STATE OF FLORIDA AUDITOR GENERAL

Attestation Examination

Report No. 2016-026
October 2015

DESOTO 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

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

Member	District No.
Rodney W. Hollingsworth, Chair to 11-11-13	1
Karen K. Chancey, Vice Chair from 11-12-13	2
Deborah D. Snyder, Vice Chair to 11-11-13; Chair from 11-12-13	3
William S. Stanko	4
Ronny R. Allen	5

Dr. Karyn E. Gary, Superintendent

The team leader was Mary Anne Pekkala, CPA, and the examination was supervised by Aileen B. Peterson, CPA, CPM.

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DESOTO COUNTY DISTRICT SCHOOL BOARD

LIST OF ABBREVIATIONS

CMW	Class Minutes, Weekly
DJJ	Department of Juvenile Justice
ELL	English Language Learner
ESE	Exceptional Student Education
ESOL	English for Speakers of Other Languages
FAC	Florida Administrative Code
FEFP	Florida Education Finance Program
FS	Florida Statutes
FTE	Full-Time Equivalent
IDEA	Individuals with Disabilities Education Act
IEP	Individual Educational Plan
OJT	On-the-Job Training
PK	Prekindergarten

DESOTO 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, and Career Education 9-12 (OJT), the DeSoto 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 and students transported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2014:

- Of the 44 teachers in our test, 11 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, or notification to parents regarding teachers' out-of-field status. The District did not report any charter schools; therefore, none of the 44 teachers included in our tests taught at charter schools.
- Fifty of the 72 students in our ESOL test, 3 of the 12 students in our ESE Support Levels 4 and 5 test, and 4 of the 24 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. The District did not report any charter schools; therefore, none of the students included in our tests attended charter schools.

Noncompliance related to the reported FTE resulted in 19 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative .7871 (negative .7871 is all applicable to District schools other than charter schools) but has a potential impact on the District's weighted FTE of a negative 7.4827 (negative 7.4827 is all applicable to District schools other than charter schools). Noncompliance related to student transportation resulted in 7 findings and a proposed net adjustment of a negative 84 students.

The weighted adjustments to the FTE are presented in our report for illustrative purposes only. The weighted adjustments to the 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 the FTE may be estimated by multiplying the proposed net weighted adjustment to the FTE by the base student allocation amount. For the DeSoto County District School Board, the estimated gross dollar effect of our proposed adjustments to the reported FTE is a negative $28,077 (negative 7.4827 times $3,752.30), of which all is applicable to District schools other than 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 the FTE and student transportation and the computation of their financial impact is the responsibility of the Department of Education.

SCHOOL DISTRICT OF DESOTO COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of DeSoto 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 DeSoto 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 the FEFP was provided to the District for eight District schools other than charter schools and three District cost centers serving prekindergarten through twelfth-grade students. The District reported 4,702.07 unweighted FTE as recalibrated for those students and received approximately $19.2 million in State funding through the FEFP.

FLORIDA EDUCATION FINANCE PROGRAM (FEFP)

Full-Time Equivalent (FTE) Students

Florida school districts receive State funding through the FEFP to serve prekindergarten through twelfth-grade students (adult education is not funded by the FEFP). The 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 that 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 the 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 the FTE earned 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 $780,398 for student transportation as part of the State funding through the FEFP.

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STATE OF FLORIDA

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

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

We have examined the DeSoto 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 44 teachers in our test, 11 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, or notification to parents regarding teachers' out-of-field status.[1] The District did not report any charter schools; therefore, none of the 44 teachers included in our test taught at charter schools.

[1] For teachers, see *SCHEDULE D*, Findings 7, 8, 11, 14, 16, and 19.

Students

Fifty of the 72 students in our ESOL test,[2] 3 of the 12 students in our ESE Support Levels 4 and 5 test,[3] and 4 of the 24 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 not available at the time of our examination and could not be subsequently located. The District did not report any charter schools; therefore, none of the students included in our tests 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 DeSoto 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 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 D* and *MANAGEMENT'S RESPONSE*, respectively. The impact of this noncompliance on the District's reported FTE is presented in *SCHEDULES A, B, C,* and *D*.

[2] For ESOL, see *SCHEDULE D*, Findings 5, 6, 9, 10, and 13.

[3] For ESE Support Levels 4 and 5, see *SCHEDULE D*, Findings 2 and 18.

[4] For Career Education 9-12 (OJT), see *SCHEDULE D*, Findings 3 and 4.

[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.

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, CPA
Tallahassee, Florida
October 27, 2015

SCHEDULE A

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

Reported FTE

The funding provided by the FEFP is based upon the numbers of individual students participating in particular educational programs. The 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 the FTE prior to the application of the specific cost factor for each program. (See *SCHEDULE B* and NOTES A3, A4, and A5.) The District reported 4,702.07 unweighted FTE as recalibrated for those students at eight District schools other than charter schools and three District cost centers 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 (11) consisted of the total number of brick and mortar schools in the District that offered courses as well as the District cost centers. The population of students (3,549) consisted of the total number of students in each program at the schools and District 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	9	5	2,698	46	1	3,451.0400	31.4926	33.1648
Basic with ESE Services	10	5	516	34	2	776.8300	26.0191	.2695
ESOL	5	3	291	72	50	365.2500	57.2678	(28.0381)
ESE Support Levels 4 and 5	7	3	12	12	3	11.6500	7.3318	(1.1818)
Career Education 9-12	3	1	32	24	4	97.3000	4.6849	(5.0015)
All Programs	11	6	3,549	188	60	4,702.0700	126.7962	(.7871)

Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (155) 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. From the population of teachers, we selected 44 and found exceptions for 11. The District did not report any charter schools; therefore, none of the 44 teachers included in our test 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 test of teacher qualifications. Our proposed adjustments generally reclassify the 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 the 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

No.	Program[1]	Proposed Net Adjustment[2]	Cost Factor	Weighted FTE[3]
101	Basic K-3	16.9389	1.125	19.0563
102	Basic 4-8	4.3093	1.000	4.3093
103	Basic 9-12	11.9166	1.011	12.0477
112	Grades 4-8 with ESE Services	(.5327)	1.000	(.5327)
113	Grades 9-12 with ESE Services	.8022	1.011	.8110
130	ESOL	(28.0381)	1.145	(32.1036)
255	ESE Support Level 5	(1.1818)	5.089	(6.0142)
300	Career Education 9-12	(5.0015)	1.011	(5.0565)
	Total	(.7871)		(7.4827)*

***The District did not report any charter schools and there were no proposed adjustments for charter schools. Thus, there was no effect on the District's weighted FTE.**

[1] See NOTE A7.

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

[3] Weighted adjustments to the FTE are presented for illustrative purposes only. The weighted adjustments to the 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 A5.)

SCHEDULE C

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

		Proposed Adjustments[1]			
No.	Program	#0031	#0061	#0081	Balance Forward
101	Basic K-3	.....	.....	16.8189	16.8189
102	Basic 4-8	.....	1.5934	2.7349	4.3283
103	Basic 9-12	9.1433	.....	.....	9.1433
112	Grades 4-8 with ESE Services	.....	.....	(.5015)	(.5015)
113	Grades 9-12 with ESE Services	.8568	.....	.....	.8568
130	ESOL	(7.3924)	(1.5934)	(19.0523)	(28.0381)
255	ESE Support Level 5	(.8568)	.....	.....	(.8568)
300	Career Education 9-12	(2.1990)	.....	.....	(2.1990)
Total		(.4481)	.0000	.0000	(.4481)

[1] These proposed adjustments are for unweighted FTE. (See NOTE A5.)

No.		Brought Forward	Proposed Adjustments[1] #0191	#9003	Total
101	Basic K-3	16.8189	.....	.1200	16.9389
102	Basic 4-8	4.3283	(.0390)	.0200	4.3093
103	Basic 9-12	9.1433	2.6933	.0800	11.9166
112	Grades 4-8 with ESE Services	(.5015)	(.0312)	.....	(.5327)
113	Grades 9-12 with ESE Services	.8568	(.0546)	.....	.8022
130	ESOL	(28.0381)	.....	.....	(28.0381)
255	ESE Support Level 5	(.8568)	.....	(.3250)	(1.1818)
300	Career Education 9-12	(2.1990)	(2.8025)	.....	(5.0015)
Total		(.4481)	(.2340)	(.1050)	(.7871)

[1] These proposed adjustments are for unweighted FTE. (See NOTE A5.)

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 DeSoto County District School Board complied, in all material respects, with State requirements governing the determination and reporting of of the number of FTE students under the FEFP 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 17.

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 A6). 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.	
DeSoto County High School (#0031)	
1. [Ref. 3107] The District did not have written policies and procedures specific to attendance record keeping. The School did not have documentation of attendance for each period, contrary to the Department of Education's *Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook (Handbook)*. The *Handbook* states that "the system shall include a sign-on indicator to assure that attendance is being taken regularly. Daily 'sign-ons' shall be reported by exceptions; i.e., by who has not signed on each day. An exception report shall be generated on a regular basis so that the principal or the principal's designee may assure that some positive action is taken in each course/period." The School's	

Findings		Proposed Net Adjustments (Unweighted FTE)

DeSoto County High School (#0031) (Continued)

Attendance Tracking Report generally indicates that teachers were taking attendance in periods one and two; however, several teachers were listed on this report as not taking attendance in the other class periods. Since we were able to verify attendance for the students selected in our tests for period one or two, we present this disclosure Finding with no proposed adjustment.

.0000

2. [Ref. 3101] One ESE student's schedule was incorrectly reported in Program No. 255 (ESE Support Level 5). The student was assigned intermittently in the Hospital Homebound Program; however, the student was receiving only school-based instruction during the October 2013 and February 2014 reporting survey periods. We also noted that the student's file did not contain a *Matrix of Services* form pertaining to the school-based instruction. We propose the following adjustment:

113 Grades 9-12 with ESE Services	.8568	
255 ESE Support Level 5	(.8568)	.0000

3. [Ref. 3102] Two students in Career Education 9-12 (OJT) were reported for more work hours than were supported by the students' timecards. We propose the following adjustment:

300 Career Education 9-12	(.2960)	(.2960)

4. [Ref. 3103] We noted the following exceptions involving the timecards for two Career Education 9-12 (OJT) students as follows: (a) the timecard for one student was signed prior to the dates of some of the reported work hours, and (b) the timecard for one student in the October 2013 reporting survey period combined two employers on the same timecard without independent verification of the hours worked by each employer and the student's timecard covering the February 2014 reporting survey period was initialed but not signed by the student's employer. We propose the following adjustment:

300 Career Education 9-12	(.1521)	(.1521)

Findings		Proposed Net Adjustments (Unweighted FTE)

DeSoto County High School (#0031) (Continued)

5. [Ref. 3104] The *ELL Student Plans* for 11 students were not printed until October 21, 2013, which was after the October 2013 reporting survey period. We also noted additional exceptions for 3 of these students as follows: (a) the ELL Committee that recommended 1 student's continued ESOL placement did not document any of the criteria considered in making this recommendation, (b) an ELL Committee was not convened within 30 school days prior to 1 student's ESOL anniversary date to consider the student's extended ESOL placement for a fifth year, and (c) 1 student's English language proficiency in Reading and Writing was not assessed within 30 school days prior to the student's fourth-year ESOL anniversary date and the *ELL Committee Conference Report* that included a recommendation for the student's continued ESOL placement was not dated and did not document any of the criteria considered in making this recommendation. We propose the following adjustment:

103 Basic 9-12	6.5229	
130 ESOL	(6.5229)	.0000

6. [Ref. 3105] One ELL student's English language proficiency in Reading and Writing was not assessed within 30 school days prior to the student's fourth-year ESOL anniversary date. We also noted that the *ELL Committee Conference Report* that included a recommendation for the student's continued ESOL placement was not dated and did not document any of the criteria considered in making this recommendation. We propose the following adjustment:

103 Basic 9-12	.3935	
130 ESOL	(.3935)	.0000

7. [Ref. 3170/71] Two teachers taught English to classes that included ELL students but were not properly certified to teach ELL students and were not approved by the School Board to teach ESOL out of field until March 25, 2014, which was after the October 2013 and February 2014 reporting survey periods. We also noted that the parents of the students were not notified of the teachers' out-of-field status. Since the student of one teacher (Ref. 3171) has been cited in Finding 6 (Ref. 3105), we present this disclosure Finding with no proposed adjustment and propose the following adjustment for the remaining teacher (Ref. 3170):

103 Basic 9-12	.3400	
130 ESOL	(.3400)	.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

DeSoto County High School (#0031) (Continued)

8. [Ref. 3172/73] Two teachers were not properly certified and were not approved by the School Board to teach out of field. One teacher (Ref. 3172) was teaching out of field in Reading and ESOL and one teacher (Ref. 3173) was teaching out of field in Technology Education. We also noted that the parents of the students were not notified of the teachers' out-of-field status. We propose the following adjustments:

Ref. 3172		
103 Basic 9-12	.1360	
130 ESOL	(.1360)	.0000
Ref. 3173		
103 Basic 9-12	1.7509	
300 Career Education 9-12	(1.7509)	.0000
		(.4481)

West Elementary School (#0061)

9. [Ref. 6101] The file for one ELL student did not contain documentation to support the student's initial placement in the ESOL Program. We propose the following adjustment:

102 Basic 4-8	.4411	
130 ESOL	(.4411)	.0000

10. [Ref. 6102] ELL Committees were not convened within 30 school days prior to two ELL students' ESOL anniversary dates to consider the students' extended ESOL placements for a fifth or sixth year. We also noted that the students' English language proficiency was not assessed within 30 school days prior to the students' ESOL anniversary dates. We propose the following adjustment:

102 Basic 4-8	.8822	
130 ESOL	(.8822)	.0000

11. [Ref. 6170] One teacher taught Primary Language Arts to a class that included an ELL student but was not approved by the School Board to teach ESOL out of field. We propose the following adjustment:

102 Basic 4-8	.2701	
130 ESOL	(.2701)	.0000
		.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

Memorial Elementary School (#0081)

12. [Ref. 8101] 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	.5015	
112 Grades 4-8 with ESE Services	(.5015)	.0000

13. [Ref. 8102] The *ELL Student Plans* for 35 ELL students were not printed until October 21, 2013, which was after the October 2013 reporting survey period. We also noted additional exceptions for 8 of these students as follows:

a. One student was exited from the ESOL Program prior to the October 2013 reporting survey period.

b. The file for 1 student did not contain evidence that the student's parents were notified of their child's ESOL placement prior to the October 2013 and February 2014 reporting survey periods.

c. The file for 1 ELL student did not contain documentation to support the student's initial placement in the ESOL Program.

d. ELL Committees were either not convened (1 student) or not convened by October 1, 2013 (3 students), to consider 4 students' extended ESOL placements for a fourth or fifth year. We noted that 1 of these students was exited from the ESOL Program on October 22, 2013.

e. The English language proficiency of 1 student was not assessed within 30 school days prior to the student's fourth-year ESOL anniversary date.

We propose the following adjustment:

101 Basic K-3	14.9821	
102 Basic 4-8	1.7680	
130 ESOL	(16.7501)	.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

Memorial Elementary School (#0081) (Continued)

14. [Ref. 8170/71] Two teachers taught Primary Language Arts to classes that included ELL students but were not certified to teach ELL students and were not approved by the School Board to teach ESOL out of field until March 25, 2014, which was after the October 2013 and February 2014 reporting survey periods. We also noted that the parents of the students were not notified of the teachers' out-of-field status. We propose the following adjustments:

Ref. 8170		
101 Basic K-3	1.8368	
130 ESOL	(1.8368)	.0000
Ref. 8171		
102 Basic 4-8	.4654	
130 ESOL	(.4654)	.0000
		.0000

Spring Lake Youth Academy (#0191)

15. [Ref. 19101] The FTE calculation for 30 students (1 student was in our Basic test and 1 student was in our Basic with ESE Services test) in the June 2014 reporting survey period was incorrectly based on 1,560 CMW. The *FTE General Instructions* specify that the calculation of FTE for students in DJJ programs shall be limited to 25 hours per week (or 1,500 CMW). We propose the following adjustment:

102 Basic 4-8	(.0390)	
103 Basic 9-12	(.1092)	
112 Grades 4-8 with ESE Services	(.0312)	
113 Grades 9-12 with ESE Services	(.0546)	(.2340)

Follow-Up to Management's Response to Finding 15 (Ref. 19101)

Management stated in the written response that the District calculated the FTE based on Department of Education (DOE) guidance and direction. We do not dispute that the District was following DOE guidance as the DOE's *FTE General Instructions 2013-14* states, on page 8, "school districts should report all FTE enrollment regardless of the 1.0 FTE cap." However, our Finding related to the FTE calculation for students in Department of Juvenile Justice (DJJ) programs and, for those students, the *FTE General Instructions 2013-14 provides,* on page 28, "the calculation of FTE for students in DJJ programs shall be limited to 25 hours per week," or 1,500 instructional minutes per week. Our Finding specifically noted that the District used 1,560 instructional

Findings		Proposed Net Adjustments (Unweighted FTE)

Spring Lake Youth Academy (#0191) (Continued)

Follow-Up to Management's Response to Finding 15 (Ref. 19101) (Continued)

minutes for the FTE calculation for students in DJJ programs and, as such, was noncompliant with the 1,500 instructional minutes limit. Accordingly, our Finding stands as presented.

16. [Ref. 19170] One teacher was not properly certified and was not approved by the School Board to teach Agriculture 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	2.8025	
300 Career Education 9-12	(2.8025)	.0000
		(.2340)

DeSoto Connections (#0291)

17. [Ref. 29101] The District did not have written policies and procedures specific to attendance record keeping. The School did not have documentation of attendance for each period, contrary to the Department of Education's *Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook (Handbook)*. The *Handbook* states that "the system shall include a sign-on indicator to assure that attendance is being taken regularly. Daily 'sign-ons' shall be reported by exceptions; i.e., by who has not signed on each day. An exception report shall be generated on a regular basis so that the principal or the principal's designee may assure that some positive action is taken in each course/period." We noted that attendance was manually recorded only once in the morning. Since we were able to verify attendance for the students included in our tests by the once-daily recorded attendance, we present this disclosure Finding with no proposed adjustment.

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Hospital and Homebound Program (#9003)

18. [Ref. 900301] Two ESE students were reported for more time in the Hospital and Homebound Program than was supported by the homebound teachers' contact logs. We propose the following adjustment:

Findings		Proposed Net Adjustments (Unweighted FTE)
Hospital and Homebound Program (#9003) (Continued)		
255 ESE Support Level 5	(.1050)	(.1050)

19. [Ref. 900370/71/72] Three teachers were not properly certified and were not approved by the School Board to teach out of field in English, Math, and Biology (Ref. 900370), Elementary Education (Ref. 900371), or Social Science (Ref. 900372). We also noted that the parents of the students were not notified of the teachers' out-of-field status. We propose the following adjustments:

Ref. 900370		
103 Basic 9-12	.0800	
255 ESE Support Level 5	(.0800)	.0000
Ref. 900371		
101 Basic K-3	.1200	
255 ESE Support Level 5	(.1200)	.0000
Ref. 900372		
102 Basic 4-8	.0200	
255 ESE Support Level 5	(.0200)	.0000
		(.1050)
Proposed Net Adjustment		(.7871)

SCHEDULE E

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

RECOMMENDATIONS

We recommend that District management exercise more care and take corrective action, as appropriate, to ensure that: (1) ESE students who are alternately assigned to a school-based and homebound program are reported in accordance with the services received in each program; (2) reported instructional minutes for students in the Hospital and Homebound Program are based on the homebound instructors' contact logs and the amount of time authorized on the students' IEPs; (3) IEPs and *ELL Student Plans* are timely prepared and retained in the students' files; (4) 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 or by October 1 if the students' ESOL anniversary dates fall within the first 2 weeks of school, and ELL Committees are timely convened subsequent to these assessments and within 30 school days prior to the students' ESOL anniversary dates; (4) ELL Committees that recommend students' continued ESOL placements document the criteria considered in making this recommendation as specified in Rule 6A-6.09022(3), FAC; (5) student files contain documentation to support each student's placement in the ESOL Program; (6) parents are timely notified of their children's ESOL placements; (7) students' are not reported in ESOL after being dismissed from the ESOL Program; (8) students in Career Education 9-12 (OJT) are reported based on timecards that are accurately completed, signed, and retained in readily-accessible files; (9) teachers of students in Grades 9-12 take and record attendance for each class period as outlined in the Department of Education's *Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook*, (10) students in DJJ programs are not reported for more than 25 hours per week; (11) teachers are properly certified or, if teaching out of field, are timely approved by the School Board to teach out of field; and (12) parents are timely notified when their children are assigned to teachers teaching out of field.

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 the determination and reporting of the number of FTE students under the 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 DeSoto County

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

For the fiscal year ended June 30, 2014, State funding through the FEFP was provided to the District for eight District schools other than charter schools and three District cost centers serving prekindergarten through twelfth-grade students. The District reported 4,702.07 unweighted FTE as recalibrated for those students and received approximately $19.2 million in State funding through the FEFP. The primary sources of funding for the District are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

2. Florida Education Finance Program (FEFP)

Florida school districts receive State funding through the FEFP to serve prekindergarten through twelfth-grade students (adult education is not funded by the FEFP). The 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 that 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 the 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 the FTE earned 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

The 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 period is a testing of the FTE membership for a period of one week. The survey periods 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

The 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 for testing provided for the selection of schools, students, and teachers using judgmental methods for testing the 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 the determination and reporting of the number of FTE students under the FEFP. The following schools were selected for testing:

School	Findings
1. DeSoto County High School	1 through 8
2. West Elementary School	9 through 11
3. Memorial Elementary School	12 through 14
4. Spring Lake Youth Academy	15 and 16
5. DeSoto Connections	17
6. Hospital and Homebound Program	18 and 19

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House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT
ON STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated April 23, 2015, that the DeSoto County District School Board complied with State requirements governing the determination and reporting of students transported under the Florida Education Finance Program (FEFP) 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.

In our opinion, management's assertion that the DeSoto County District School Board complied with State requirements governing the determination and reporting of students transported under the FEFP for the fiscal year ended June 30, 2014, is fairly stated, in all material respects.

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. Our examination disclosed certain 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 *MANAGEMENT'S RESPONSE*, respectively. 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] The noncompliance mentioned above, while indicative of certain control deficiencies,[2] is not considered indicative of material weaknesses in the District's internal controls related to their reported ridership classification or eligibility for State transportation funding. The impact of this noncompliance on the District's determination and reporting of students transported under the FEFP 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, CPA
Tallahassee, Florida
October 27, 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.

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

SCHEDULE F

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 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 (76) 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 (3,597) 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	16
Hazardous Walking	185
IDEA – PK through Grade 12, Weighted	166
All Other FEFP Eligible Students	3,230
Total	3,597

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.	(4)		
Our tests included 300 of the 3,597 students reported as being transported by the District.		27	(18)
We also noted certain issues in conjunction with our general tests of student transportation that resulted in the addition of 80 students.	_	80	(66)
Total	(4)	107	(84)

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. The DeSoto County District School Board complied, in all material respects, with State requirements governing the determination and reporting of students transported under the FEFP 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 31.

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 in our test 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 included in our tests 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. 52] Our general tests disclosed that the reported number of buses in operation were overstated by four buses. Four bus numbers were listed with an additional suffix to designate a separate run; however, these bus number identifiers were already included in the count. We propose the following adjustments:	
October 2013 Survey	
Number of Buses in Operation (1)	
February 2014 Survey	
Number of Buses in Operation (3)	
(4)	

Findings		Students Transported Proposed Net Adjustments

2. [Ref. 51] Our general tests disclosed that one student was incorrectly reported for 8 days in term. The student attended school in another county and should have been reported for 7 days in term, in accordance with that District's school instructional calendar. We propose the following adjustment:

June 2014 Survey		
8 Days in Term		
IDEA - PK through Grade 12, Weighted	(1)	
7 Days in Term		
IDEA - PK through Grade 12, Weighted	1	0

3. [Ref. 53] We noted that 89 students (18 students were 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 schools and were not otherwise eligible for State transportation funding. We propose the following adjustments:

July 2013 Survey		
11 Days in Term		
All Other FEFP Eligible Students	(7)	
October 2013 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(43)	
February 2014 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(39)	(89)

4. [Ref. 54] Four students in our test were incorrectly reported in the Teenage Parents and Infants ridership category as the students were not enrolled in the Teenage Parent Program. However, we determined that the students lived 2 miles or more from their assigned schools and were eligible for reporting in the All Other FEFP Eligible Students ridership category. We propose the following adjustments:

October 2013 Survey	
90 Days in Term	
Teenage Parents and Infants	(3)
All Other FEFP Eligible Students	3

Findings		Students Transported Proposed Net Adjustments
February 2014 Survey		
90 Days in Term		
Teenage Parents and Infants	(1)	
All Other FEFP Eligible Students	1	0

5. [Ref. 55] Our general tests of student ridership disclosed that seven students transported on a center-to-center route were incorrectly reported for 90 days in term. The students were enrolled in academic dual-enrollment courses for a 16-week term and were scheduled to attend from 1 to 4 days per week. We propose the following adjustment:

October 2013 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(7)	
64 Days in Term		
All Other FEFP Eligible Students	1	
48 Days in Term		
All Other FEFP Eligible Students	1	
32 Days in Term		
All Other FEFP Eligible Students	3	
16 Days in Term		
All Other FEFP Eligible Students	2	0

6. [Ref. 56] Our general tests disclosed exceptions involving nine students on center-to-center routes as follows: (a) seven students attended a vocational program at another school and were documented as transported on a center-to-center route but were not reported for State transportation funding, and (b) two students were reported in the All Other FEFP Eligible Students ridership category for transportation on the center-to-center route but were not dual-enrollment students and were not otherwise eligible for State transportation funding. We propose the following adjustments:

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

Findings		Students Transported Proposed Net Adjustments
48 Days in Term		
All Other FEFP Eligible Students	2	5

7. [Ref. 57] Five students in our test were incorrectly reported in the Hazardous Walking ridership category. The students lived 2 miles or more from their assigned schools and should have been reported in the All Other FEFP Eligible Students ridership category. We propose the following adjustments:

October 2013 Survey		
90 Days in Term		
Hazardous Walking	(3)	
All Other FEFP Eligible Students	3	
February 2014 Survey		
90 Days in Term		
Hazardous Walking	(2)	
All Other FEFP Eligible Students	2	0
Proposed Net Adjustment		(84)

SCHEDULE H

RECOMMENDATIONS AND REGULATORY CITATIONS
STUDENT TRANSPORTATION

RECOMMENDATIONS

We recommend that District management exercise more care and take corrective action, as appropriate, to ensure that: (1) the number of buses in operation and the number of days in term are accurately reported; (2) the distance from home to school is verified prior to students being reported in the All Other FEFP Eligible Students ridership category; (3) only students that live less than 2 miles from their assigned school and that cross a designated hazardous location noted on the *Hazardous Walking Conditions Report* are reported in the Hazardous Walking ridership category; (4) only students enrolled in the Teenage Parent Program are reported in the Teenage Parents and Infants ridership category; and (5) students enrolled in dual-enrollment courses that are transported center to center are reported for State transportation funding.

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

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 DeSoto County

For the fiscal year ended June 30, 2014, the District received $780,398 for student transportation as part of the State funding through the FEFP. The District's reporting of students transported by survey period was as follows:

Survey Period	Number of Vehicles	Number of Students
July 2013	9	45
October 2013	28	1,740
February 2014	29	1,803
June 2014	10	9
Total	76	3,597

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 the determination and reporting of students transported under the FEFP.

MANAGEMENT'S RESPONSE[1]

The School District of DeSoto County

Dr. Karyn E. Gary, Superintendent of Schools

530 LaSolona Avenue, Arcadia, Florida 34266
Tel: 863.494.4222 | Fax: 863.494.0389

October 27, 2015

Sherrill F. Norman, CPA
Auditor General
12557 New Brittany Blvd
Fort Myers, FL 33907

Dear Ms. Norman:

In response to the Audit Report ending June 30, 2014, the School District of DeSoto County respectfully responds to the following findings.

Regarding Finding School/Number:

Desoto County High School

1) The District did not have written policies and procedures specific to attendance record keeping...

The District does have written policies on student attendance but did lack written procedures. The District now reviews attendance policy 5200 with all staff and has scheduled monthly written reminders to principals on teacher daily attendance procedures; re-written attendance Power Point on student attendance and teacher responsibilities. This Power Point is included in the new teacher and substitute teacher training.

a. Maintains policy 5200 as an attendance policy – Please see attachment 1, Policy 5200.
b. Trains all DHS teachers to take and monitor attendance – Please see attachment 1, PowerPoint.
c. School attendance clerk and district staff monitor attendance – Please see attachment 1, Example of detailed / by period attendance report for students (13-14)

New procedures: To increase monitoring of period by period attendance, teachers will receive an automated email that they have not taken attendance after the period has ended. The attendance clerk will look at attendance for each teacher, each period, and send a student office clerk to notify the teacher that they have not taken attendance yet. Any classrooms with substitute teachers will receive period by period attendance forms that are to be completed and delivered to the front office when they turn in substitute materials at the end of each day.

2) One ESE student's schedule was incorrectly reported...

We respectfully agree with this finding, and present the following:

a. New hospital homebound procedures have been developed and are attached – Please see attachment 2.

3) Two students in Career Education 9-12 (OJT) were reported for more work hours...

We respectfully agree with this finding, and present the following:

a. The teacher of record for the OJT program was changed for the 14-15 school year. The teacher has been trained to: properly supervise students in the OJT program, communicate with student employers, receive time cards in a timely manner, verify those time cards with employers, and keep appropriate records.

[1] Management's response to the Findings refer to various attachments that are not incuded in this report but may be obtained from the District.

4) We noted the following exceptions involving the time cards for two Career Education 9-12 (OJT) students...

We respectfully agree with this finding, and present the following:

a. Please see response to #3.

5) The ELL Student Plans for 11 students were not printed until October 21, 2013...

We respectfully agree with this finding, and present the following:

a. Procedures for the developing, writing and monitoring of student ELL plans have been revised. All ELL plans will be completed and printed by October 1. Please see attachment 3.

6) One ELL student's English language proficiency in Reading and Writing was not assessed within 30 school days...

We respectfully agree with this finding, and present the following:

a. Please see response to #5.

7) Two teachers taught English classes that included ELL students but were not properly certified... and were not approved by the school board.

We respectfully agree with this finding, and present the following:

a. Letters were sent in the appropriate time period, in October (see attachment 4). However, due to new computer program (Boarddocs) we did not have timely submission to school board. All staff have properly reviewed procedures for sending of letters and appropriate submission of items to electronic school board agendas. New procedures for hiring teachers, both in and out of field, have also been created and shared with all principals.

8) Two teachers were not properly certified and were not approved by the School Board to teach out of field.

We respectfully agree with this finding, and present the following:

a. Please see response to #7.

West Elementary School

9) The file for one ELL student did not contain documentation to support the student's initial placement...

We respectfully agree with this finding, and present the following:

a. Please see response to #5.

10) ELL Committees were not convened within 30 days...

We respectfully agree with this finding, and present the following:

a. Please see response to #5.

11) One teacher taught Primary Language Arts to a class that included an ELL student...

We respectfully agree with this finding, and present the following:

a. Please see response to #8. The district has also begun sending annual updates to all teachers required to earn their ESOL endorsement due to student enrollment. Please see Attachment 5.

Memorial Elementary School

12) The file for one ESE student did not contain an IEP covering...

We respectfully agree with this finding, and present the following:

a. The school district has developed new procedures for file review for staffing specialists for monitoring start and end dates. The district's new student information system is now also set up with "flags" of IEP start and end dates in color. Please see Attachment 6.

13) The ELL Student Plans for 35 ELL students were not printed until October 21, 2013...

We respectfully agree with this finding, and present the following:

a. Please see response to #5.

14) Two teachers taught Primary Language Arts to classes that included ELL students...

We respectfully agree with this finding, and present the following:

a. Please see response to #7. The district has also begun sending annual updates to all teachers required to earn their ESOL endorsement due to student enrollment. Please see Attachment 5.

Spring Lake Youth Academy

15) The FTE calculation for 30 students in the June 2014 reporting survey period was incorrectly based....

We respectfully disagree with this finding, and present the following:

a. The district calculated FTE based on DOE guidance and direction. Please see Attachment 7.

16) One teacher was not properly certified and was not approved by the School Board to teach Agriculture...

We respectfully agree with this finding, and present the following:

a. The parents of the students at a DJJ facility are not listed in our system. The students' home address (in most cases, the students are from surrounding counties) is listed as the facility itself. It would be difficult to comply with this finding and eagerly request DOE's guidance.

DeSoto Connections

17) The District did not have written policies and procedures specific to attendance record keeping...

We respectfully agree with this finding, and present the following:

a. Please see response to #1.

Hospital and Homebound Program

18) Two ESE students were reported for more time in the Hospital and Homebound Program than was supported...

We respectfully agree with this finding, and present the following:

a. Please see response to #2.

19) Three teachers were not properly certified and were not approved...

We respectfully agree with this finding, and present the following:

a. Please see response to #2.

Transportation

1) Our general tests disclosed that the reported number of buses in operation was overstated by four buses...

We respectfully agree with this finding, and present the following:

a. In the future, we will only report one (1) physical bus per number

Our general tests disclosed that one student was incorrectly reported for 8 days in a term.

We respectfully agree with this finding, and present the following:

a. One of the district's busses transports severely disabled students to a school in another district. During this time period, this district's calendar, and the district calendar (in which these students attend school) was off by one day. We will take greater care to monitor the calendar of the other district.

2) We noted that 89 students... were incorrectly reported in the All Other FEFP...ridership category (less than 2 miles)...

We respectfully agree with this finding, and present the following:

a. Many of the bus stops in this survey were just under the two mile limit, as noted by the auditor. We will closely examine the specific bus stops and locations monitored here, and relocate bus stops as needed, or discontinue ridership.
See Attachment #8 (highlighted items).

3) Four students in our test were incorrectly reported in the Teenage Parents and Infants ridership category...

We respectfully agree with this finding, and present the following:

a. Guidance counselors and attendance personnel, both at our Early Childhood Center and DeSoto County High School have been trained in screening and enrolling students properly. This is for the protection of our riders, infants, and teenage parents.

4) Our general tests of student ridership disclosed that seven students transported on a center-to-center route were incorrectly reported for 90 days in term.

We respectfully agree with this finding, and present the following:

a. Procedures for the determination of need, number of riders, and attendance of those dual enrollment, or vocational students using district busses to travel from center to center will be developed as needed in the future. At this time, there is no transportation of dual enrollment students from the high school to the local college.

5) Our general tests disclosed exceptions involving nine students on center-to-center routes...

We respectfully agree with this finding, and present the following:

a. Please see response to (Transportation) #5.

6) Five students in our test were incorrectly reported in the Hazardous Walking ridership category...

We respectfully agree with this finding, and present the following:

a. Transportation personnel responsible for entering students into rider specific categories will be retained in FTE reporting requirements and annual transportation updates.

Thank you,

Karyn E. Gary

Dr. Karyn E. Gary, Superintendent