STATE OF FLORIDA
AUDITOR GENERAL
DAVID W. MARTIN, CPA

Summary

Report Number: 2015-048

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

Report Period: 07/01/2012 – 06/30/2013

Release Date: 11/24/2014

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 missing and could not be located for students in ESOL, ESE Support Levels 4 and 5, and student transportation, the Pasco 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, 2013:

- Thirty-one of the 178 students in our ESOL sample and 40 of the 244 students in our ESE Support Levels 4 and 5 sample had exceptions involving reporting errors or records that were not properly or accurately prepared or were missing and could not be located. Of the 178 students in our ESOL sample, 5 students (2.8 percent) attended a charter school and 5 of the 31 students (16.1 percent) with exceptions attended a charter school. None of the 244 students in our ESE Support Levels 4 and 5 sample attended a charter school.
- Ninety-one of the 530 students in our student transportation sample had exceptions involving their reported ridership classification or eligibility for State transportation funding.

Noncompliance related to reported FTE resulted in 60 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative 1.6265 (negative 1.6265 is all applicable to District schools other than charter schools) but has a potential impact on the District's weighted FTE of a negative 31.6224 (negative 31.1565 is applicable to District schools other than charter schools and negative .4659 is applicable to charter schools). Noncompliance related to student transportation resulted in 11 findings and a proposed net adjustment of a negative 67 students.

Weighted adjustments to FTE are presented in our report for illustrative purposes only. The weighted adjustments to FTE do not take special program caps and allocation factors into account and are not intended to indicate the weighted FTE used to compute the dollar value of adjustments. That computation is the responsibility of the Department of Education. However, the gross dollar effect of our proposed adjustments to FTE may be estimated by multiplying the proposed net weighted adjustment to FTE by the base student allocation amount. For the Pasco County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative $113,302 (negative 31.6224 times $3,582.98), of which negative $111,633 is applicable to District schools other than charter schools and a negative $1,669 is applicable to charter schools.

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

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

SCHOOL DISTRICT OF PASCO COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Pasco 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 Pasco 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, 2013, State funding through FEFP was provided to 82 District schools other than charter schools, 5 charter schools, 2 District cost centers, and 4 virtual education cost centers serving prekindergarten through twelfth grade students. The District reported 66,229.93 unweighted FTE for those students, which included 2,199.16 unweighted FTE for charter school students, and received approximately $232.7 million in State funding through FEFP.

FLORIDA EDUCATION FINANCE PROGRAM (FEFP)

Full-Time Equivalent (FTE) Students

Florida school districts receive State funding through FEFP to serve prekindergarten through twelfth grade students (adult education is not funded by FEFP). FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system, including charter schools, the availability of programs and services appropriate to the student's educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. To provide equalization of educational opportunity in Florida, the FEFP formula recognizes: (1) varying local property tax bases, (2) varying program cost factors, (3) district cost differentials, and (4) differences in per-student cost for equivalent educational programs due to sparsity and dispersion of student population. The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE (full-time equivalent) student. For brick and mortar school students, one student would be reported as one FTE if the student was enrolled in six classes per day at 50 minutes per class for the full 180-day school year (i.e., six classes at 50 minutes each per day is 5 hours of class a day or 25 hours per week that equals one FTE). For virtual education students, one student would be reported as one FTE if the student has successfully completed six courses or credits or the prescribed level of content that counts toward promotion to the next grade. A student who completes less than six credits will be a fraction of an FTE. Half-credit completions will be included in determining an FTE. Credits completed by a student in excess of the minimum required for that student for graduation are not eligible for funding.

Student Transportation

Any student who is transported by the District must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Career Education 9-12 or an ESE student who is transported from one school center to another where appropriate programs are provided, or be on a route that meets the criteria for hazardous walking conditions specified in Section 1006.23(4), Florida Statutes. Additionally, Section 1002.33(20)(c), Florida Statutes, provides that the governing board of the charter school may provide transportation through an agreement or contract with the district school board, a private provider, or parents. The charter school and the sponsor shall cooperate in making arrangements that ensure that transportation is not a barrier to equal access for all students residing within a reasonable distance of the charter school as determined in its charter. The District received approximately $15.1 million for student transportation as part of the State funding through FEFP.

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