

# STATE OF FLORIDA AUDITOR GENERAL

DAVID W. MARTIN, CPA



## Summary

**Report Number:** [2015-053](#)

**Report Title:** [Flagler County District School Board – Florida Education Finance Program](#)

**Report Period:** [07/01/2012 – 06/30/2013](#)

**Release Date:** [12/02/2014](#)

### SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below involving teachers and reporting errors or records that were not properly or accurately prepared or were missing and could not be located for students in Basic, Basic with ESE Services, ESOL, ESE Support Levels 4 and 5, Career Education 9-12 (OJT), and student transportation, the Flagler 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:

- Of the 81 teachers in our sample, 15 did not meet State requirements governing certification, School Board approval of out-of-field teacher assignments, or notification to parents regarding teachers' out-of-field status. Of the 81 teachers sampled, 8 (10 percent) taught at a charter school and 6 of the 15 teachers (40 percent) with exceptions taught at a charter school.
- Thirteen of the 103 students in our Basic sample, 9 of the 69 students in our Basic with ESE Services sample, 60 of the 72 students in our ESOL sample, 7 of the 34 students in our ESE Support Levels 4 and 5 sample, and 9 of the 39 students in our Career Education 9-12 (OJT) 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 72 students in our ESOL sample, 8 students (11 percent) attended a charter school and 8 of the 60 students (13 percent) with exceptions attended a charter school. Additionally, none of the students with exceptions for Basic and Basic with ESE Services samples attended charter schools and none of the students who attended charter schools were reported in ESE Support Levels 4 and 5 or Career Education 9-12 (OJT) samples.
- Twelve of the 203 students in our student transportation sample, and as disclosed in our general tests, an additional 5,616 students had exceptions involving their reported ridership classification or eligibility for State transportation funding.

Noncompliance related to reported FTE resulted in 26 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to a negative 33.3600 but has a potential impact on the District's weighted FTE of a negative 51.0316 (negative 50.2247 is applicable to District schools other than charter schools and a negative .8069 is applicable to charter schools). Noncompliance related to student transportation resulted in 8 findings and a proposed net adjustment of a negative 5,616 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 Flagler County District School Board, the estimated gross dollar effect of our proposed adjustments to reported FTE is a negative \$182,845 (negative 51.0316 times \$3,582.98), of which a negative \$179,954 is applicable to District schools other than charter schools and a negative \$2,891 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 FLAGLER COUNTY

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Flagler 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 Flagler 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 appointed Superintendent of Schools. For the fiscal year ended June 30, 2013, State funding through FEFP was provided to the District for 11 schools other than charter schools, 3 charter schools, and 2 virtual education cost centers serving prekindergarten through twelfth grade students. The District reported 12,686.71 unweighted FTE for those students which included 992.42 unweighted FTE for charter school students and received approximately \$24.9 million in State funding through 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 \$3.8 million for student transportation as part of the State funding through FEFP.

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