STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

# Summary

**Report Number:** 2011-088

**Report Title:** Lake County District School Board – Florida Education Finance Program

**Report Period:** 07/01/2009 – 06/30/2010

**Release Date:** 02/07/2011

Summary of Attestation Examination

Except for the material noncompliance mentioned below involving the reporting of, and preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Lake County District School Board complied, in all material respects, with State requirements regarding the determination and reporting of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and the number of students transported for the fiscal year ended June 30, 2010.

- Fifty of the 298 students in our ESOL sample, 42 of the 194 students in our ESE Support Levels 4 and 5 sample, and 40 of the 129 students in our Career Education 9-12 (OJT) sample had exceptions involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located.

Noncompliance related to FTE resulted in 56 findings. The resulting audit adjustments to the District's reported, unweighted FTE totaled to a negative 11.3913 FTE but have a potential impact on the District's weighted FTE of a negative 99.4437 FTE. Noncompliance related to student transportation resulted in 2 findings and a net audit adjustment of a negative 3 students.

Weighted FTE adjustments are presented in our report for illustrative purposes only. They do not take special program caps and allocation factors into account and are not intended to indicate the weighted FTE used to compute the dollar value of audit adjustments, which is the responsibility of the Department of Education (DOE). However, the gross dollar effect of our FTE audit adjustments may be estimated by multiplying the net weighted FTE audit adjustment by the base student allocation amount. For the Lake County District School Board, the estimated gross dollar effect of our FTE audit adjustments is a negative $361,042 (negative 99.4437 times $3,630.62).

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

The ultimate resolution of our FTE and student transportation audit adjustments and the computation of their financial impact is the responsibility of DOE.

School District of Lake County

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

The governing body of the District is the District School Board, which is composed of five elected members. The executive officer of the Board is the appointed Superintendent of Schools. For the fiscal year ended June 30, 2010, the District operated 53 schools and other centers serving prekindergarten through twelfth grade students, reported 40,553.61 unweighted FTE for those students, and received approximately $86.3 million in State funding for those FTE.

Florida Education Finance Program (FEFP)

Florida school districts receive State funding through FEFP to serve prekindergarten through twelfth grade students (adult education is not funded by FEFP). FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system the availability of an educational environment appropriate to the student's educational needs which are substantially equal to that available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per student cost for equivalent educational programs due to sparsity and dispersion of student population. The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE (full-time equivalent student). For example, one student would be reported as one FTE if the student was enrolled in six classes per day at 50 minutes per class for the full 180-day school year (i.e., six classes at 50 minutes each per day is 5 hours of class a day or 25 hours per week, which equals one FTE).

Student Transportation

Any student who is transported by the District must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Vocational or Exceptional student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes. The District received approximately $7.8 million in State transportation funding.

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**The Superintendent's written response to the audit findings is included in the audit report as Exhibit A.**