ESOL strategies. We propose the following adjustment:

103 Basic 9-12	.2188	
130 ESOL	(.2188)	.0000

29. [Ref. 55103] The timecards for five Career Education 9-12 (OJT) students were not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

300 Career Education 9-12	(.6780)	(.6780)

30. [Ref. 55104] The timecards for two Career Education 9-12 (OJT) students supported less time than was reported. We propose the following adjustment:

300 Career Education 9-12	(.2518)	(.2518)

31. [Ref. 55105] The timecard covering the October 2013 reporting survey period for one Career Education 9-12 (OJT) student was not signed by the student's employer and the timecard covering the February 2014 reporting survey period was signed prior to the survey week. Consequently, the timecards were not appropriately verified. We propose the following adjustment:

300 Career Education 9-12	(.2812)	(.2812)

Findings		Proposed Net Adjustments (Unweighted FTE)

J.R. Arnold High School (#0551) (Continued)

32. [Ref. 55106] The IEP for one ESE student did not include a signature page. We propose the following adjustment:

103 Basic 9-12	1.0000	
113 Grades 9-12 with ESE Services	(1.0000)	.0000

33. [Ref. 55107] The file for one ESE student did not contain an IEP that covered the 2013-14 school year. We propose the following adjustment:

103 Basic 9-12	1.0000	
113 Grades 9-12 with ESE Services	(1.0000)	.0000

34. [Ref. 55108] The file for one ESE student did not contain a *Matrix of Services* form. We propose the following adjustment:

113 Grades 9-12 with ESE Services	.0400	
255 ESE Support Level 5	(.0400)	.0000

35. [Ref. 55171] One teacher taught Language Arts to a class that included an ELL student but had earned only 111 of the 300 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We propose the following adjustment:

103 Basic 9-12	.1406	
130 ESOL	(.1406)	.0000

36. [Ref. 55172] One teacher who taught Basic subject area classes that included ELL students 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 propose the following adjustment:

103 Basic 9-12	.4284	
130 ESOL	(.4284)	.0000

37. [Ref. 55173/74] Two teachers were not properly certified and were not approved by the School Board to teach Math (Ref. 55173) or Family and Consumer Science (Ref. 55174) out of field. We also noted that the parents of the students taught by the teachers were not notified of the teachers' out-of-field status. We propose the following adjustments:

Findings		Proposed Net Adjustments (Unweighted FTE)
J.R. Arnold High School (#0551) (Continued)		
Ref. 55173		
103 Basic 9-12	.4455	
130 ESOL	(.4455)	.0000
Ref. 55174		
103 Basic 9-12	4.6250	
300 Career Education 9-12	(4.6250)	.0000
		(1.2110)

Breakfast Point Academy (#0571)

38. [Ref. 57102] There was no evidence that the *Matrix of Services* form for one ESE student was reviewed and updated when the student's new IEP was prepared. We propose the following adjustment:

111 Grades K-3 with ESE Services	.4657	
254 ESE Support Level 4	(.4657)	.0000

39. [Ref. 57103] One ESE student's *Matrix of Services* form was not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

112 Grades 4-8 with ESE Services	.4999	
254 ESE Support Level 4	(.4999)	.0000

40. [Ref. 57104] One ELL student's *ELL Student Plan* was incomplete as it did not include the student's instructional schedule indicating the courses and programs that would employ ESOL strategies. We propose the following adjustment:

102 Basic 4-8	.5000	
130 ESOL	(.5000)	.0000

41. [Ref. 57105] The ELL Committee for one ELL student who was FES and a competent English reader and writer did not document at least two of the five ESOL placement criteria specified in State Board of Education Rule 6A-6.0902(2)(a)3., FAC, prior to recommending the student's continued ESOL placement. We propose the following adjustment:

102 Basic 4-8	.8528	
130 ESOL	(.8528)	.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

Breakfast Point Academy (#0571) (Continued)

42. [Ref. 57171] One teacher was not properly certified and was not approved by the School Board to teach an ESE course out of field. The teacher was certified in ESE but taught a course that also required the teacher to have an Autism Spectrum Disorder endorsement. We also noted that the parents of the students taught by this teacher were not notified of the teacher's out-of-field status. We propose the following adjustment:

101 Basic K-3	2.0273	
254 ESE Support Level 4	(2.0273)	.0000
		.0000

Rosenwald High School (#0581)

43. [Ref. 58101] The timecards for two Career Education 9-12 (OJT) students were not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

300 Career Education 9-12	(.2250)	(.2250)

44. [Ref. 58102] The timecard for one Career Education 9-12 (OJT) student did not indicate the date the student's employer signed the timecard. We also noted that the timecard included the student's work hours on a monthly basis but did not indicate what days and times that the student worked. Consequently, we were unable to determine the actual hours worked by the student during the October 2013 and February 2014 reporting survey periods. We propose the following adjustment:

300 Career Education 9-12	(.6666)	(.6666)
		(.8916)

Bay Haven Charter Middle School (#0711)

45. [Ref. 71101] One ESE student's schedule was entirely reported in Program No. 255 (ESE Support Level 5) for both the on-campus and homebound instruction in the October 2013 and February 2014 reporting survey periods based on the student's placement in the Hospital and Homebound Program. However, the student's on-campus instruction should have been reported in Program No. 102 (Basic 4-8). We propose the following adjustment:

102 Basic 4-8	.9050	
255 ESE Support Level 5	(.9050)	.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

Bay Haven Charter Middle School (#0711) (Continued)

46. [Ref. 71171] One teacher taught Language Arts to classes that included ELL students but had earned only 148 of the 300 in-service training points in ESOL strategies required by rule and the teacher's in-service training timeline. We propose the following adjustment:

102 Basic 4-8	.3364	
130 ESOL	(.3364)	.0000
		.0000

North Bay Haven Charter Academy Elementary School (#0751)

47. [Ref. 75101] An ELL Committee was not convened and an English language assessment was not completed within 30 school days prior to one ELL student's ESOL anniversary date to consider the student's extended ESOL placement for a sixth year. We propose the following adjustment:

102 Basic 4-8	.4243	
130 ESOL	(.4243)	.0000
		.0000

Proposed Net Adjustment	(2.6608)

SCHEDULE E

RECOMMENDATIONS AND REGULATORY CITATIONS
FULL-TIME EQUIVALENT (FTE) STUDENTS

RECOMMENDATIONS

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) only students in membership and in attendance at least 1 day during the 11-day survey window are reported with the survey's results and the related source attendance records are retained to support this reporting; (2) students are reported in the proper funding categories for the correct amount of FTE and have adequate documentation to support that reporting, particularly with regard to students enrolled in the Hospital and Homebound Program receiving homebound instruction; (3) ESE students are reported in accordance with the students' *Matrix of Services* forms that are properly completed; (4) there is evidence of review of the *Matrix of Services* forms to ensure that the forms accurately and currently reflect the IEP services in effect during the reporting survey; (5) IEPs are timely prepared, signed by the required participants, and retained in the students' files; (6) the English language proficiency of students being considered for extension of their ESOL placements (beyond the initial 3-year base period) is assessed within 30 school days prior to the students' ESOL anniversary dates and ELL Committees are convened subsequent to these assessments but no later than each student's ESOL anniversary date; (7) *ELL Student Plans* are timely prepared, dated, and include the students' instructional schedules by program; (8) students assessed English proficient are placed or retained in ESOL based on the placement recommendations of ELL Committees that have considered the criteria specified by State Board of Education Rule 6A-6.0902(2)(a)3., FAC; (9) parents are timely notified of their children's ESOL placements; (10) students are not reported in the ESOL Program beyond the maximum 6-year period allowed for State funding of ESOL; (11) students in Career Education 9-12 (OJT) are reported in accordance with timecards that are accurately completed, signed, and retained in readily-accessible files; (12) teachers are properly certified or, if out of field, are approved to teach out of field by the District or Charter School Boards; (13) out-of-field teachers earn appropriate in-service training points as required by rule and in-service training timelines; and (14) parents are appropriately notified of teachers' out-of-field status.

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 1007.271(21), FS ..... Dual Enrollment Programs
Section 1011.60, FS ..... Minimum Requirements of the Florida Education Finance Program
Section 1011.61, FS ..... Definitions

Section 1011.62, FS ..... Funds for Operation of Schools
Rule 6A-1.0451, FAC ..... Florida Education Finance Program Student Membership Surveys
Rule 6A-1.04513, FAC ..... Maintaining Auditable FTE Records

FTE General Instructions 2013-14

Attendance

Section 1003.23, FS ..... Attendance Records and Reports
Rules 6A-1.044(3) and (6)(c), FAC ..... Pupil Attendance Records
Rule 6A-1.04513, FAC ..... Maintaining Auditable FTE Records

FTE General Instructions 2013-14

Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook

English for Speakers of Other Languages (ESOL)

Section 1003.56, FS ..... English Language Instruction for Limited English Proficient Students
Section 1011.62(1)(g), FS ..... Education for Speakers of Other Languages
Rule 6A-6.0901, FAC ..... Definitions Which Apply to Programs for English Language Learners
Rule 6A-6.0902, FAC ..... Requirements for Identification, Eligibility, and Programmatic Assessments of English Language Learners
Rule 6A-6.09021, FAC ..... Annual English Language Proficiency Assessment for English Language Learners (ELLs)
Rule 6A-6.09022, FAC ..... Extension of Services in English for Speakers of Other Languages (ESOL) Program
Rule 6A-6.0903, FAC ..... Requirements for Exiting English Language Learners from the English for Speakers of Other Languages Program
Rule 6A-6.09031, FAC ..... Post Reclassification of English Language Learners (ELLs)
Rule 6A-6.0904, FAC ..... Equal Access to Appropriate Instruction for English Language Learners

Career Education On-the-Job Attendance

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

Career Education On-the-Job Funding Hours

Rule 6A-6.055(3), FAC ..... Definitions of Terms Used in Vocational Education and Adult Programs

FTE General Instructions 2013-14

Exceptional Education

Section 1003.57, FS ..... Exceptional Students Instruction
Section 1011.62, FS ..... Funds for Operation of Schools
Section 1011.62(1)(e), FS ..... Funding Model for Exceptional Student Education Programs
Rule 6A-6.03028, FAC ..... Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities
Rule 6A-6.03029, FAC ..... Development of Individualized Family Support Plans for Children with Disabilities Ages Birth Through Five Years
Rule 6A-6.0312, FAC ..... Course Modifications for Exceptional Students
Rule 6A-6.0331, FAC ..... General Education Intervention Procedures, Evaluation, Determination of Eligibility, Reevaluation and the Provision of Exceptional Student Education Services
Rule 6A-6.0334, FAC ..... Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students
Rule 6A-6.03411, FAC ..... Definitions, ESE Policies and Procedures, and ESE Administrators
Rule 6A-6.0361, FAC ..... Contractual Agreement with Nonpublic Schools and Residential Facilities

Matrix of Services Handbook (2012 Revised Edition)

Teacher Certification

Section 1012.42(2), FS ..... Teacher Teaching Out-of-Field; Notification Requirements
Section 1012.55, FS ..... Positions for Which Certificates Required
Rule 6A-1.0502, FAC ..... Non-certificated Instructional Personnel
Rule 6A-1.0503, FAC ..... Definition of Qualified Instructional Personnel
Rule 6A-4.001, FAC ..... Instructional Personnel Certification
Rule 6A-6.0907, FAC ..... Inservice Requirements for Personnel of Limited English Proficient Students

Virtual Education

Section 1002.321, FS ..... Digital Learning
Section 1002.37, FS ..... The Florida Virtual School
Section 1002.45, FS ..... Virtual Instruction Programs
Section 1002.455, FS ..... Student Eligibility for K-12 Virtual Instruction
Section 1003.498, FS ..... School District Virtual Course Offerings

Charter Schools

Section 1002.33, FS ..... Charter Schools

NOTE A – SUMMARY
FULL-TIME EQUIVALENT (FTE) STUDENTS

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

1. School District of Bay County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Bay County, Florida. Those services are provided primarily to 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 Bay County.

For the fiscal year ended June 30, 2014, State funding through FEFP was provided to the District for 37 District schools other than charter schools, 10 charter schools, 1 District cost center, and 3 virtual education cost centers serving prekindergarten through twelfth grade students. The District reported 26,261.89 unweighted FTE as recalibrated for those students that included 3,128.53 unweighted FTE as recalibrated for charter school students and received approximately $63.4 million in State funding through FEFP. 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, including charter schools, the availability of programs and services appropriate to the student's educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per-student cost for equivalent educational programs due to sparsity and dispersion of student population.

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 4 through 12, 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. For brick and mortar school students, 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 that equals one FTE). For virtual education students, one

student would be reported as one FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be a fraction of an FTE. Half-credit completions will be included in determining an FTE. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

4. Recalibration of FTE to 1.0

For the 2013-14 school year and beyond, all student FTE enrollment is capped at 1.0 FTE except for FTE reported by the Department of Juvenile Justice (DJJ) students beyond the 180-day school year. School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The Department of Education combines all FTE enrollment reported for the student by all school districts, including the Florida Virtual School (FLVS) Part-Time Program, using a common student identifier. The Department of Education then recalibrates all reported FTE student enrollment for each student to 1.0 FTE, if the total reported FTE for the student exceeds 1.0 FTE. The FTE reported for extended school year periods and DJJ FTE enrollment earned beyond the 180-day school year is not included in the recalibration to 1.0 FTE.

5. 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.

6. FTE Reporting Survey Periods

FTE is determined and reported during the school year by means of four FTE membership survey periods that are conducted under the direction of district and school management. Each survey is a testing of FTE membership for a period of one week. The surveys for the 2013-14 school year were conducted during and for the following weeks: survey period one was performed for July 8 through 12, 2013; survey period two was performed for October 14 through 18, 2013; survey period three was performed for February 10 through 14, 2014; and survey period four was performed for June 16 through 20, 2014.

7. 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.

8. Statutes and Rules

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

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

NOTE B – TESTING
FULL-TIME EQUIVALENT (FTE) STUDENTS

Our examination procedures provided for the selection of tests of schools, students, and teachers using judgmental methods for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2014. Our testing 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 selected for testing:

School	Finding Number(s)
1. Bay High School	1 through 7
2. Merritt Brown Middle School	8 through 12
3. Merriam Cherry Street Elementary School	13 and 14
4. Oakland Terrace School for the Visual and Performing Arts	15 and 16
5. Southport Elementary School	NA
6. St. Andrew School	17 through 19
7. Margaret K. Lewis in Millville	20 through 23
8. Deer Point Elementary School	24 and 25
9. Tyndall Elementary School	26
10. J.R. Arnold High School	27 through 37
11. Breakfast Point Academy	38 through 42
12. Rosenwald High School	43 and 44
13. Bay Haven Charter Middle School*	45 and 46
14. North Bay Haven Charter Academy Elementary School*	47
15. Bay Virtual Instruction Program	NA
16. Bay Virtual Franchise	NA

*Charter School

AUDITOR GENERAL
STATE OF FLORIDA

Sherrill F. Norman, CPA
Auditor General

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

Phone: (850) 412-2722
Fax: (850) 488-6975

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

INDEPENDENT AUDITOR'S REPORT
ON STUDENT TRANSPORTATION

We have examined the Bay County District School Board's compliance with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2014. 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 2013-14* 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.

Our examination procedures disclosed material noncompliance with the District's reported student ridership data as follows: 66 of the 402 students in our test had exceptions involving their reported ridership classification or eligibility for State transportation funding. (See SCHEDULE G, Findings 6, 7, 8, 9, 10, and 11.)

In our opinion, except for the material noncompliance mentioned above involving their reported ridership classification or eligibility for State transportation funding, the Bay County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of students transported under the FEFP for the fiscal year ended June 30, 2014.

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report all deficiencies considered to be significant deficiencies or material weaknesses in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the District's compliance with State requirements and any other instances that warrant the attention of those charged with governance; noncompliance with provisions of contracts or grant agreements, and abuse that has a material effect on the subject matter. We are also required to obtain and report the views of responsible officials concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. 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 their reported ridership classification or eligibility for State transportation funding. Our examination disclosed certain other findings that are required to be reported under *Government Auditing Standards* and those findings, along with the views of responsible officials, are described in SCHEDULE G and EXHIBIT A, respectively. The impact of this noncompliance on the District's reported number of transported students is presented in SCHEDULES F and G.

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

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,

Sherrill F. Norman
Tallahassee, Florida
July 20, 2015

[1] A significant deficiency is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that material noncompliance will not be prevented, or detected and corrected, on a timely basis.

POPULATIONS, TEST SELECTION, AND TEST RESULTS
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 2 or more miles from school, be physically handicapped, be a Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. (See NOTE A1.)

As part of our examination procedures, we tested students for the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2014. (See NOTE B.) The population of vehicles (276) consisted of the total of the numbers of vehicles (buses, vans, or passenger cars) reported by the District for each reporting survey period. For example, a vehicle that transported students during the July and October 2013 and February and June 2014 reporting survey periods would be counted in the population as four vehicles. Similarly, the population of students (21,621) consisted of the total numbers of students reported by the District as having been transported for each reporting survey period. (See NOTE A2.) The District reported students in the following ridership categories:

Ridership Category	Number of Students Transported
Teenage Parents and Infants	25
Hazardous Walking	1,559
IDEA – PK through Grade 12, Weighted	815
All Other FEFP Transportation Eligible Students	19,222
Total	21,621

Students with exceptions are students with exceptions affecting their ridership category. Students cited only for incorrect reporting of days in term, if any, are not included in our error rate determination.

Our examination results are summarized below:

Description	Buses Proposed Net Adjustment	Students With Exceptions	Students Proposed Net Adjustment
We noted that the reported number of buses in operation was overstated.	(7)		
We tested 402 of the 21,621 students reported as being transported by the District.		66	(53)
We also noted certain issues in conjunction with our general tests of student transportation that resulted in the addition of 1,011 students.	_	1,011	(837)
Total	(7)	1,077	(890)

Our proposed net adjustment presents the net effect of noncompliance disclosed by our examination procedures. (See SCHEDULE G.)

The ultimate resolution of our proposed net adjustment and the computation of its financial impact is the responsibility of the Department of Education.

SCHEDULE G

FINDINGS AND PROPOSED ADJUSTMENTS
STUDENT TRANSPORTATION

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 2013-14* issued by the Department of Education. Except for the material noncompliance involving their reported ridership classification or eligibility for State transportation funding, the Bay County District School Board complied, in all material respects, with State requirements governing the determination and reporting of students transported for the fiscal year ended June 30, 2014. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 42.

Findings	Students Transported Proposed Net 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 period. Our detailed tests involved verification of the specific ridership categories reported for students tested from the July and October 2013 reporting survey periods and the February and June 2014 reporting survey periods. Adjusted students who were in more than one reporting survey period are accounted for by reporting survey period. For example, a student tested twice (i.e., once for the October 2013 reporting survey period and once for the February 2014 reporting survey period) will be presented in our Findings as two test students.	
1. [Ref. 51] Our general tests of the reported ridership disclosed that a number of students reported for transportation funding did not have a matching demographic record in the State FTE database. We provided the relevant information to District staff allowing them to research and provide any documentation to support the eligibility of these students for transportation reporting. Twenty-one students could not be validated and, as a result, were not eligible for State transportation funding. We propose the following adjustments:	

Findings		Students Transported Proposed Net Adjustments
July 2013 Survey		
24 Days in Term		
All Other FEFP Eligible Students	(1)	
8 Days in Term		
All Other FEFP Eligible Students	(3)	
6 Days in Term		
All Other FEFP Eligible Students	(3)	
October 2013 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(7)	
February 2014 Survey		
90 Days in Term		
IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	(6)	(21)

2. [Ref. 52] Our general tests disclosed that ten students reported in the IDEA - PK through Grade 12, Weighted ridership category did not have a primary exceptionality record in the State FTE database. We determined that three of the students were eligible to be reported in the All Other FEFP Eligible Students ridership category and the remaining seven students were not otherwise eligible for State transportation. We propose the following adjustments:

July 2013 Survey		
6 Days in Term		
IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	1	
October 2013 Survey		
90 Days in Term		
IDEA - PK through Grade 12, Weighted	(2)	
All Other FEFP Eligible Students	1	
February 2014 Survey		
90 Days in Term		
IDEA - PK through Grade 12, Weighted	(7)	
All Other FEFP Eligible Students	1	(7)

Findings		Students Transported Proposed Net Adjustments

3. [Ref. 53] Our general tests disclosed that 62 students were incorrectly reported for State transportation funding, as follows:

a. Five PK students were reported in the All Other FEFP Eligible Students ridership category; however, the students were not enrolled in a Teenage Parent Program or ESE Program. Consequently, the students were not eligible for State transportation funding.

b. Fifty-seven students (18 PK and 39 middle school students) were reported in the Hazardous Walking ridership category; however, the Hazardous Walking ridership category is designated for elementary school students in Grades K-6. We determined that 27 of the students were eligible to be reported in the All Other FEFP Eligible Students ridership category and the remaining 30 students were not otherwise eligible for State transportation funding.

We propose the following adjustments:

a. October 2013 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(3)	
February 2014 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(2)	(5)
b. February 2014 Survey		
90 Days in Term		
Hazardous Walking	(57)	
All Other FEFP Eligible Students	27	(30)

4. [Ref. 54] Our general tests disclosed that four students were incorrectly reported for State transportation funding. Three of the students were home schooled and one student was attending the Bay Regional Juvenile Detention Center; consequently, the students were not eligible to be reported for State transportation funding. We propose the following adjustments:

July 2013 Survey	
6 Days in Term	
IDEA - PK through Grade 12, Weighted	(1)
October 2013 Survey	
90 Days in Term	
All Other FEFP Eligible Students	(1)

Findings		Students Transported Proposed Net Adjustments
February 2014 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(2)	(4)

5. [Ref. 55] Our general tests disclosed exceptions involving the reported number of buses in operation (7 buses) and the reported student ridership count of 219 students, as follows:

a. The bus drivers' reports for six buses that were properly accounted for in the bus count in the July 2013 reporting survey period were not signed by the bus drivers; consequently, the student ridership was not validated for the 55 students associated with these bus drivers' reports.

b. Five bus numbers in the October 2013 reporting survey period were inadvertently included in the count of the number of buses in operation because of misreporting newly acquired bus numbers as the buses assigned (although not in service as yet) to these students. However, we were able to determine that all but one of the students were reportable under the actual bus number that provided their transportation.

c. Two bus drivers' reports (one in the October 2013 reporting survey period with 78 students and one in the February 2014 reporting survey period with 85 students) were not available at the time of our examination and could not be subsequently located; consequently, the associated student ridership reported on those buses could not be verified.

We propose the following adjustments:

a.	**July 2013 Survey**		
	6 Days in Term		
	IDEA - PK through Grade 12, Weighted	(47)	
	All Other FEFP Eligible Students	(8)	(55)
b.	**October 2013 Survey**		
	Number of Buses in Operation (5)		
	90 Days in Term		
	All Other FEFP Eligible Students	(1)	(1)
c.	**October 2013 Survey**		
	Number of Buses in Operation (1)		

Findings			Students Transported Proposed Net Adjustments
90 Days in Term			
All Other FEFP Eligible Students		(78)	
February 2014 Survey			
Number of Buses in Operation	(1)		
	(7)		
90 Days in Term			
All Other FEFP Eligible Students		(85)	(163)

6. [Ref. 56] Three students in our test were not enrolled in school during the July 2013 reporting survey period; consequently, the students were not eligible for State transportation funding. We propose the following adjustment:

July 2013 Survey		
6 Days in Term		
IDEA - PK through Grade 12, Weighted	(3)	(3)

7. [Ref. 57] The reported ridership of 20 students in our test was not adequately supported. The students were either not listed on the bus drivers' reports or the bus drivers' reports indicated that the students were not transported during the 11-day survey window. We propose the following adjustments:

July 2013 Survey		
8 Days in Term		
IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	(1)	
October 2013 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(7)	
February 2014 Survey		
90 Days in Term		
Hazardous Walking	(3)	
IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	(6)	
June 2014 Survey		
34 Days in Term		
All Other FEFP Eligible Students	(1)	(20)

Findings	Students Transported Proposed Net Adjustments
8. [Ref. 58/62] In our review of the *Hazardous Walking Conditions Report* and the students reported in the Hazardous Walking ridership category, we noted the following:	
a. The *Hazardous Walking Conditions Report* incorrectly listed the hazardous location code (Number 140020) for two different and separate hazardous walking locations. Each established hazardous walking location should have been assigned a unique code number (Ref. 58).	
b. Contrary to Section 1006.23(2)(b), FS, there was no evidence to show that the District had requested determinations from the State or local governmental entities having jurisdiction as to whether the hazardous conditions would be corrected and, if so, regarding a projected completion date for any of the reported hazardous locations (Ref. 58).	
c. Several students were reported under hazardous walking location codes that did not correspond to the students' addresses or schools attended (i.e., the students did not have to cross the designated hazards to get to the students' assigned schools). Upon further review, we determined that incorrect hazardous walking location codes were entered for these students; however, the students were eligible for reporting under different hazardous walking location codes (Ref. 58).	
d. The hazardous walking location code numbers for 15 of the hazardous walking locations were identified as parallel designations; however, the locations of the hazardous walking conditions were listed as intersection points and not as clearly defined roadways with a definitive starting point and ending point to define the parallel areas. We reviewed area maps and the District's supporting documentation that was maintained on file and made a determination as to the allowable hazardous parallel location areas (Ref. 62).	
e. We were unable to match 712 students' routes (17 students were in our test) to the designated hazards identified by the students' reported hazardous conditions code numbers or identify other hazardous conditions code numbers to support the students' reporting in the Hazardous Walking ridership category. We determined that 145 of the students were otherwise eligible for reporting in the All Other FEFP Eligible Students ridership category and the remaining 567 students were not otherwise eligible for State transportation funding (Ref. 62).	

Findings		Students Transported Proposed Net Adjustments

We propose the following adjustment:

February 2014 Survey		
90 Days in Term		
Hazardous Walking	(712)	
All Other FEFP Eligible Students	145	(567)

9. [Ref. 59] Ten students (7 Basic students and 3 ESE students) in our test were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students lived less than 2 miles from their assigned school and the IEPs for three of the students who were Speech Impaired, Language Impaired, or Specific Learning Disabled did not indicate the need for transportation services. We also noted that one of the students was not marked as riding the bus during the reporting survey period. We propose the following adjustments:

July 2013 Survey		
8 Days in Term		
All Other FEFP Eligible Students	(2)	
October 2013 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(3)	
February 2014 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(5)	(10)

10. [Ref. 60] We noted that 12 students in our test were incorrectly reported in the IDEA - PK through Grade 12, Weighted ridership category, as follows:

a. The IEPs for 5 students did not support that the students met at least one of the five criteria required for the IDEA-Weighted classification.

b. The files for 2 students did not contain IEPs covering the reporting survey periods.

c. The IEPs for 2 students indicated a need for a car seat as the basis for IDEA-Weighted classification; however, a car seat is not considered medical equipment.

Findings	Students Transported Proposed Net Adjustments

d. The IEP for 1 student indicated "coordination to charter school" inferring that the location of the school was outside the District boundaries to support the IDEA-Weighted classification; however, the school was located within the District boundaries.

e. The IEP for 1 student indicated the student was hearing impaired and required a special transportation environment; however, there was no physician's prescription on file to support this medical condition.

f. One student was not listed on the bus driver's report and should not have been reported for State transportation funding.

We determined that 11 of the students were eligible to be reported in the All Other FEFP Eligible Students ridership category. We propose the following adjustments:

July 2013 Survey		
8 Days in Term		
IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	1	
6 Days in Term		
IDEA - PK through Grade 12, Weighted	(2)	
All Other FEFP Eligible Students	2	
October 2013 Survey		
90 Days in Term		
IDEA - PK through Grade 12, Weighted	(2)	
All Other FEFP Eligible Students	2	
February 2014 Survey		
90 Days in Term		
IDEA - PK through Grade 12, Weighted	(7)	
All Other FEFP Eligible Students	6	(1)

11. [Ref. 61] Four students in our test were reported in the Teenage Parents and Infants ridership category; however, there was no documentation to support that the students were enrolled in the Teenage Parent Program. We also noted that one of the students was not marked as riding the bus during the reporting survey period. We determined that one of the students was eligible to be reported in the All Other FEFP Eligible Students ridership category. We propose the following adjustment:

Findings		Students Transported Proposed Net Adjustments
February 2014 Survey		
90 Days in Term		
Teenage Parents and Infants	(4)	
All Other FEFP Eligible Students	1	(3)
Proposed Net Adjustment		(890)

SCHEDULE H

RECOMMENDATIONS AND REGULATORY CITATIONS
STUDENT TRANSPORTATION

RECOMMENDATIONS

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) the number of buses used to transport students is accurately reported; (2) bus drivers' reports are maintained to support all reported student ridership; (3) transportation management review their database for completeness and accuracy to ensure that students are reported in ridership categories that are appropriate for the studentand that all students have matching demographics to support that the students are properly enrolled and are eligible for State transportation funding; (4) only those students who are in membership and are documented as having been transported at least one time during the 11-day survey window are reported for State transportation funding; (5) students reported in IDEA-Weighted ridership category are appropriately documented as meeting one of the five criteria required for such classification as noted on the students' IEPs; (6) transportation management review and document the designated hazardous locations in sufficient detail to support what is defined as the hazardous location and that this information is clearly and completing documented on the *Hazardous Walking Conditions Report* that is submitted to the Department of Education; (7) students reported in the Hazardous Walking ridership category are associated with the correct location code as defined in the District's *Hazardous Walking Conditions Report*; (8) only eligible students who are on routes that are approved and determined as meeting the criteria for hazardous walking conditions and that need to cross the specific hazardous walking locations are reported in the Hazardous Walking ridership category; (9) the distance from home to school is verified prior to students being reported in both the Hazardous Walking ridership category and the All Other FEFP Eligible Students ridership category; and (10) students reported in the Teenage Parents and Infants ridership category have documentation to support this reporting.

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

Section 1002.33, FS ..... Charter Schools
Chapter 1006, Part I, E., FS ..... Transportation of Public K-12 Students
Section 1011.68, FS ..... Funds for Student Transportation
Chapter 6A-3, FAC ..... Transportation

Student Transportation General Instructions 2013-14

NOTE A - SUMMARY
STUDENT TRANSPORTATION

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 2 or more miles from school, be physically handicapped, be a Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes.

2. Transportation in Bay County

For the fiscal year ended June 30, 2014, the District received approximately $4.4 million for student transportation as part of the State funding through FEFP. The District's transportation reporting by survey was as follows:

Survey Period	Number of Vehicles	Number of Students
July 2013	22	329
October 2013	129	9,586
February 2014	124	11,678
June 2014	1	28
Total	276	21,621

3. Statutes and Rules

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

Section 1002.33, FS ..... Charter Schools
Chapter 1006, Part I, E., FS ..... Transportation of Public K-12 Students
Section 1011.68, FS ..... Funds for Student Transportation
Chapter 6A-3, FAC ..... Transportation

NOTE B – TESTING
STUDENT TRANSPORTATION

Our examination procedures for testing provided for the selection of students using judgmental methods for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2014. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements governing students transported.

MANAGEMENT'S RESPONSE

WILLIAM V. HUSFELT III
SUPERINTENDENT

1311 Balboa Avenue
Panama City, Florida
32401-2080

(850) 767-4100
Hearing Impaired Access
(800) 955-8770 Voice
(800) 955-8771 TDD

www.bay.k12.fl.us

Board Members:

Jerry Register
District 1

Ginger Littleton
District 2

Joe Wayne Walker
District 3

Ryan Neves
District 4

Steve Moss
District 5

July 20, 2015

Ms. Sherrill F. Norman, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

SUBJECT: FTE/Transportation Audit for Bay District Schools

Dear Ms. Norman:

In response to the FEFP Audit Summary of Findings pertaining to FTE (Schedule D), we have sent a copy of the findings to each principal and/or supervisor to work to correct these deficiencies so that the records will be correct next year. I am offering the following summary of findings and corrective actions:

Finding Number/s	***Corrective Action***
ESE:	
1, 11, 17, 18, 19, 20, 21, 23, 26, 34, 38, 39,	ESE Resource teachers & ESE clerk will review IEPs & Matrix on a quarterly basis for reporting in accordance with the student's *Matrix of Services* Form. Procedures for completion of forms (including required signatures) will also be discussed at meetings.
2, 10, 22, 24, 45	Payroll clerk & ESE clerk will monitor homebound services with each payroll.
3, 9, 32, 33	Resource teachers & ESE clerk will monitor new student records & Matrix/IEP review and check for signatures, correct dates, etc.
16	Resource teachers, ESE clerk, and speech therapists will review students' IEPs to verify contact time and document the same time for therapy services in order to accurately report time. Procedures will be discussed at meetings.
23	ESE clerk and teachers will verify that students who are documented as enrolled in school are in attendance during the reporting survey period.

25, 42	Please refer to the Certification Section at the end of this letter. The District also has Reimbursement Procedures for some teachers who take and pass certification tests (information in the Salary Schedule and established procedures given to schools and staff members).
ELL/ESOL:	
4, 14, 27, 41, 47	Ongoing training will be provided at Guidance Counselor Meetings as well as Email reminders of procedures found in State Board Rule. PowerPoint presentations will be discussed at Principals' Meetings. Review of student cum folders will be conducted on a regular basis. FOCUS software data will be reviewed for anniversary and testing dates.
8, 13, 15, 28, 40	Ongoing training will be provided at Guidance Counselor Meetings as well as Email reminders of procedures found in State Board Rule. PowerPoint presentations will be discussed at Principals' Meetings. Review of student cum folders will be conducted on a regular basis. The ESOL Department has developed a chart of audit findings, corrective action, and person responsible for each action. They will share all audit findings with individual schools. An indicator for this has been added in our FOCUS/ ENRICH student data systems. Schedules will be printed and attached to the plan.
6, 7, 35, 36, 46	Please see the reference to Certification at the end of this letter. Email notification of the required 60 hours will be sent to content area teachers with ELL students. Courses are offered Free of Charge through Beacon Learning Center. The District is also paying to add the 300 hour ESOL endorsement to the teacher's certificate (free of charge).
6, 12, 37	The ESOL and HR Departments will work closely with MIS regarding the out-of-field teachers for ESOL data report. Staff will document that the out-of-field letter is sent with a copy in the student's Cumulative Folder.

CAREER EDUCATION

29, 30, 31, 43, 44	The supervising teacher for Career Education OJT students will develop an organized plan to record the receipt of timecards documenting that students worked during the reporting surveys and that all timecards are signed by the student and the student's employer.

In response to the FEFP Audit Summary of Findings pertaining to **Student Transportation (Schedule G)**, I am offering the following summary of findings and corrective actions:

Finding/s: 1-11

Corrective Action:

The District has continued to reorganize the Transportation Department for the 2013-2014 and 2014-2015 school years which included hiring new supervisors and new transportation staff. Employees have been and will continue to be trained in correcting the database errors causing audit findings. Extensive employee training has occurred and will continue throughout the school year. The union contract has been negotiated and changed to include more training opportunities for transportation staff.

Transportation will take corrective action as required to ensure that all students transported by buses or vans are accurately classified and reported in the correct ridership category for the number of days-in-term.

Additional training will be provided on reporting students in ESE weighted classifications, especially PK students enrolled in a voluntary PK program. Transportation is working more closely with ESE Department staff to determine the IEP status of students.

In the past, a different software program for student demographics was used in the Transportation Department. A new software program was implemented as a pilot program for more than a year and is now fully operational for the 2015–2016 school year. New practices (using our new District software program for student demographics, FOCUS) are now in place to verify that students who are documented as enrolled in school and meet the two-mile distance requirement are transported at least one time during each survey week.

Transportation is also working more closely with the Student Services Department and school program staff to determine the status/

demographics of students enrolled in the Teen Parenting Program, DJJ, and home schooling.

Transportation will ensure the bus drivers receive specific training regarding FTE survey Weeks and Reporting as part of the FEFP and that all bus drivers' FEFP reports are maintained and secured in files in the Transportation Department.

Hazardous walking ridership procedures will be reviewed for compliance with grades KG through 6th only and revised as needed. Staff continues to meet with government officials in properly identifying and documenting certain locations as creating a hazardous walking condition for students attending school.

Transportation will review reports throughout the school year in order to correct identified student errors in the new bus routing software application (Versa Tran) to prevent as many student errors from occurring in the future. The new program is also used for routing purposes to increase efficiency.

As part of reviewing files/ reports on a regular basis for errors and holding regular routing meetings, the new bus numbers will be identified only after they are actually being used for student transportation.

CERTIFICATION:

5, 6, 12, 37	Letters will be sent to the teacher and principal notifying them of the out-of-field placement and training requirements. The District will send a quarterly out-of-field teacher report to the District School Board for approval. Parents of students in the class being taught will also be notified that the teacher is out-of-field. Staff will document that the out-of-field letter is sent with a copy in the student's Cumulative Folder.

Please contact me if you have any additional questions or concerns.

Sincerely,

Sandra D. Davis

Sandra D. Davis
Deputy Superintendent