STATE OF FLORIDA AUDITOR GENERAL

Attestation Examination

Report No. 2017-043
November 2016

LEVY COUNTY
DISTRICT SCHOOL BOARD

Florida Education Finance Program
Full-Time Equivalent Student Enrollment
and
Student Transportation

For the Fiscal Year Ended
June 30, 2015

Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2014-15 fiscal year, Robert O. Hastings served as Superintendent and the following individuals served as Board members:

Board Member	District No.
Cameron A. Asbell	1
Christopher A. Cowart	2
Robert E. Philpot to 3-14-15,[a] Chair to 11-17-14	3
Paige S. Brookins, Vice Chair from 11-18-14	4
Rick H. Turner, Vice Chair to 11-17-14, Chair from 11-18-14	5

[a] Member deceased, position remained vacant from March 15, 2015, to June 30, 2015.

The team leader was Jennifer Taylor, CPA, 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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LEVY COUNTY DISTRICT SCHOOL BOARD

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SUMMARY

SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below 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 for students in English for Speakers of Other Languages (ESOL), Exceptional Student Education (ESE) Support Levels 4 and 5, and student transportation, the Levy County District School Board (District) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment and student transportation as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2015: Specifically:

- We noted 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 for 9 of the 48 students in our ESOL test and 5 of the 23 students in our ESE Support Levels 4 and 5 test. None of the students in our ESOL test attended charter schools. One of the 23 students (4 percent) in our ESE Support Levels 4 and 5 test attended a charter school and 1 of the 5 students with exceptions (20 percent) attended charter schools.
- We noted exceptions involving the reported ridership classification or eligibility for State transportation funding for 42 of the 243 students in our student transportation test.

Noncompliance related to the reported FTE student enrollment resulted in 22 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to negative 98.3644 (1.4444 is applicable to District schools other than charter schools and 96.9200 is applicable to charter schools) but has a potential impact on the District's weighted FTE of negative 117.1517 (7.1867 is applicable to District schools other than charter schools and 109.9650 is applicable to charter schools). Noncompliance related to student transportation resulted in 7 findings and a proposed net adjustment of negative 62 students.

The weighted adjustments to the FTE student enrollment 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 student enrollment may be estimated by multiplying the proposed net weighted adjustment to the FTE student enrollment by the base student allocation amount. The base student allocation for the fiscal year ended June 30, 2015, was $4,031.77 per FTE. For the District, the estimated gross dollar effect of our proposed adjustments to the reported FTE student enrollment is negative $472,329 (negative 117.1517 times $4,031.77), of which $28,975 is applicable to District schools other than charter schools and $443,354 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 the FTE student enrollment and student transportation and the computation of their financial impact is the responsibility of the Department of Education.

THE DISTRICT

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Levy County, Florida. Those services are provided primarily to prekindergarten through 12th-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 Levy 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. The District had 11 District schools other than charter schools, 2 charter schools, and 2 virtual education cost centers serving prekindergarten through 12th-grade students. For the fiscal year ended June 30, 2015, State funding totaling $23.8 million was provided through the FEFP to the District for the District-reported 5,382.38 unweighted FTE as recalibrated, which included 181.24 unweighted FTE as recalibrated for charter schools. The primary sources of funding for the District are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

FEFP

FTE Student Enrollment

Florida school districts receive State funding through the FEFP to serve prekindergarten through 12th-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 costs 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 student enrollment. For brick and mortar school students, one student would be reported as 1.0 FTE if the student was enrolled in six classes per day at 50 minutes per class for the full 180-day school year (i.e., six classes at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 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 reported as a fraction of an FTE. Half-credit completions will be included in

determining an FTE student enrollment. 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 FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the Department of Juvenile Justice (DJJ) for 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 student enrollment reported for the student by all school districts, including the Florida Virtual School 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 student enrollment reported for extended school year periods and the DJJ FTE student enrollment reported 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 $1.5 million for student transportation as part of the State funding through the FEFP.

AUDITOR GENERAL
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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 FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT

We have examined the Levy County District School Board's (District's) compliance with State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2015. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education (SBE) Rules, Chapter 6A-1, Florida Administrative Code; and the *FTE General Instructions 2014-15* 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 with State requirements 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 supporting management's assertion 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 disclosed material noncompliance with State requirements relating to the classification, assignment, and verification of FTE student enrollment as reported under the FEFP for students in our English for Speakers of Other Languages (ESOL) and Exceptional Student Education (ESE) Support Levels 4 and 5 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.

In our opinion, except for the material noncompliance with State requirements mentioned above 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 for students in ESOL and ESE Support Levels 4 and 5, the Levy County District School Board complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP for the fiscal year ended June 30, 2015.

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[1] 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 that has a material effect on the District's compliance with State requirements; and abuse that has a material effect on the District's compliance with State requirements. 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. We performed our examination to express an opinion on the District's compliance with State requirements and not for the purpose of expressing an opinion on the District's related internal control over compliance with State requirements or on compliance and other matters; accordingly, we express no such opinions. Because of its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to 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 and ESE Support Levels 4 and 5. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and all findings, along with the views of responsible officials, are described in *SCHEDULE D* and *MANAGEMENT'S RESPONSE*, respectively. The impact of this noncompliance with State requirements on the District's reported FTE student enrollment 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.

[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.

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 SBE, 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
November 8, 2016

SCHEDULE A

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

Reported FTE

The funding provided by the Florida Education Finance Program (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, English for Speakers of Other Languages (ESOL), Exceptional Student Education (ESE), and Career Education 9-12. The unweighted FTE represents the FTE prior to the application of the specific cost factor for each program. (See *SCHEDULE B* and NOTE A3., A4., and A5.) For the fiscal year ended June 30, 2015, the Levy County District School Board (District) reported to the Department of Education 5,382.38 unweighted FTE as recalibrated, which included 181.24 unweighted FTE as recalibrated for charter schools, at 11 District schools other than charter schools, 2 charter schools, and 2 virtual education cost centers.

Schools and Students

As part of our examination procedures, we tested the FTE student enrollment reported to the Department of Education for schools and students for the fiscal year ended June 30, 2015. (See NOTE B.) The population of schools (15) 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 the FEFP-funded programs. The population of students (4,239) 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 on-the-job training.

We noted the following material noncompliance: 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 for 9 of the 48 students in our ESOL test[2] and 5 of the 23 students in our ESE Support Levels 4 and 5 test.[3] One of the 23 students (4 percent) in our ESE Support Levels 4 and 5 test attended a charter school and 1 of the 5 students with exceptions (20 percent) attended charter schools. None of the students in our ESOL test attended charter schools.

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		
Programs	Population	Test	Population	Test	Exceptions	Population	Test	Proposed Adjustments
Basic	15	9	3,064	83	6	3,732.0100	66.4357	(66.5527)
Basic with ESE Services	14	8	934	58	4	1,339.6200	52.3016	(23.3692)
ESOL	10	6	144	48	9	130.8200	32.5959	(4.8136)
ESE Support Levels 4 and 5	11	7	25	23	5	27.6400	13.5664	(2.9003)
Career Education 9-12	4	3	72	58	4	152.2900	16.7726	(.7286)
All Programs	15	9	4,239	270	28	5,382.3800	181.6722	(98.3644)

[2] For ESOL, the material noncompliance is composed of Findings 2, 12, 15, 16, 19, 20 and 21 on *SCHEDULE D*.

[3] For ESE Support Levels 4 and 5, the material noncompliance is composed of Findings 7, 8, 9, and 17 on *SCHEDULE D*.

Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (164, of which 160 are applicable to District schools other than charter schools and 4 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 English Language Learner (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 71 and found exceptions for 1 teacher. Three of the 71 teachers (4 percent) taught at charter schools and none of the teachers 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 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 student enrollment 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) STUDENT ENROLLMENT

District Schools Other Than Charter Schools No.	Program (1)	Proposed Net Adjustment (2)	Cost Factor	Weighted FTE (3)
101	Basic K-3	2.2839	1.126	2.5717
102	Basic 4-8	.9836	1.000	.9836
103	Basic 9-12	2.0998	1.004	2.1082
111	Grades K-3 with Exceptional Student Education (ESE) Services	.6175	1.126	.6953
112	Grades 4-8 with ESE Services	.9468	1.000	.9468
113	Grades 9-12 with ESE Services	(.9335)	1.004	(.9372)
130	English for Speakers of Other Languages (ESOL)	(4.8136)	1.147	(5.5212)
254	ESE Support Level 4	(1.5403)	3.548	(5.4650)
255	ESE Support Level 5	(.3600)	5.104	(1.8374)
300	Career Education 9-12	(.7286)	1.004	(.7315)
	Subtotal	(1.4444)		(7.1867)

Charter Schools No.	Program (1)	Proposed Net Adjustment (2)	Cost Factor	Weighted FTE (3)
101	Basic K-3	(55.4300)	1.126	(62.4142)
102	Basic 4-8	(16.4900)	1.000	(16.4900)
111	Grades K-3 with ESE Services	(15.5300)	1.126	(17.4868)
112	Grades 4-8 with ESE Services	(8.4700)	1.000	(8.4700)
255	ESE Support Level 5	(1.0000)	5.104	(5.1040)
	Subtotal	(96.9200)		(109.9650)

Total of Schools No.	Program (1)	Proposed Net Adjustment (2)	Cost Factor	Weighted FTE (3)
101	Basic K-3	(53.1461)	1.126	(59.8425)
102	Basic 4-8	(15.5064)	1.000	(15.5064)
103	Basic 9-12	2.0998	1.004	2.1082
111	Grades K-3 with ESE Services	(14.9125)	1.126	(16.7915)
112	Grades 4-8 with ESE Services	(7.5232)	1.000	(7.5232)
113	Grades 9-12 with ESE Services	(.9335)	1.004	(.9372)
130	ESOL	(4.8136)	1.147	(5.5212)
254	ESE Support Level 4	(1.5403)	3.548	(5.4650)
255	ESE Support Level 5	(1.3600)	5.104	(6.9414)
300	Career Education 9-12	(.7286)	1.004	(.7315)
	Total	(98.3644)		(117.1517)

Notes: (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) STUDENT ENROLLMENT

		Proposed Adjustments (1)			
No.	**Program**	**#0021**	**#0051**	**#0060***	**Balance Forward**
101	Basic K-3	.....	.....	(55.4300)	(55.4300)
102	Basic 4-8	.4284	.1200	(16.4900)	(15.9416)
103	Basic 9-12	.....	.9335	.....	.9335
111	Grades K-3 with Exceptional Student Education (ESE) Services	.....	.....	(15.5300)	(15.5300)
112	Grades 4-8 with ESE Services	.....	.9468	(8.4700)	(7.5232)
113	Grades 9-12 with ESE Services	.....	(.9335)	.....	(.9335)
130	English for Speakers of Other Languages	(.4284)	.....	.....	(.4284)
254	ESE Support Level 4	.....	(.9468)	.....	(.9468)
255	ESE Support Level 5	.....	(.3600)	(1.0000)	(1.3600)
300	Career Education 9-12	(.1429)	(.3240)	.....	(.4669)
Total		(.1429)	(.5640)	(96.9200)	(97.6269)

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

*Charter School

No.	Brought Forward	Proposed Adjustments (1) #0091	#0092	#0231	#0241	Total
101	(55.4300)	.....	.3278	.....	1.9561	(53.1461)
102	(15.9416)	.....	.....	.4212	.0140	(15.5064)
103	.9335	1.1663	.....	.....	.....	2.0998
111	(15.5300)	.....	.4998	.1177	.....	(14.9125)
112	(7.5232)	.....	.....	.....	.....	(7.5232)
113	(.9335)	.....	.....	.....	.....	(.9335)
130	(.4284)	(1.1663)	(.8276)	(.4212)	(1.9701)	(4.8136)
254	(.9468)	.....	.....	(.5935)	.....	(1.5403)
255	(1.3600)	.....	.....	.....	.....	(1.3600)
300	(.4669)	(.2617)	.....	.....	.....	(.7286)
Total	(97.6269)	(.2617)	.0000	(.4758)	.0000	(98.3644)

Note: (1) These proposed net adjustments are for unweighted FTE. (See NOTE A5.)

SCHEDULE D

FINDINGS AND PROPOSED ADJUSTMENTS
FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT

Overview

Management is responsible for determining that the FTE student enrollment as reported under the Florida Education Finance Program (FEFP) is 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 (SBE) Rules, Chapter 6A-1, Florida Administrative Code (FAC); and the *FTE General Instructions 2014-15* issued by the Department of Education. Except for the material noncompliance 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 for students in English for Speakers of Other Languages (ESOL) and Exceptional Student Education (ESE) Support Levels 4 and 5, the Levy County District School Board (District) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP for the fiscal year ended June 30, 2015. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action as presented in *SCHEDULE E*.

Findings	Proposed Net Adjustments (Unweighted FTE)
Our examination included the July and October 2014 reporting survey periods and the February and June 2015 reporting survey periods (See NOTE A6.). Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2014 reporting survey period or the February 2015 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.	
Bronson Middle/High School (#0021)	
1. [Ref. 2101] Our examination of the School's attendance record keeping procedures disclosed that procedures were not always in place to ensure the complete and accurate reporting of student attendance. Specifically, written policies and procedures for attendance record keeping had not been established by either the District or School management. School staff utilized Skyward, a customized Web-based system for student scheduling and attendance record keeping, and *Unrecorded Attendance Reports* produced from Skyward were utilized by School staff to verify that teachers had taken period-by-period attendance. Our review of *Unrecorded Attendance Reports* for the October 2014 reporting period disclosed that one teacher had not taken attendance on a period-by-period basis contrary to SBE Rule 6A-1.044(3), FAC. The School's attendance clerk was assigned responsibility for monitoring the daily attendance (*Finding Continues on Next Page*)	

Findings		Proposed Net Adjustments (Unweighted FTE)

Bronson Middle/High School (#0021) (Continued)

activities; however, the follow-up performed by the attendance clerk after contacting the teachers that failed to record attendance was not always consistent. Because student attendance records default to "present" when attendance is not taken, the teachers' failure to submit attendance could result in students who were not in attendance being erroneously reported for FEFP funding. Since we were able to validate the attendance activity for at least one period based on those teachers who submitted their period-by-period attendance for those students selected in our test, we present this disclosure finding with no proposed adjustment.

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2. [Ref. 2102] An English Language Learner (ELL) Committee was not convened by October 1 to consider one student's continued ESOL placement beyond 3 years from the student's Date Entered United States School (DEUSS). We propose the following adjustment:

102 Basic 4-8	.4284	
130 ESOL	(.4284)	.0000

3. [Ref. 2103] One Career Education 9-12 student who participated in on-the-job training (OJT) did not work during the February 2015 reporting survey period. We propose the following adjustment:

300 Career Education 9-12	(.1429)	(.1429)
		(.1429)

Chiefland Middle High School (#0051)

4. [Ref. 5101] The course schedules for middle school students were incorrectly reported. The School's bell schedule supported 1,800 instructional minutes per week and met the minimum reporting of Class Minutes Weekly (CMW); however, the students' course schedules were not reported in agreement with the School's bell schedule. We noted varying differences ranging from 1,650 to 2,010 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the correct number of CMW according to the School's bell schedule. Since most of the students were reported at this School for the entire school year and their reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. As such, we are presenting this disclosure Finding with no proposed adjustment.

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Findings	Proposed Net Adjustments (Unweighted FTE)
Chiefland Middle High School (#0051) (Continued)	
5. [Ref. 5102] Our examination of the School's attendance record keeping procedures disclosed that procedures were not always in place to ensure the complete and accurate reporting of student attendance. Specifically, written policies and procedures for attendance record keeping had not been established by either the District or School management. School staff utilized Skyward for student scheduling and attendance record keeping; however, the *Unrecorded Attendance Reports* produced from Skyward that could have been utilized to determine whether teachers had taken period-by-period attendance were not regularly used by the School's clerk who was responsible for monitoring the teachers' attendance activities. Rather, the clerk reviewed the School's first period attendance for anomalies and made inquiries with teachers concerning these instances. Our examination disclosed that one teacher in the October 2014 reporting survey period and five teachers in the February 2015 reporting survey period did not take period-by-period attendance on a daily basis, contrary to SBE Rule 6A-1.044(3), FAC. Because student attendance records default to "present" when attendance is not taken, the teachers' failure to submit attendance could result in students who are not in attendance being erroneously reported for FEFP funding. Since we were able to verify the attendance of the students in our tests for at least one period based on teachers who submitted their period-by-period attendance, we present this disclosure finding with no proposed adjustment.	.0000
6. [Ref. 5104] The timecard for one Career Education 9-12 student who participated in OJT was not signed by the student's employer. We propose the following adjustment:	
300 Career Education 9-12 (.3240)	(.3240)
7. [Ref. 5105] We noted exceptions for three ESE students (one student was in our Basic with ESE Services test and two students were in our ESE Support Levels 4 and 5 test) as follows: the *Educational Plan* for one student enrolled in the Gifted Program expired prior to the October 2014 and February 2015 reporting survey periods; the *Individual Education Plan* for one student was not signed; and one 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)

Chiefland Middle High School (#0051) (Continued)

102 Basic 4-8	.1200	
103 Basic 9-12	.9335	
112 Grades 4-8 with ESE Services	.9468	
113 Grades 9-12 with ESE Services	(.9335)	
254 ESE Support Level 4	(.9468)	
255 ESE Support Level 5	(.1200)	.0000

8. [Ref. 5106] The reported number of homebound instructional minutes for one ESE student enrolled in the Hospital and Homebound Program was overstated. The student was reported for 900 CMW but was only provided 180 CMW. We propose the following adjustment:

255 ESE Support Level 5	(.2400)	(.2400)
		(.5640)

Whispering Winds Charter School (#0060)

9. [Ref. 6001/6002] Our examination of the School's attendance record keeping procedures and its utilization of Skyward, used by School staff for student scheduling and attendance record keeping, disclosed that adequate procedures were not in place to ensure the complete and accurate reporting of student attendance as described below:

a. Written policies and procedures for attendance record keeping had not been established by either the District or School management.

b. The District's attendance procedures, communicated verbally through annual workshops with School staff, required teachers to record attendance daily into Skyward, and *Unrecorded Attendance Reports* produced from Skyward were to be utilized by School staff to determine whether the teachers had recorded daily attendance. Our review of *Unrecorded Attendance Reports* disclosed that teachers had not signed into Skyward to record attendance daily at all during the 11-day survey windows in the October 2014 and February 2015 reporting survey periods, contrary to the District's attendance procedures and SBE Rule 6A-1.044(3), FAC. According to the School's Office Manager, if students were absent from class, the teachers verbally communicated this information to the Office Manager, who would record the absences in Skyward. However, the teachers did not prepare written attendance documentation to substantiate the information that was verbally communicated to the Office Manager.

c. The job description for the School's Office Manager position did not include inputting daily attendance. Rather, the job description stated that "the Office Manager will input data into Skyward when teacher/administrator does not have access."

(Finding Continues on Next Page)

Findings		Proposed Net Adjustments (Unweighted FTE)

Whispering Winds Charter School (#0060) (Continued)

Because School staff did not follow the attendance record keeping guidance provided during the District's annual workshops and inputting daily attendance was not included in the job description of the School's Office Manager, student attendance records could not be substantiated. Accordingly, we propose the following adjustment for all 194 students (1 student was in our ESE Support Levels 4 and 5 test), including 98 students reported in the October 2014 reporting survey period and 96 students reported in the February 2015 reporting survey period:

101 Basic K-3	(55.4300)	
102 Basic 4-8	(16.4900)	
111 Grades K-3 with ESE Services	(15.5300)	
112 Grades 4-8 with ESE Services	(8.4700)	
255 ESE Support Level 5	(1.0000)	(96.9200)
		(96.9200)

Williston High School (#0091)

10. [Ref. 9101] Our examination of the School's attendance record keeping procedures disclosed that procedures were not always in place to ensure the complete and accurate reporting of student attendance. Specifically, written policies and procedures for attendance record keeping had not been established by either the District or School management. School staff utilized Skyward for student scheduling and attendance record keeping and *Unrecorded Attendance Reports* produced from Skyward were utilized by School staff to verify that teachers were taking period-by-period attendance. However, our review of the *Unrecorded Attendance Reports* disclosed that two teachers in the February 2015 reporting survey period did not take period-by-period attendance on a daily basis, contrary to SBE Rule 6A-1.044(3), FAC. The School's Assistant Principal was tasked with monitoring the School's daily attendance activities; however, based on our review, there was not adequate follow-up performed after contacting the teachers who failed to record attendance. Consequently, the attendance records were not always updated in the attendance record keeping system by these teachers. Because student attendance records default to "present" when attendance is not taken, the teachers' failure to record attendance could result in students who are not in attendance being erroneously reported for FEFP funding.

(Finding Continues on Next Page)

Findings		Proposed Net Adjustments (Unweighted FTE)

Williston High School (#0091) (Continued)

Since we were otherwise able to verify the attendance of the students in our tests for at least one period based on teachers who recorded period-by-period attendance, we present this disclosure finding with no proposed adjustment:

.0000

11. [Ref. 9102] The timecards for two Career Education 9-12 students who participated in OJT either were not available for review at the time of our examination and could not be subsequently located or supported fewer work hours than were reported. We propose the following adjustment:

300 Career Education 9-12	(.2617)	(.2617)

12. [Ref. 9103] The files for three ELL students did not contain adequate documentation to support the students' continued ESOL placements. ELL Committees were not convened within 30 school days prior to two of the students' DEUSS anniversary dates to consider the students' continued ESOL placements beyond 3 years from the students' DEUSS, and the *ELL Student Plans* were either not reviewed or updated for the 2014-15 school year (one of the two students) or were incomplete (one other student and one of the two students) and did not identify the programs or courses that were to employ ESOL strategies. We propose the following adjustments:

103 Basic 9-12	1.1663	
130 ESOL	(1.1663)	.0000
		(.2617)

Joyce M. Bullock Elementary School (#0092)

13. [Ref. 9201] The course schedules for a number of students were incorrectly reported. The School's daily instructional schedule supported 1,600 CMW and met the minimum reporting of CMW; however, the students' course schedules were not reported in agreement with the School's instructional schedule. We noted differences ranging from 1,200 to 1,655 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the correct number of CMW according to the School's daily instructional schedule. Since most of the students were reported at this School for the entire school year and their reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. As such, we are presenting this disclosure Finding with no proposed adjustment.

.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

Joyce M. Bullock Elementary School (#0092) (Continued)

14. [Ref. 9202] The course schedule for one student (who was in our Basic test) was incorrectly reported in Program No. 111 (Grades K-3 with ESE Services) and Program No. 101 (Basic K-3). The course schedules of ESE students should be reported entirely in ESE. We propose the following adjustment:

101 Basic K-3	(.4998)	
111 Grades K-3 with ESE Services	.4998	.0000

15. [Ref. 9204] One student was incorrectly reported in the ESOL Program. The student scored English proficient on all subsections of the *Comprehensive English Language Learner Assessment* (*CELLA*); however, an ELL Committee was not convened to consider the student's continued ESOL placement. We propose the following adjustment:

101 Basic K-3	.8276	
130 ESOL	(.8276)	.0000
		.0000

Williston Elementary School (#0231)

16. [Ref. 23101] The *ELL Student Plan* was incomplete for one student as the *Plan* did not identify all of the programs or courses that were to employ ESOL strategies. We propose the following adjustment:

102 Basic 4-8	.4212	
130 ESOL	(.4212)	.0000

17. [Ref. 23102] The course schedule for one ESE student who was reported for both on-campus and homebound instruction was incorrectly reported. The student was scheduled to attend school for 1,780 CMW; however the student actually attended school for only 353 CMW during the October 2014 reporting survey period and did not receive any homebound instruction. We also noted that the student was incorrectly reported in Program No. 254 (ESE Support Level 4) for the student's on-campus instruction. The *Matrix of Services* form for this student only supported Program No. 111 (Basic with ESE Services) for the student's on-campus instruction. We propose the following adjustment:

111 Grades K-3 with ESE Services	.1177	
254 ESE Support Level 4	(.5935)	(.4758)
		(.4758)

Findings		Proposed Net Adjustments (Unweighted FTE)

Chiefland Elementary School (#0241)

18. [Ref. 24101] The course schedules for a number of students were incorrectly reported. The School's daily instructional schedule supported 1,775 CMW and met the minimum reporting CMW; however, the students' course schedules were not reported in agreement with the School's instructional schedule. We noted differences ranging from 1,705 to 1,845 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the correct number of CMW according to the School's daily instructional schedule. Since most of the students were reported at this School for the entire school year and their reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. As such, we are presenting this disclosure Finding with no proposed adjustment:

.0000

19. [Ref. 24102] The *ELL Student Plan* for one student did not identify all of the programs or courses that were to employ ESOL strategies. We propose the following adjustment:

102 Basic 4-8	.0140	
130 ESOL	(.0140)	.0000

20. [Ref. 24103] One student was incorrectly reported in the ESOL Program. The student was a Fluent English Speaker, scored English proficient on the *CELLA*, and an ELL Committee had recommended the student be exited from the ESOL Program on June 4, 2014, which was prior to the reporting survey period. We propose the following adjustment:

101 Basic K-3	.7310	
130 ESOL	(.7310)	.0000

21. [Ref. 24104] An ELL Committee was not convened by October 1 to consider one student's continued ESOL placement beyond 3 years from the student's DEUSS. We also noted that the student's file did not contain evidence that the student's parents were notified of their child's ESOL placement, and the student's *ELL Student Plan* did not identify all of the programs or courses that were to employ ESOL strategies. We propose the following adjustment:

101 Basic K-3	.7124	
130 ESOL	(.7124)	.0000

Findings		Proposed Net Adjustments (Unweighted FTE)

Chiefland Elementary School (#0241) (Continued)

22. [Ref. 24170] One teacher taught a class that included ELL students but was not properly certified to teach ELL students and was not approved by the School Board to teach such students out of field. We also noted that the parents of the students were not notified of the teacher's out-of-field status, and the teacher had earned only 60 of the 120 in-service training points in ESOL strategies required by SBE Rule 6A-6.0907, FAC, and the teacher's in-service training timeline. We propose the following adjustment:

101 Basic K-3	.5127	
130 ESOL	(.5127)	.0000
		.0000
Proposed Net Adjustment		**(98.3644)**

RECOMMENDATIONS AND REGULATORY CITATIONS
FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT

RECOMMENDATIONS

We recommend that Levy County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) attendance for students in Grades 9-12 is recorded on a period-by-period basis and teachers' attendance taking activity for all students in all grades is monitored to ensure that all attendance is promptly recorded by the teachers; (2) English Language Learner (ELL) Committees are convened within 30 school days prior to the student's Date Entered United States School (DEUSS) or by October 1 if the student's DEUSS is within the first 2 weeks of the school year, for students being considered for continuation of their English for Speakers of Other Languages (ESOL) placements (beyond the initial 3-year base period); (3) students in Career Education 9-12 who participate in on-the-job training are reported in accordance with timecards that are accurately completed, signed, and retained in readily accessible files; (4) student's reported Class Minutes Weekly are in agreement with the schools' bell schedule; (5) the course schedules for Exceptional Student Education (ESE) students are reported entirely in the ESE program for which the students are eligible; (6) parents of students in the ESOL program are timely notified of the students' ESOL placement; (7) *ELL Student Plans* are timely prepared, reviewed, and retained in the students' files and are complete identifying those programs or courses that employ ESOL strategies; (8) reported instructional minutes for students in the Hospital and Homebound Program are based on the homebound instructors' contact logs; (9) the on-campus portion of the course schedules for ESE students who are alternately assigned to the Hospital and Homebound Program and to a school-based program reflect the actual instruction provided during the reporting survey week; (10) ESE students are reported in accordance with the students' *Matrix of Services* forms; (11) *Individual Educational Plans* and *Educational Plans* are timely prepared, signed by the required participants, and retained in the students' files; (12) teachers are appropriately certified or if teaching out of field, are timely approved by the School Board to teach out of field; (13) parents are timely and appropriately notified when their children are assigned to teachers teaching out of field; and (14) ESOL teachers earn the appropriate in-service training points as required by State Board of Education (SBE) Rule 6A-6.0907, Florida Administrative Code, and in accordance with the teachers' in-service training timelines.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the Florida Education Finance Program.

REGULATORY CITATIONS

Reporting

Section 1007.271(21), Florida Statutes, *Dual Enrollment Programs*
Section 1011.60, Florida Statutes, *Minimum Requirements of the Florida Education Finance Program*
Section 1011.61, Florida Statutes, *Definitions*
Section 1011.62, Florida Statutes, *Funds for Operation of Schools*
SBE Rule 6A-1.0451, Florida Administrative Code, *Florida Education Finance Program Student Membership Surveys*
SBE Rule 6A-1.045111, Florida Administrative Code, *Hourly Equivalent to 180-Day School Year*
SBE Rule 6A-1.04513, Florida Administrative Code, *Maintaining Auditable FTE Records*
FTE General Instructions 2014-15

Attendance

Section 1003.23, Florida Statutes, *Attendance Records and Reports*
SBE Rule 6A-1.044(3) and (6)(c), Florida Administrative Code, *Pupil Attendance Records*
SBE Rule 6A-1.04513, Florida Administrative Code, *Maintaining Auditable FTE Records*
FTE General Instructions 2014-15
Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook

ESOL

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

Career Education On-The-Job Attendance

SBE Rule 6A-1.044(6)(c), Florida Administrative Code, *Pupil Attendance Records*

Career Education On-The-Job Funding Hours

SBE Rule 6A-6.055(3), Florida Administrative Code, *Definitions of Terms Used in Vocational Education and Adult Programs*

FTE General Instructions 2014-15

Exceptional Education

Section 1003.57, Florida Statutes, *Exceptional Students Instruction*

Section 1011.62, Florida Statutes, *Funds for Operation of Schools*

Section 1011.62(1)(e), Florida Statutes, *Funding Model for Exceptional Student Education Programs*

SBE Rule 6A-6.03028, Florida Administrative Code, *Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities*

SBE Rule 6A-6.03029, Florida Administrative Code, *Development of Individualized Family Support Plans for Children with Disabilities Ages Birth Through Five Years*

SBE Rule 6A-6.0312, Florida Administrative Code, *Course Modifications for Exceptional Students*

SBE Rule 6A-6.0331, Florida Administrative Code, *General Education Intervention Procedures, Evaluation, Determination of Eligibility, Reevaluation and the Provision of Exceptional Student Education Services*

SBE Rule 6A-6.0334, Florida Administrative Code, *Individual Educational Plans (IEPs) and Educational Plans (EPs) for Transferring Exceptional Students*

SBE Rule 6A-6.03411, Florida Administrative Code, *Definitions, ESE Policies and Procedures, and ESE Administrators*

SBE Rule 6A-6.0361, Florida Administrative Code, *Contractual Agreement with Nonpublic Schools and Residential Facilities*

Matrix of Services Handbook (2012 Revised Edition)

Teacher Certification

Section 1012.42(2), Florida Statutes, *Teacher Teaching Out-of-Field; Notification Requirements*

Section 1012.55, Florida Statutes, *Positions for Which Certificates Required*

SBE Rule 6A-1.0502, Florida Administrative Code, *Non-certificated Instructional Personnel*

SBE Rule 6A-1.0503, Florida Administrative Code, *Definition of Qualified Instructional Personnel*

SBE Rule 6A-4.001, Florida Administrative Code, *Instructional Personnel Certification*

SBE Rule 6A-6.0907, Florida Administrative Code, *Inservice Requirements for Personnel of Limited English Proficient Students*

Virtual Education

Section 1002.321, Florida Statutes, *Digital Learning*

Section 1002.37, Florida Statutes, *The Florida Virtual School*

Section 1002.45, Florida Statutes, *Virtual Instruction Programs*

Section 1002.455, Florida Statutes, *Student Eligibility for K-12 Virtual Instruction*

Section 1003.498, Florida Statutes, *School District Virtual Course Offerings*

Charter Schools

Section 1002.33, Florida Statutes, *Charter Schools*

NOTES TO SCHEDULES

NOTE A – SUMMARY
FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT

A summary discussion of the significant features of the Levy County District School Board (District), the Florida Education Finance Program (FEFP), the FTE, and related areas follows:

1. The District

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Levy County, Florida. Those services are provided primarily to prekindergarten through 12th-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 (SBE). The geographic boundaries of the District are those of Levy 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. The District had 11 District schools other than charter schools, 2 charter schools, and 2 virtual education cost centers serving prekindergarten through 12th-grade students. For the fiscal year ended June 30, 2015, State funding totaling $23.8 million was provided through the FEFP to the District for the District-reported 5,382.38 unweighted FTE as recalibrated, which included 181.24 unweighted FTE as recalibrated for charter schools. The primary sources of funding for the District are funds from the FEFP, local ad valorem taxes, and Federal grants and donations.

2. FEFP

Florida school districts receive State funding through the FEFP to serve prekindergarten through 12th-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. FTE Student Enrollment

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 student enrollment. For example, for prekindergarten through 3rd grade, 1.0 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, 1.0 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 1.0 FTE if the student was enrolled in six

classes per day at 50 minutes per class for the full 180-day school year (i.e., six classes at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equates to 1.0 FTE). For virtual education students, one student would be reported as 1.0 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 reported as a fraction of an FTE. Half-credit completions will be included in determining an FTE student enrollment. 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 FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the Department of Juvenile Justice (DJJ) for 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 the FTE student enrollment reported for the student by all school districts, including the Florida Virtual School Part-Time Program, using a common student identifier. The Department of Education then recalibrates all the 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 student enrollment reported for extended school year periods and the DJJ FTE student enrollment reported 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 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 1 week. The survey periods for the 2014-15 school year were conducted during and for the following weeks: survey period one was performed for July 7 through 11, 2014; survey period two was performed for October 13 through 17, 2014; survey period three was performed for February 9 through 13, 2015; and survey period four was performed for June 15 through 19, 2015.

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: (1) Basic, (2) English for Speakers of Other Languages, (3) Exceptional Student Education, 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, Florida Statutes, *K-20 General Provisions*
Chapter 1001, Florida Statutes, *K-20 Governance*
Chapter 1002, Florida Statutes, *Student and Parental Rights and Educational Choices*
Chapter 1003, Florida Statutes, *Public K-12 Education*
Chapter 1006, Florida Statutes, *Support for Learning*
Chapter 1007, Florida Statutes, *Articulation and Access*
Chapter 1010, Florida Statutes, *Financial Matters*
Chapter 1011, Florida Statutes, *Planning and Budgeting*
Chapter 1012, Florida Statutes, *Personnel*
SBE Rules, Chapter 6A-1, Florida Administrative Code, *Finance and Administration*
SBE Rules, Chapter 6A-4, Florida Administrative Code, *Certification*
SBE Rules, Chapter 6A-6, Florida Administrative Code, *Special Programs I*

NOTE B – TESTING
FTE STUDENT ENROLLMENT

Our examination procedures for testing provided for the selection of schools, students, and teachers using judgmental methods for testing the FTE student enrollment as reported under the FEFP to the Department of Education for the fiscal year ended June 30, 2015. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements relating to the classification, assignment, and verification of the FTE student enrollment as reported under the FEFP. The following schools were selected for testing:

School	Findings
1. Bronson Middle/High School	1 through 3
2. Chiefland Middle High School	4 through 8
3. Whispering Winds Charter School*	9
4. Williston High School	10 through 12
5. Joyce M. Bullock Elementary School	13 through 15
6. Williston Elementary School	16 and 17
7. Chiefland Elementary School	18 through 22
8. Levy Virtual Instruction Program	NA
9. Levy Virtual Franchise	NA

* Charter School

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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 STUDENT TRANSPORTATION

We have examined the Levy County District School Board's (District's) compliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2015. These requirements are found primarily in Chapter 1006, Part I, E., and Section 1011.68, Florida Statutes; State Board of Education (SBE) Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions 2014-15* 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 with State requirements 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 supporting management's assertion 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 disclosed material noncompliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the FEFP involving the students' reported ridership classification or eligibility for State transportation funding.

In our opinion, except for the material noncompliance with State requirements mentioned above involving the students' reported ridership classification or eligibility for State transportation funding, the Levy County District School Board complied, in all material respects, with State requirements relating to the classification, assignment, and verification of student transportation as reported under the FEFP for the fiscal year ended June 30, 2015.

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[4] 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 that has a material effect on the District's compliance with State requirements; and abuse that has a material effect on the District's compliance with State requirements. 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. We performed our examination to express an opinion on the District's compliance with State requirements and not for the purpose of expressing an opinion on the District's related internal control over compliance with State requirements or on compliance and other matters, accordingly, we express no such opinions. Because of its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses. However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to the students' reported ridership classification or eligibility for State transportation funding. Our examination disclosed certain findings that are required to be reported under *Government Auditing Standards* and all findings, along with the views of responsible officials, are described in *SCHEDULE G* and *MANAGEMENT'S RESPONSE*, respectively. The impact of this noncompliance on the District's reported student transportation 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 SBE, 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

Sherrill F. Norman, CPA
Tallahassee, Florida
November 8, 2016

[4] 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 Levy County District School Board (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 Exceptional Student Education 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 student transportation as reported to the Department of Education for the fiscal year ended June 30, 2015. (See NOTE B.) The population of vehicles (143) consisted of the total number 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 2014 and February and June 2015 reporting survey periods would be counted in the population as four vehicles. Similarly, the population of students (6,549) consisted of the total number 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	6
Individuals with Disabilities Education Act – Prekindergarten through Grade 12, Weighted	277
All Other Florida Education Finance Program Eligible Students	6,266
Total	6,549

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.

We noted the following material noncompliance: exceptions involving their reported ridership classification or eligibility for State transportation funding for 42 of the 243 students in our student transportation test.[5]

[5] For student transportation, the material noncompliance is composed of Findings 4, 5, and 6 on *SCHEDULE G*.

Our examination results are summarized below:

	Buses	Students	
Description	**Proposed Net Adjustment**	**With Exceptions**	**Proposed Net Adjustment**
We noted that the reported number of buses in operation was overstated.	(14)	-	-
Our tests included 243 of the 6,549 students reported as being transported by the District.	-	42	(32)
In conjunction with our general tests of student transportation we identified certain issues related to 32 additional students.	-	32	(30)
Total	(14)	74	(62)

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 that student transportation as reported under the Florida Education Finance Program (FEFP) is 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 2014-15* issued by the Department of Education. Except for the material noncompliance involving the students' reported ridership classification or eligibility for State transportation funding, the Levy County District School Board (District) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of student transportation as reported under the FEFP for the fiscal year ended June 30, 2015. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action as presented in *SCHEDULE H*.

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 tests from the July and October 2014 reporting survey periods and the February and June 2015 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 2014 reporting survey period and once for the February 2015 reporting survey period) will be presented in our Findings as two test students.		
1. [Ref. 51] Our general tests of reported ridership disclosed that nine students who were reported for transportation funding did not have a matching school FTE record in the State FTE database. Therefore, 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. We determined that the nine students were not enrolled in school during the October 2014 reporting survey period and, as a result, were not eligible for State transportation funding. Accordingly, we propose the following adjustment:		
October 2014 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(9)	(9)

Findings		Students Transported Proposed Net Adjustments

2. [Ref. 52] Our general tests of the reported ridership disclosed that two students in the October 2014 reporting survey period were incorrectly reported in the Individuals with Disabilities Education Act (IDEA) – Prekindergarten (PK) through Grade 12, Weighted ridership category. The students were not enrolled in Exceptional Student Education (ESE) Programs but lived more than 2 miles from school and were eligible to be reported in the All Other FEFP Eligible Students ridership category. We propose the following adjustment:

October 2014 Survey		
90 Days in Term		
IDEA - PK through Grade 12, Weighted	(2)	
All Other FEFP Eligible Students	2	0

3. [Ref. 53] Our general tests disclosed that the District's reported number of buses in operation was overstated by 14 buses in the October 2014 reporting survey period. We determined that 1 of the reported buses should have been accounted for as a City bus and not a District-owned bus, and the District did not have bus driver reports to support that the other 13 buses were in operation. However, we were able to validate the reported student ridership for all students except 21 as the students were listed on other buses. We propose the following adjustment:

October 2014 Survey		
Number of Buses in Operation	(14)	
90 Days in Term		
All Other FEFP Eligible Students	(21)	(21)

4. [Ref. 54] The reported ridership of 11 students in our test was not adequately supported. The students either were not listed on the bus driver's report (5 students) or the bus driver's report indicated they were not transported during the 11-day survey window (6 students). We propose the following adjustments:

October 2014 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(10)	
June 2015 Survey		
8 Days in Term		
IDEA - PK through Grade 12, Weighted	(1)	(11)

Findings		Students Transported Proposed Net Adjustments

5. [Ref. 55] Sixteen students in our test were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students lived less than 2 miles from school and were not otherwise eligible to be reported for State transportation funding. We propose the following adjustments:

October 2014 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(6)	
February 2015 Survey		
90 Days in Term		
All Other FEFP Eligible Students	(10)	(16)

6. [Ref. 56] The *Individual Education Plans* for 15 students in our test of the IDEA - PK through Grade 12, Weighted ridership category either were not available for review at the time of the audit and could not be subsequently located or did not indicate that the students met at least one of the five criteria required for reporting in a weighted ridership category. We noted that 10 of the students were eligible for reporting in the All Other FEFP Eligible Students ridership category and the other 5 students were not otherwise eligible for State transportation funding. We propose the following adjustments:

October 2014 Survey		
90 Days in Term		
IDEA - PK through Grade 12, Weighted	(8)	
All Other FEFP Eligible Students	8	
February 2015 Survey		
90 Days in Term		
IDEA - PK through Grade 12, Weighted	(5)	
All Other FEFP Eligible Students	2	
June 2015 Survey		
8 Days in Term		
IDEA - PK through Grade 12, Weighted	(2)	(5)

7. [Ref. 57] The number of days in term (DIT) for 14 students reported in the IDEA - PK through Grade 12, Weighted ridership category was incorrectly reported. The students were reported for 11 DIT during the June 2015 reporting survey period but the District's summer school instructional calendar only supported that the students were transported for 8 DIT. We propose the following adjustment:

Findings		Students Transported Proposed Net Adjustments
June 2015 Survey		
11 Days in Term		
IDEA - PK through Grade 12, Weighted	(14)	
8 Days in Term		
IDEA - PK through Grade 12, Weighted	14	0
Proposed Net Adjustment		**(62)**

SCHEDULE H

RECOMMENDATIONS AND REGULATORY CITATIONS
STUDENT TRANSPORTATION

RECOMMENDATIONS

We recommend that Levy County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) only those students who are in membership and are documented as having been transported at least 1 day during the reporting survey period are reported for State transportation funding; (2) *Individual Educational Plans* (*IEPs*) are maintained in readily accessible files and students who are reported in the Individuals with Disabilities Education Act - Prekindergarten through Grade 12, Weighted ridership category are documented as having met one of the five criteria required for reporting in a weighted ridership category as indicated on the students' *IEPs;* (3) the number of buses in operation are accurately reported; (4) students are reported in the correct ridership category based on their grade level and eligibility criteria, and documentation is maintained on file to support that reporting; (5) eligibility is verified prior to reporting students in the All Other Florida Education Finance Program (FEFP) Eligible Students ridership category based on living 2 or more miles from their assigned schools or other eligibility criteria; and (6) the number of days in term are accurately reported and documentation is maintained on file that supports the student's enrollment in an eligible program for the specified number of days in agreement with the District's summer school instructional calendar.

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 relating to the classification, assignment, and verification of student transportation as reported under the FEFP.

REGULATORY CITATIONS

Section 1002.33, Florida Statutes, *Charter Schools*
Chapter 1006, Part I, E., Florida Statutes, *Transportation of Public K-12 Students*
Section 1011.68, Florida Statutes, *Funds for Student Transportation*
State Board of Education Rules, Chapter 6A-3, Florida Administrative Code, *Transportation*
Student Transportation General Instructions 2014-15

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 Exceptional Student Education 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 Levy County

For the fiscal year ended June 30, 2015, the District received $1.5 million for student transportation as part of the State funding through the Florida Education Finance Program (FEFP). The District's student transportation reported by survey period was as follows:

Survey Period	Number of Vehicles	Number of Students
July 2014	0	0
October 2014	76	3,321
February 2015	62	3,214
June 2015	5	14
Total	143	6,549

3. Statutes and Rules

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

Section 1002.33, Florida Statutes, *Charter Schools*
Chapter 1006, Part I, E., Florida Statutes, *Transportation of Public K-12 Students*
Section 1011.68, Florida Statutes, *Funds for Student Transportation*
State Board of Education Rules, Chapter 6A-3, Florida Administrative Code, *Transportation*

NOTE B – TESTING
STUDENT TRANSPORTATION

Our examination procedures for testing provided for the selection of students using judgmental methods for testing student transportation as reported to the Department of Education for the fiscal year ended June 30, 2015. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements relating to the classification, assignment, and verification of student transportation as reported under the FEFP.

MANAGEMENT'S RESPONSE

Robert O. Hastings
Superintendent

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Bronson, FL 32621-0129

School Board of Levy County
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October 25, 2016

Sherrill F. Norman
Auditor General
111 West Madison Street
Tallahassee, FL 32302

Dear Ms. Norman,

Please see our response to the 2014/15 Florida Education Finance Program Full-Time Equivalent Student Enrollment and Student Transportation Preliminary and Tentative Report for the Levy County District School Board.

A. Full-Time Equivalent (FTE) Student Enrollment Findings

1. The District will enhance procedures to ensure attendance for students in Grades 9-12 is recorded on a period-by-period basis and teachers' attendance taking activity for all students in all grades will be monitored to ensure that all attendance is promptly recorded by the teachers.

   Finding number 9 (reference 6001/6002) The Whispering Winds Charter School will appealed this finding. They plan to demonstrate they have compensating controls that should answer any attendance questions. They have altered their attendance procedures to insure daily student attendance is recorded by the teacher of record.

2. The District will enhance procedures to ensure English Language Learner (ELL) Committees convene within 30 school days prior to the student's Date Entered United Sates School (DEUSS) or by October 1 if the student's DEUSS is within the first two weeks of the school year, for students being considered for continuation of their English for Speakers of Other Languages (ESOL) placements.
3. The District will ensure that timecards are accurately, completed, signed and retained for Career Education 9-12 who participate in on-the-job training programs.
4. The District will ensure that the school's bell schedule is in agreement with the student's reported Class Minutes Weekly.
5. The District will ensure that course schedules for Exceptional Student Education (ESE) students are reported entirely in the ESE program for which they are eligible.
6. The District will enhance procedures to ensure parents of students in ESOL are timely notified of the students' ESOL placement.
7. The District will ensure that ELL Student Plans are timely prepared, reviewed and retained in the students' files and are complete identifying those programs and courses that employ ESOL strategies.

8. The District will ensure that reported instructional minutes for students in the Hospital and Homebound Program are based on the homebound instructors' contact log.
9. The District will ensure that the on-campus portion of the course schedules for ESE students who are alternately assigned to Hospital and Homebound Program and to a school-based program reflect the actual instruction provided during the reporting survey week.
10. The District will ensure that ESE students are reported in accordance with the students' Matrix of Services form.
11. The District will ensure that Individual Educational Plans and Educational Plans are timely prepared, signed by the required participants, and retained in the students' files.
12. The District will enhance procedures to ensure that teachers are appropriately certified or if teaching out field, are timely approved by the School Board to teach out of field.
13. The District will ensure that parents are timely and appropriately notified when their children are assigned to teachers teaching out of field.
14. The District will ensure that ESOL teachers earn the appropriate in-service training points as required by State Board of Education (SBE) Rule 6A-6.0907, Florida Administrative Code, and in accordance with the teachers' in-service training timelines.

B. Student Transportation Findings

1. The District will ensure that only those students who are in membership and are documented as having been transported at least 1 day during the reporting survey period are reported for State transportation funding.
2. The District will ensure that Individual Educational Plans (IEPs) are maintained in readily accessible files and students who are reported in the Individuals with Disabilities Education Act – Prekindergarten through Grade 12, weighted ridership category are documented as having met one of the five criteria required for reported in a weighted ridership category as indicated on the students' IEPs.
3. The District will ensure the number of buses in operation are accurately reported.
4. The District will ensure that students are reported in the correct ridership category based on their grade level and eligibility criteria, and documentation is maintained on file to support that reporting.
5. The District will ensure eligibility is verified prior to reporting students in the All Other Florida Education Finance Program (FEFP) Eligible Students ridership category or living 2 or more miles from their assigned schools or other eligibility criteria.
6. The District will ensure the number of days in term are accurately reported and documentation is maintained on file that supports the student's enrollment in an eligible program for the specified number of days in agreement with the District's summer school instructional calendar.

Please contact me if you have additional questions or concerns.

Sincerely,

Robert O Hastings

Robert O. Hastings, Superintendent