

Report No. 2017-085
December 2016

STATE OF FLORIDA AUDITOR GENERAL

Attestation Examination

**INDIAN RIVER 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, Dr. Frances J. Adams served as Superintendent and the following individuals served as Board members:

<u>Board Member</u>	<u>District No.</u>
Shawn Frost from 11-18-14	1
Karen Disney-Brombach to 11-17-14	1
Dale Simchick	2
Matthew McCain, Chair from 11-18-14, Vice Chair to 11-17-14	3
Charles Searcy, Vice Chair from 11-18-14	4
Carol Johnson, Chair to 11-17-14	4
Claudia Jimenez	5

The team leader was Bernice Rivas 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.

This report and other reports prepared by the Auditor General are available at:

<http://www.myflorida.com/audgen>

Printed copies of our reports may be requested by contacting us at:

State of Florida Auditor General

Claude Pepper Building, Suite G74 • 111 West Madison Street • Tallahassee, FL 32399-1450 • (850) 412-2722

INDIAN RIVER COUNTY DISTRICT SCHOOL BOARD
TABLE OF CONTENTS

	Page No.
SUMMARY	i
INDEPENDENT AUDITOR’S REPORT ON FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT	1
SCHEDULE A – POPULATIONS, TEST SELECTION, AND TEST RESULTS	
Reported FTE	4
Schools and Students.....	4
Teachers.....	5
Proposed Adjustments	5
SCHEDULE B – EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FTE STUDENT ENROLLMENT	6
SCHEDULE C – PROPOSED ADJUSTMENTS BY SCHOOL.....	7
SCHEDULE D – FINDINGS AND PROPOSED ADJUSTMENTS	
Overview.....	10
Findings.....	10
SCHEDULE E – RECOMMENDATIONS AND REGULATORY CITATIONS	19
NOTES TO SCHEDULES.....	22
INDEPENDENT AUDITOR’S REPORT ON STUDENT TRANSPORTATION	25
SCHEDULE F – POPULATIONS, TEST SELECTION, AND TEST RESULTS.....	27
SCHEDULE G – FINDINGS AND PROPOSED ADJUSTMENTS	
Overview.....	29
Findings.....	29
SCHEDULE H – RECOMMENDATIONS AND REGULATORY CITATIONS.....	35
NOTES TO SCHEDULES.....	36
MANAGEMENT’S RESPONSE	37

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 Basic, Basic with Exceptional Student Education (ESE), English for Speakers of Other Languages (ESOL), ESE Support Levels 4 and 5, Career Education 9-12, and student transportation, the Indian River 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. The table below shows the total number of students included in each of our tests, as well as the number and percentage of students who attended charter schools who were included in our tests. The table also shows the number of students with exceptions in each of our tests, as well as the number and percentage of students with exceptions who attended charter schools.

Program Tested	Number of Students			Number of Students		
	Included in Test	Included in Test who Attended Charter Schools	Percentage	With Exceptions	With Exceptions who Attended Charter Schools	Percentage
Basic	110	24	22%	12	0	0%
Basic with ESE Services	67	8	12%	11	1	9%
ESOL	98	6	6%	10	3	30%
ESE Support Level 4 and 5	76	0	0%	20	0	0%
Career Education 9-12	3	0	0%	3	0	0%
Totals	<u>354</u>	<u>38</u>		<u>56</u>	<u>4</u>	

- We noted exceptions involving the reported ridership classification or eligibility for State transportation funding for 72 of the 418 students in our student transportation test.

Noncompliance related to the reported FTE student enrollment resulted in 32 findings. The resulting proposed net adjustment to the District's reported, unweighted FTE totaled to negative 10.7790 (all applicable to District schools other than charter schools) but has a potential impact on the District's weighted FTE of negative 22.3177 (22.0548 is applicable to District schools other than charter schools and .2629 is applicable to charter schools). Noncompliance related to student transportation resulted in 10 findings and a proposed net adjustment of negative 117 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 \$89,980 (negative 22.3177 times \$4,031.77), of which \$88,920 is applicable to District schools other than charter schools and \$1,060 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 Indian River 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 Indian River 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. The District had 21 District schools other than charter schools, 5 charter schools, 1 District cost center, and 1 virtual education cost center serving prekindergarten through 12th-grade students. For the fiscal year ended June 30, 2015, State funding totaling \$20.9 million was provided through the FEFP to the District for the District-reported 17,677.17 unweighted FTE as recalibrated, which included 2,160.70 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 \$3.65 million for student transportation as part of the State funding through the FEFP.



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722
Fax: (850) 488-6975

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 Indian River 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 Basic, Basic with Exceptional Student Education (ESE) Services, English for Speakers of Other Languages (ESOL), ESE Support Levels 4 and 5, and Career Education 9-12 tests 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 Basic, Basic with ESE Services, ESOL, ESE Support Levels 4 and 5, and Career Education 9-12, the Indian River 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 weaknesses¹ 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 Basic, Basic with ESE Services, ESOL, ESE Support Levels 4 and 5, and Career Education 9-12. 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
December 19, 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 Indian River County District School Board (District) reported to the Department of Education 17,677.17 unweighted FTE as recalibrated, which included 2,160.70 unweighted FTE as recalibrated for charter schools, at 21 District schools other than charter schools, 5 charter schools, 1 District cost center, and 1 virtual education cost center.

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 (28) consisted of the total number of brick and mortar schools and District cost centers in the District that offered courses, including charter schools, as well as the designated District virtual education cost center in the District that offered virtual instruction in the FEFP-funded programs. The population of students (7,743) 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 12 of the 110 students in our Basic test,² 11 of the 67 students in our Basic with ESE Services test,³ 10 of the 98 students in our ESOL test,⁴ 20 of the 76 students in our ESE Support Levels 4 and 5 test,⁵ and all 3 students in our Career Education 9-12 test.⁶ Twenty-four of the 110 students (22 percent) in our Basic test attended charter schools and none of the 12 students with exceptions attended charter schools, 8 of the 67 students (12 percent) in our Basic with ESE services test attended charter schools and 1 of the 11 students with exceptions (9 percent) attended charter schools, 6 of the 98 students (6 percent) in our ESOL test attended charter schools and 3 of the 10 students with exceptions (30 percent) attended charter schools. None of the students in our ESE Support Levels 4 and 5 or Career Education 9-12 tests attended charter schools.

² For Basic, the material noncompliance is composed of Findings 7 and 31 on *SCHEDULE D*.

³ For Basic with ESE, the material noncompliance is composed of Findings 9, 13, 19, 21, 29, and 31 on *SCHEDULE D*.

⁴ For ESOL, the material noncompliance is composed of Findings 3, 14, 18, 22, and 30 on *SCHEDULE D*.

⁵ For ESE Support Levels 4 and 5, the material noncompliance is composed of Findings 4, 9, 10, 11, 15, 23, and 26 on *SCHEDULE D*.

⁶ For Career Education 9-12, the material noncompliance is composed of Finding 24 on *SCHEDULE D*.

Our populations and tests of schools and students are summarized as follows:

<u>Programs</u>	<u>Number of Schools</u>		<u>Number of Students at Schools Tested</u>		<u>Students with Exceptions</u>	<u>Recalibrated Unweighted FTE</u>		<u>Proposed Adjustments</u>
	<u>Population</u>	<u>Test</u>	<u>Population</u>	<u>Test</u>		<u>Population</u>	<u>Test</u>	
Basic	27	9	5,931	110	12	13,497.4100	82.5634	3.3355
Basic with ESE Services	27	10	1,232	67	11	2,963.6400	50.1503	(2.4369)
ESOL	23	8	460	98	10	639.9400	80.0891	(7.7751)
ESE Support Levels 4 and 5	15	7	117	76	20	138.5700	53.9594	(3.4682)
Career Education 9-12	5	1	<u>3</u>	<u>3</u>	<u>3</u>	<u>437.6100</u>	<u>.3570</u>	<u>(.4343)</u>
All Programs	28	10	<u>7,743</u>	<u>354</u>	<u>56</u>	<u>17,677.1700</u>	<u>267.1192</u>	<u>(10.7790)</u>

Teachers

We also tested teacher qualifications as part of our examination procedures. (See NOTE B.) Specifically, the population of teachers (263, of which 243 are applicable to District schools other than charter schools and 20 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 the virtual education cost center 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 93 and found exceptions for 7 teachers. Eleven of the 93 teachers (12 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 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	3.9583	1.126	4.4570
102 Basic 4-8	.1720	1.000	.1720
103 Basic 9-12	(3.9533)	1.004	(3.9691)
111 Grades K-3 with Exceptional Student Education (ESE) Services	.0332	1.126	.0374
112 Grades 4-8 with ESE Services	.5000	1.000	.5000
113 Grades 9-12 with ESE Services	(1.9701)	1.004	(1.9780)
130 English for Speakers of Other Languages (ESOL)	(5.6166)	1.147	(6.4422)
254 ESE Support Level 4	(2.1245)	3.548	(7.5377)
255 ESE Support Level 5	(1.3437)	5.104	(6.8582)
300 Career Education 9-12	(.4343)	1.004	(.4360)
Subtotal	<u>(10.7790)</u>		<u>(22.0548)</u>

Charter Schools			
No. Program (1)	Proposed Net Adjustment (2)	Cost Factor	Weighted FTE (3)
101 Basic K-3	1.4317	1.126	1.6121
102 Basic 4-8	1.7268	1.000	1.7268
111 Grades K-3 with ESE Services	(1.0000)	1.126	(1.1260)
130 ESOL	(2.1585)	1.147	(2.4758)
Subtotal	<u>.0000</u>		<u>(.2629)</u>

Total of Schools			
No. Program (1)	Proposed Net Adjustment (2)	Cost Factor	Weighted FTE (3)
101 Basic K-3	5.3900	1.126	6.0691
102 Basic 4-8	1.8988	1.000	1.8988
103 Basic 9-12	(3.9533)	1.004	(3.9691)
111 Grades K-3 with ESE Services	(.9668)	1.126	(1.0886)
112 Grades 4-8 with ESE Services	.5000	1.000	.5000
113 Grades 9-12 with ESE Services	(1.9701)	1.004	(1.9780)
130 ESOL	(7.7751)	1.147	(8.9180)
254 ESE Support Level 4	(2.1245)	3.548	(7.5377)
255 ESE Support Level 5	(1.3437)	5.104	(6.8582)
300 Career Education 9-12	(.4343)	1.004	(.4360)
Total	<u>(10.7790)</u>		<u>(22.3177)</u>

- 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

<u>No.</u> <u>Program</u>	<u>Proposed Adjustments (1)</u>			<u>Balance Forward</u>
	<u>#0101</u>	<u>#0121</u>	<u>#0131</u>	
101 Basic K-3	1.7364	(.1009)	.....	1.6355
102 Basic 4-8	.....	.....	.0676	.0676
103 Basic 9-12	.....	.....	.....	.0000
111 Grades K-3 with Exceptional Student Education (ESE) Services	.....	.....	(.1650)	(.1650)
112 Grades 4-8 with ESE Services	.....	.....	.....	.0000
113 Grades 9-12 with ESE Services	.....	.....	.5401	.5401
130 English for Speakers of Other Languages (ESOL)	(1.7364)	(.3818)	.....	(2.1182)
254 ESE Support Level 4	.....	(.0170)	(.6077)	(.6247)
255 ESE Support Level 5	(.4791)	.....	(.4202)	(.8993)
300 Career Education 9-12	.....	.....	.....	.0000
Total	<u>(.4791)</u>	<u>(.4997)</u>	<u>(.5852)</u>	<u>(1.5640)</u>

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

<u>No.</u>	<u>Brought Forward</u>	<u>Proposed Adjustments (1)</u>				<u>Balance Forward</u>
		<u>#0141</u>	<u>#0161</u>	<u>#0291</u>	<u>#0371</u>	
101	1.6355	1.2684	1.0544	.....	.....	3.9583
102	.0676	.....	.1044	.....	.....	.1720
103	.0000	.....	.....	1.4274	.....	1.4274
111	(.1650)	.4999	(.3017)	.....	.....	.0332
112	.0000	.....	.....	.....	.5000	.5000
113	.5401	.....	.....	(.0100)	.....	.5301
130	(2.1182)	(1.2684)	(1.1588)	(1.0712)	.....	(5.6166)
254	(.6247)	(.9998)	.....	.....	(.5000)	(2.1245)
255	(.8993)	.....	.....	(.4444)	.....	(1.3437)
300	<u>.0000</u>	<u>.....</u>	<u>.....</u>	<u>(.3570)</u>	<u>.....</u>	<u>(.3570)</u>
Total	<u>(1.5640)</u>	<u>(.4999)</u>	<u>(.3017)</u>	<u>(.4552)</u>	<u>.0000</u>	<u>(2.8208)</u>

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

<u>No.</u>	<u>Brought Forward</u>	<u>Proposed Adjustments (1)</u>		<u>Total</u>
		<u>#5006*</u>	<u>#7001</u>	
101 Basic K-3	3.9583	1.4317	.....	5.3900
102 Basic 4-8	.1720	1.7268	.....	1.8988
103 Basic 9-12	1.4274	.....	(5.3807)	(3.9533)
111 Grades K-3 with ESE Services	.0332	(1.0000)	.....	(.9668)
112 Grades 4-8 with ESE Services	.5000	.....	.....	.5000
113 Grades 9-12 with ESE Services	.5301	.....	(2.5002)	(1.9701)
130 ESOL	(5.6166)	(2.1585)	.....	(7.7751)
254 ESE Support Level 4	(2.1245)	.....	.....	(2.1245)
255 ESE Support Level 5	(1.3437)	.....	.....	(1.3437)
300 Career Education 9-12	<u>(.3570)</u>	<u>.....</u>	<u>(.0773)</u>	<u>(.4343)</u>
Total	<u>(2.8208)</u>	<u>.0000</u>	<u>(7.9582)</u>	<u>(10.7790)</u>

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

*Charter School

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 Basic, Basic with Exceptional Student Education (ESE), English for Speakers of Other Languages (ESOL), ESE Support Levels 4 and 5, and Career Education 9-12, the Indian River 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

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.

Districtwide – English Language Learner (ELL) Student Plans

1. [Ref. 10101/12102/14102/16101/37103/500303] For six of the ten schools in our test, the students' *ELL Student Plans* did not always include the students' English language assessment data to support the students' initial or continued placements in the ESOL Program as required by SBE Rule 6A-6.0901, FAC. Since we were able to access the assessment data on the students' previous *ELL Student Plans* and on the District's student database, we present this disclosure Finding with no proposed adjustment.

**Proposed Net
Adjustments
(Unweighted FTE)**

.0000

Findings

Districtwide – Attendance Recordkeeping

2. [Ref. 10103/12103/13101/14101/16104/29102/37102/500602] Our examination of the District’s procedures involving the use of an electronic attendance record-keeping system (Esembler) disclosed that eight of the ten schools in our test did not retain exception reports identifying teachers who did not submit attendance during the 11 days of the reporting survey periods. We also noted that a detailed log identifying when and by whom attendance data was recorded, changed, or deleted was not maintained as required by the Department of Education’s *Comprehensive Management Information System: Automated Student Attendance Recordkeeping System Handbook*, page 6. We also noted that five of the schools did not retain substitute teacher attendance rosters or student sign-in and sign-out logs. Since the schools’ procedures provided that only the teacher or the data clerk was to record attendance in the system and we were able, through system archives of the data, to determine that each student was actually recorded in attendance at least 1 day of the reporting survey periods, except for the students cited in Findings 7 (Ref. 12103), 9 (Ref. 13101), 13 (Ref. 14101), and 21 (Ref. 29102), we present this disclosure Finding with no proposed adjustment.

.0000

Fellsmere Elementary School (#0101)

3. [Ref. 10101] Two ELL students’ English language proficiencies were not assessed within 30 school days prior to the students’ Date Entered United States School (DEUSS) anniversary dates and an ELL Committee was not convened for one of the students by October 1 to consider the student’s continued ESOL placement beyond 3 years from the student’s DEUSS. We propose the following adjustment:

101 Basic K-3	1.7364	
130 ESOL	<u>(1.7364)</u>	.0000

4. [Ref. 10102] One ESE student was incorrectly reported in Program No. 255 (ESE Support Level 5) for on-campus instruction in the February 2015 reporting survey period. The student was enrolled in the Hospital and Homebound Program and was not scheduled for, and did not receive, any on-campus instruction. We propose the following adjustment:

255 ESE Support Level 5	<u>(.4791)</u>	<u>(.4791)</u>
		<u>(.4791)</u>

Findings

Pelican Island Elementary School (#0121)

5. [Ref. 12101] The course schedules for a number of students were incorrectly reported. The daily instructional schedule provided by the School supported 1,675 instructional minutes weekly and met the minimum reporting of Class Minutes Weekly (CMW); however, the students' course schedules reported were not in agreement with the School's daily instructional schedule. We noted varying ranges of differences ranging from 1,755 CMW to 2,500 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the number of instructional minutes established in the individual School's daily instructional schedule. Since most of the students were reported at only one school for the entire school year and the reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. We present this disclosure Finding with no proposed adjustments.

.0000

6. [Ref. 12171] The parents of one ELL student taught by one out-of-field teacher were not notified of the teacher's out-of-field status in ESOL. We propose the following adjustment:

101 Basic K-3	.3818	
130 ESOL	<u>(.3818)</u>	.0000

7. [Ref. 12103] School records did not evidence an attendance record to support the reporting of one Basic student in the October 2014 reporting survey period. We propose the following adjustment:

101 Basic K-3	<u>(.4997)</u>	(.4997)
---------------	----------------	---------

8. [Ref. 12172] One teacher was incorrectly reported as the teacher of record for a course that required a licensed physical therapist or physical therapist assistant in the October 2014 reporting survey period. We noted that the reported teacher had resigned at the end of the previous school year. Consequently, School records did not identify the teacher who taught the course or demonstrate that the teacher was appropriately licensed. We propose the following adjustment:

101 Basic K-3	.0170	
254 ESE Support Level 4	<u>(.0170)</u>	<u>.0000</u>
		<u>(.4997)</u>

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

Wabasso School (#0131)

9. [Ref. 13101] School records did not evidence attendance records to support the reporting of 13 prekindergarten (PK) students (3 students were in our Basic with ESE Services test and 10 students were in our ESE Support Levels 4 and 5 test) in the October 2014 and February 2015 reporting survey periods. We propose the following adjustment:

111 Grades K-3 with ESE Services	(.1650)	
254 ESE Support Level 4	(.0600)	
255 ESE Support Level 5	<u>(.2400)</u>	(.4650)

10. [Ref. 13103] School records did not evidence that homebound instruction was provided during the October 2014 reporting survey period to two ESE students who were enrolled in the Hospital and Homebound Program. We also noted that the physician's statement portion of the *ESE Application for Home/Hospital Education* form for one of the students was not prepared until February 19, 2015, which was after the February 2015 reporting survey period. We propose the following adjustment:

113 Grades 9-12 with ESE Services	.0600	
255 ESE Support Level 5	<u>(.1802)</u>	(.1202)

11. [Ref. 13104] The file for one ESE student did not contain a *Matrix of Services* form that was valid during the February 2015 reporting survey period. We propose the following adjustment:

113 Grades 9-12 with ESE Services	.4801	
254 ESE Support Level 4	<u>(.4801)</u>	.0000

12. [Ref. 13171] One teacher was not properly certified and was not approved by the School Board to teach out of field until January 27, 2015, which was after the October 2014 reporting survey. The teacher held certification in Elementary Education but taught a course that required certification in History. We also noted that the parents of the students were not notified of the teacher's out-of-field status until January 29, 2015, which was after the October 2014 reporting survey period. We propose the following adjustment:

102 Basic 4-8	.0676	
254 ESE Support Level 4	<u>(.0676)</u>	.0000
		<u>(.5852)</u>

Findings

Citrus Elementary School (#0141)

13. [Ref. 14101] One ESE student was marked as absent for 9 of the 11 days of the reporting survey period and as tardy the remaining 2 days; however, tardy slips and sign-in sheets were not available to support the days marked tardy. We propose the following adjustment:

111 Grades K-3 with ESE Services	(.4999)	(.4999)
----------------------------------	---------	---------

14. [Ref. 14102] For two ELL students, an ELL Committee was not convened by October 1 to consider one of the student’s continued ESOL-placement beyond 3 years from the student’s DEUSS and the other student’s English language proficiency was not assessed within 30 school days prior to the student’s DEUSS anniversary date. We propose the following adjustment:

101 Basic K-3	1.2684	
130 ESOL	(1.2684)	.0000

15. [Ref. 14103] For two ESE students, we noted that the *Matrix of Services (Matrix)* form for one student was prepared on December 17, 2014, which was after the October 2014 reporting survey period, and for the other student, School records did not evidence that the *Matrix* had been reviewed and updated when the student’s new *Individual Educational Plan (IEP)* was prepared on May 21, 2014. We propose the following adjustment:

111 Grades K-3 with ESE Services	.9998	
254 ESE Support Level 4	(.9998)	.0000
		(.4999)

Vero Beach Elementary School (#0161)

16. [Ref. 16103] The course schedules for a number of students were incorrectly reported. The daily instructional schedule provided by the School supported 1,625 instructional minutes weekly and met the minimum reporting CMW; however, the students’ course schedules reported were not in agreement with the School’s daily instructional schedule. We noted varying ranges from 1,395 CMW to 3,505 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the number of instructional minutes established in the individual School’s daily instructional schedule. Since most of the students were reported at only one school for the entire school year and the reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. We present this disclosure Finding with no proposed adjustments.

.0000

Findings

Vero Beach Elementary School (#0161) (Continued)

17. [Ref. 16172] One teacher 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 student were not notified of the teacher’s out-of-field status in ESOL. We propose the following adjustment:

102 Basic 4-8	.1044	
130 ESOL	<u>(.1044)</u>	.0000

18. [Ref. 16101] An ELL Committee was not convened by October 1 to consider one ELL student’s continued ESOL placement beyond 3 years from the student’s DEUSS. We propose the following adjustment:

101 Basic K-3	.8456	
130 ESOL	<u>(.8456)</u>	.0000

19. [Ref. 16102] The *IEP* for one PK ESE student indicated that only 90 minutes of instruction were scheduled and provided in Speech therapy and the student was otherwise enrolled in the Voluntary PK Program; however, the student was reported for 995 minutes of instruction. We propose the following adjustment:

111 Grades K-3 with ESE Services	<u>(.3017)</u>	(.3017)
----------------------------------	----------------	---------

20. [Ref. 16171] One teacher was not properly certified to teach ELL students and was not approved by the School Board to teach such students out of field until January 27, 2015, which was after the October 2014 reporting survey period. We also noted that the parents of the students were not notified of the teacher’s out-of-field status until January 22, 2015, which was after the October 2014 reporting survey period. We propose the following adjustment:

101 Basic K-3	.2088	
130 ESOL	<u>(.2088)</u>	.0000
		<u>(.3017)</u>

Sebastian River High School (#0291)

21. [Ref. 29102] School records did not evidence attendance records to support the reporting of one ESE student during the October 2014 and February 2015 reporting survey periods. We propose the following adjustment:

113 Grades 9-12 with ESE Services	<u>(.0100)</u>	(.0100)
-----------------------------------	----------------	---------

Findings

Sebastian River High School (#0291) (Continued)

22. [Ref. 29103] ELL Committees were not convened by October 1 to consider two ELL students' continued ESOL placements beyond 3 years from the students' DEUSS. Additionally, the English language proficiency of one of the students was not assessed within 30 school days prior to the student's DEUSS anniversary date. We propose the following adjustment:

103 Basic 9-12	1.0712	
130 ESOL	<u>(1.0712)</u>	.0000

23. [Ref. 29104] The instructional time for three ESE students was incorrectly reported. The on-campus courses for two of the students were incorrectly reported in Program No. 255 (ESE Support Level 5) in the February 2015 reporting survey period based on the students' placement in the Hospital and Homebound Program and School records did not evidence homebound teachers' contact logs to support the reported homebound instructional time for one of the two students during the October 2014 and February 2015 reporting survey periods. The third student was reported for 150 minutes of homebound instruction; however, the teacher's contact log indicated that the student was provided 180 minutes of such instruction. We propose the following adjustment:

103 Basic 9-12	.3562	
255 ESE Support Level 5	<u>(.4444)</u>	(.0882)

24. [Ref. 29105] The timecards for three Career Education 9-12 students who participated in on-the-job training (OJT) were not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

300 Career Education 9-12	<u>(.3570)</u>	<u>(.3570)</u>
		<u>(.4552)</u>

Storm Grove Middle School (#0371)

25. [Ref. 37101] The course schedules for a number of students were incorrectly reported. The bell schedule provided by the School supported 1,745 instructional minutes weekly and met the minimum reporting of CMW; however, the students' course schedules reported were not in agreement with the School's bell schedule. We noted varying ranges from 1,905 CMW to 2,130 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the number
(Finding Continues on Next page)

Findings

Storm Grove Middle School (#0371) (Continued)

of instructional minutes established in the individual School’s bell schedule. Since most of the students were reported at only one school for the entire school year and the reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. We present this disclosure Finding with no proposed adjustments.

.0000

26. [Ref. 37104] The file for one ESE student did not contain a *Matrix of Services* form to support the student’s reporting in Program No. 254 (ESE Support Level 4). We propose the following adjustment:

112 Grades 4-8 with ESE Services	.5000	
254 ESE Support Level 4	<u>(.5000)</u>	<u>.0000</u>
		<u>.0000</u>

North County Charter School (#5003)

27. [Ref. 500301] The course schedules for a number of students were incorrectly reported. The School’s daily instructional schedule supported 1,600 instructional minutes weekly and met the minimum reporting of CMW; however, the students’ course schedules reported were not in agreement with the School’s daily instructional schedule. We noted varying ranges from 1,725 CMW to 1,765 CMW. Student course schedules, which are necessary for the recalibration process to work appropriately, should reflect the number of instructional minutes established in the individual School’s daily instructional schedule. Since most of the students were reported at only one school for the entire school year and the reported FTE was recalibrated to 1.0, this incorrect reporting does not affect their ultimate funding level. We present this disclosure Finding with no proposed adjustments.

.0000
.0000

Imagine Schools South Vero (#5006) Charter School

28. [Ref. 500671] One teacher who taught Primary Language Arts to a class that included an ELL student had earned only 60 of the 240 in-service training points as of the October 2014 reporting survey period, or 300 in-service training points as of the February 2015 reporting survey period, in ESOL strategies required by SBE Rule 6A-6.0907, FAC, and the teacher’s in-service training timeline. Since the student involved is cited in Finding 30 (Ref. 500604), we present this disclosure Finding with no proposed adjustment:

.0000

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

Imagine Schools South Vero (#5006) Charter School (Continued)

29. [Ref. 500603] The file for one ESE student did not contain an *IEP* to support the student's reporting in Program No. 111 (Grades K-3 with ESE Services). We propose the following adjustment:

101 Basic K-3	1.0000	
111 Grades K-3 with ESE Services	<u>(1.0000)</u>	.0000

30. [Ref. 500604] The files for three ELL students enrolled in the ESOL Program did not contain *ELL Student Plans* covering the 2014-15 school year. We propose the following adjustment:

101 Basic K-3	.4317	
102 Basic 4-8	1.7268	
130 ESOL	<u>(2.1585)</u>	.0000
		<u>.0000</u>

Indian River Virtual Instruction Program (#7001)

31. [Ref. 700101] Our examination disclosed that the FTE for 395 students (11 students were in our Basic test and 4 students were in our Basic with ESE Services test) was incorrectly reported in the June 2015 reporting survey period. The students were enrolled in part-time virtual education courses that were provided directly by the Florida Virtual School and not through the District's contracted Virtual Instruction Program; therefore, the FTE for these courses should not have been reported by this School. We propose the following adjustment:

103 Basic 9-12	(6.6145)	
113 Grades 9-12 with ESE Services	(1.2982)	
300 Career Education 9-12	<u>(.0455)</u>	(7.9582)

32. [Ref. 700171] Our examination disclosed that 82 courses reported in the June 2015 reporting survey period were reported under a single contracted services number instead of the individual identification numbers of the teachers who taught the individual courses. Consequently, School records did not demonstrate that the teachers of the courses were appropriately certified. We propose the following adjustment:

103 Basic 9-12	1.2338	
113 Grades 9-12 with ESE Services	(1.2020)	
300 Career Education 9-12	<u>(.0318)</u>	.0000
		<u>(7.9582)</u>

Proposed Net Adjustment

(10.7790)

SCHEDULE E

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

RECOMMENDATIONS

We recommend that Indian River County District School Board (District) management exercise more care and take corrective action, as appropriate, to ensure that: (1) only students who are in membership and in attendance at least 1 day during the 11-day reporting survey period are reported with the survey's results; (2) student schedules are reported in accordance with the instructional time as supported by the schools' bell schedules; (3) written procedures are developed to comply with the Department of Education's *Comprehensive Management Information System Automated Student Attendance Recordkeeping Handbook*, including maintaining a log that identifies all additions, changes, and deletions made to student attendance records; (4) students are reported in the proper funding categories for the correct amount of FTE and adequate documentation is retained to support that reporting; (5) *English Language Learner (ELL) Student Plans* are reviewed and updated annually, include documentation of each student's English language proficiency assessments, and are retained in the students' files; (6) students' English language proficiencies are assessed and ELL Committees are convened timely to support the students' continued English for Speakers of Other Languages (ESOL) placements beyond the 3 years from the students' Date Entered United States School (DEUSS) based on their individual DEUSS anniversary dates; (7) students in Career Education 9-12 who participated in on-the-job training are reported in accordance with timecards that are accurately completed, signed, and retained in readily-accessible files; (8) annual physicians' statements are on file to support students' placements in the Hospital and Homebound Program; (9) the on-campus portion of the schedules of students enrolled in the Hospital and Homebound Program is reported in the proper funding category; (10) students receiving homebound instruction during the reporting survey periods are reported for the students' scheduled instructional time as supported by the students' *Individual Educational Plans (IEPs)* and the homebound instructors' contact logs; (11) evidence is maintained to support that the *Matrix of Services* forms have been reviewed and updated when the students' *IEPs* are prepared and reflect the *IEP* services in effect during the reporting survey period; (12) *IEPs* and *Matrix of Services* forms are timely prepared and retained in the students' files; (13) part-time students taking virtual education courses directly through the Florida Virtual School are not reported for Florida Education Finance Program (FEFP) funding by the District; (14) teachers are properly certified or, if out of field, are timely approved to teach out of field by the School Board or Charter School Governing Board; (15) parents are timely notified of teachers' out-of-field status, (16) 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 the teachers' in-service training timelines; and (17) teachers of record is accurately reported for all courses.

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 FEFP.

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

<p style="text-align: center;">NOTE A – SUMMARY FULL-TIME EQUIVALENT (FTE) STUDENT ENROLLMENT</p>

A summary discussion of the significant features of the Indian River 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 Indian River 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 Indian River 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. The District had 21 District schools other than charter schools, 5 charter schools, 1 District cost center, and 1 virtual education cost center serving prekindergarten through 12th-grade students. For the fiscal year ended June 30, 2015, State funding totaling \$20.9 million was provided through the FEFP to the District for the District-reported 17,677.17 unweighted FTE as recalibrated, which included 2,160.70 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:

<u>School</u>	<u>Findings</u>
Districtwide – ELL Student Plans	1
Districtwide – Attendance Recordkeeping	2
1. Fellsmere Elementary School	3 and 4
2. Pelican Island Elementary School	5 through 8
3. Wabasso School	9 through 12
4. Citrus Elementary School	13 through 15
5. Vero Beach Elementary School	16 through 20
6. Sebastian River High School	21 through 24
7. Storm Grove Middle School	25 and 26
8. North County Charter School*	27
9. Imagine Schools South Vero*	28 through 30
10. Indian River Virtual Instruction Program	31 and 32

* Charter School



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450



Phone: (850) 412-2722
Fax: (850) 488-6975

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 Indian River 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 Indian River 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 weaknesses⁷ 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, CPA
Tallahassee, Florida
December 19, 2016

⁷ 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.

SCHEDULE F

POPULATIONS, TEST SELECTION, AND TEST RESULTS STUDENT TRANSPORTATION

Any student who is transported by the Indian River 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 (213) 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 (17,337) 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:

<u>Ridership Category</u>	<u>Number of Students Transported</u>
Teenage Parents and Infants	24
Hazardous Walking	2,320
Individuals with Disabilities Education Act – Prekindergarten through Grade 12, Weighted	666
All Other Florida Education Finance Program Eligible Students	<u>14,327</u>
Total	<u>17,337</u>

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 72 of 418 students in our student transportation test.⁸

⁸ For student transportation, the material noncompliance is composed of Findings 6, 7, 8, 9, 10, and 11 on *SCHEDULE G*.

Our examination results are summarized below:

<u>Description</u>	<u>Buses</u>	<u>Students</u>	
	<u>Proposed Net Adjustment</u>	<u>With Exceptions</u>	<u>Proposed Net Adjustment</u>
We noted that the reported number of buses in operation was overstated.	(1)	-	-
Our tests included 418 of the 17,337 students reported as being transported by the District.	-	72	(39)
In conjunction with our general tests of student transportation we identified certain issues related to 80 additional students.	-	<u>80</u>	<u>(78)</u>
Totals	<u>(1)</u>	<u>152</u>	<u>(117)</u>

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 Indian River 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. 51/62] The District's reported number of buses in operation was overstated by one bus in the February 2015 reporting survey period as there was no bus driver report on file for that bus. We were able to verify that the students reported on this bus were marked as riding other buses during the reporting survey period (Ref. 51). Additionally, we noted that six students (two students in the July 2014 reporting survey period [Ref. 51] and four students in the June 2015 reporting survey period [Ref. 62]) were not identified as Individuals with Disabilities Education Act (IDEA) students enrolled for extended school year (ESY) services or students who were enrolled in a nonresidential Department of Juvenile Justice (DJJ) Program; consequently, the students were not eligible for State transportation funding. We propose the following adjustments:

Findings

**Students
Transported
Proposed Net
Adjustments**

Ref 51

July 2014 Survey

8 Days in Term

IDEA – Prekindergarten (PK) through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	(1)	(2)

February 2015 Survey

Number of Buses in Operation	<u>(1)</u>	
------------------------------	------------	--

Ref. 62

June 2015 Survey

12 Days in Term

IDEA - PK through Grade 12, Weighted	(3)	
All Other FEFP Eligible Students	<u>(1)</u>	(4)

2. [Ref. 52] Our general tests disclosed that the number of days in term (DIT) was incorrectly reported for 166 students in the June 2015 reporting survey period. The students were reported for 14 DIT rather than the 12 DIT indicated in the District’s summer instructional calendar. We propose the following adjustment:

June 2015 Survey

14 Days in Term

Hazardous Walking	(1)	
IDEA - PK through Grade 12, Weighted	(140)	
All Other FEFP Eligible Students	(25)	

12 Days in Term

Hazardous Walking	1	
IDEA - PK through Grade 12, Weighted	140	
All Other FEFP Eligible Students	<u>25</u>	0

3. [Ref. 53] Our general tests disclosed that one student did not have a matching demographic record in the Full Time Equivalent database in the June 2015 reporting survey period. Consequently, District records did not demonstrate that the student was eligible for State transportation funding. We propose the following adjustment:

June 2015 Survey

12 Days in Term

IDEA - PK through Grade 12, Weighted	<u>(1)</u>	(1)
--------------------------------------	------------	-----

Findings

4. [Ref. 54] Our general tests disclosed that four PK students were incorrectly reported in the Hazardous Walking (three students) or All Other FEFP Eligible Students (one student) ridership categories. Two of the students were enrolled in the Voluntary PK Program and were not otherwise eligible for State transportation funding and two of the students were identified as students with a disabilities under the IDEA; therefore, the students should have been reported in the All Other FEFP Eligible Students ridership category. We propose the following adjustments:

October 2014 Survey

90 Days in Term

Hazardous Walking	(1)	
All Other FEFP Eligible Students	1	

February 2015 Survey

90 Days in Term

Hazardous Walking	(3)	
All Other FEFP Eligible Students	<u>1</u>	(2)

5. [Ref. 55/56] The reported ridership of 96 students (27 students were in our test – Ref. 56) was not adequately supported. We noted that 65 of the students (10 students were in our test – Ref. 56) were not listed on the bus drivers’ reports and 31 students (17 students were in our test – Ref. 56) were listed but not marked as being transported during the reporting survey periods. We propose the following adjustments:

Ref. 55

October 2014 Survey

90 Days in Term

Hazardous Walking	(3)	
All Other FEFP Eligible Students	(8)	

February 2015 Survey

90 Days in Term

Hazardous Walking	(16)	
IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	<u>(41)</u>	(69)

Ref. 56

October 2014 Survey

90 Days in Term

Teenage Parents and Infants	(3)	
Hazardous Walking	(5)	
All Other FEFP Eligible Students	(7)	

**Students
Transported
Proposed Net
Adjustments**

Findings

February 2015 Survey

90 Days in Term

Hazardous Walking	(5)	
IDEA - PK through Grade 12, Weighted	(1)	
All Other FEFP Eligible Students	<u>(6)</u>	(27)

6. [Ref. 57] Sixteen students in our test were incorrectly reported in the Hazardous Walking ridership category as follows:

- a. Eleven students lived 2 miles or more from their assigned schools and should have been reported in the All Other FEFP Eligible Students ridership category.
- b. Four students' routes to school did not require the students to cross a designated hazardous walking area and the students were not otherwise eligible to be reported for State transportation funding.
- c. One student did not have a valid address on file; therefore, District records did not demonstrate that the student lived 2 miles or more from school or that the student was otherwise eligible to be reported for State transportation funding.

We propose the following adjustments:

October 2014 Survey

90 Days in Term

Hazardous Walking	(9)	
All Other FEFP Eligible Students	5	

February 2015 Survey

90 Days in Term

Hazardous Walking	(7)	
All Other FEFP Eligible Students	<u>6</u>	(5)

7. [Ref. 58] Three students in our test were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students lived less than 2 miles from their assigned school; however, we determined that two of the students were eligible for reporting in the Hazardous Walking ridership category. The remaining student was not otherwise eligible for State transportation funding. We propose the following adjustments:

October 2014 Survey

90 Days in Term

Hazardous Walking	1	
All Other FEFP Eligible Students	(1)	

**Students
Transported
Proposed Net
Adjustments**

Findings

February 2015 Survey

90 Days in Term

Hazardous Walking	1	
All Other FEFP Eligible Students	<u>(2)</u>	(1)

8. [Ref. 59] The *Individual Educational Plans (IEPs)* for 15 students in our test who were reported in the IDEA - PK through Grade 12, Weighted ridership category did not indicate that the students met at least one of the five criteria required for reporting in a weighted ridership category. We determined that 14 of the students were eligible to be reported in the All Other FEFP Eligible Students ridership category and the remaining student was 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	(7)	
All Other FEFP Eligible Students	6	

February 2015 Survey

90 Days in Term

IDEA - PK through Grade 12, Weighted	(8)	
All Other FEFP Eligible Students	<u>8</u>	(1)

9. [Ref. 60] We noted the following exceptions involving the *IEPs* for ten Exceptional Student Education students in our tests as follows:

- a. The *IEPs* for three students were not available at the time of our examination and could not be subsequently located.
- b. The *IEPs* for five students did not document that the students met one of the five criteria required for reporting in a weighted ridership category. We also noted that *IEPs* for two of the students did not document the need for ESY services.
- c. Two students were incorrectly reported in the All Other FEFP Eligible Students ridership category. The students' *IEPs* documented that the students met one of the five criteria for reporting in a weighted ridership category and, therefore, should have been reported in the IDEA - PK through Grade 12, Weighted ridership category.

We propose the following adjustments:

a. July 2014 Survey

8 Days in Term

IDEA - PK through Grade 12, Weighted	(4)	
All Other FEFP Eligible Students	2	

<u>Findings</u>	<u>Students Transported Proposed Net Adjustments</u>
June 2015 Survey	
<u>12 Days in Term</u>	
IDEA - PK through Grade 12, Weighted	(1)
b. June 2015 Survey	
<u>12 Days in Term</u>	
IDEA - PK through Grade 12, Weighted	(2)
c. July 2014 Survey	
<u>8 Days in Term</u>	
IDEA - PK through Grade 12, Weighted	2
All Other FEFP Eligible Students	<u>(2)</u> (5)
10. [Ref. 61] One student in our test was incorrectly reported in the Teenage Parents and Infants ridership category. The student was not enrolled in a Teenage Parent Program; however, we determined the student was eligible for reporting in the Hazardous Walking ridership category. We propose the following adjustment:	
February 2015 Survey	
<u>90 Days in Term</u>	
Teenage Parents and Infants	(1)
Hazardous Walking	<u>1</u> <u>0</u>
Proposed Net Adjustment	<u>(117)</u>

SCHEDULE H

RECOMMENDATIONS AND REGULATORY CITATIONS STUDENT TRANSPORTATION

RECOMMENDATIONS

We recommend that District management exercise more care and take corrective action, as appropriate, to ensure that: (1) the number of buses in operation and the number of days in term are accurately reported; (2) only those students who are documented as enrolled in school during the survey week and are recorded on bus driver reports as having been transported at least 1 day during the reporting survey periods are reported for State transportation funding; (3) students are reported in the correct ridership category and documentation is retained to support that reporting; (4) students reported in weighted ridership categories are appropriately documented as meeting one of the five criteria as noted on the students' *Individual Educational Plans (IEPs)*; (5) only prekindergarten students who are classified as Individuals with Disabilities Education Act students or whose parents are enrolled in the Teenage Parent Program are reported for State transportation funding; (6) management review the transportation database for completeness and accuracy to ensure that students that have no matching demographic records are eligible students who are properly enrolled and transported during the reporting survey period; (7) only eligible students living less than 2 miles from school who need to cross designated hazardous walking locations are reported in the Hazardous Walking ridership category; (8) only Exceptional Student Education students whose *IEPs* authorize extended school year services and transportation as a related service and specify the dates of such services or students attending non-residential Department of Juvenile Justice Programs are reported for State transportation funding in the Summer surveys; and (9) the distance from home to assigned school is verified prior to students being reported in the All Other Florida Education Finance Program (FEFP) Eligible Students ridership category.

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*

NOTES TO SCHEDULES

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 Indian River County

For the fiscal year ended June 30, 2015, the District received \$3.65 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:

<u>Survey Period</u>	<u>Number of Vehicles</u>	<u>Number of Students</u>
July 2014	19	114
October 2014	86	8,603
February 2015	86	8,454
June 2015	<u>22</u>	<u>166</u>
Total	<u>213</u>	<u>17,337</u>

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*

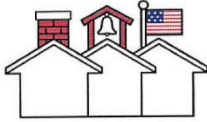
Section 1011.68, Florida Statutes, *Funds for Student Transportation*

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



School District of Indian River County

6500 57th Street • Vero Beach, Florida, 32967 • Telephone: 772-564-3000 • Fax: 772-564-3054

Mark J. Rendell, Ed.D. - Superintendent

December 19, 2016

Sherrill F. Norman, CPA
Office of the Auditor General
State of Florida
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Ms. Norman:

The purpose of this letter is to respond to the preliminary and tentative audit findings for the School Board of Indian River County as a result of the full-time equivalent (FTE) and student transportation audit for the fiscal year ended June 30, 2015. The following are the responses as submitted by the appropriate staff.

Full-Time Equivalent (FTE) student audit:

Findings:

Finding No. 1.30: English language Learner (ELL) Student Plans

[Ref.10101/12102/14102/16101/37103/500303] The District acknowledges that the students' ELL Plans did not always include current English Language Assessment data and that the auditor was able to access the students' current assessment data on previous ELL Student Plans and on the District's student database. The District also concurs with the auditor's disclosure finding with no proposed adjustment. We disagree on the basis that SBE Rule 6A-6.0901,FAC states that the ELL plan contains "assessment data used to classify or reclassify the student as an English Language Learner, date of exit and assessment data used to exit students from the ESOL program." Per the Rule, updating the ELL Plan with annual assessment data is not required unless the assessment data is used to inform a decision to classify or reclassify a student as an English Language Learner or the assessment data is used to inform a decision to exit a student from the ESOL program. If the student is continuing beyond the first year in ESOL, the ELL plan is noted with "see original plan" or "see previous plan" to reference the assessment data used to classify the student as an ELL. In addition, in order to maintain each year's ELL Plan as a separate student record, and not

"Educate and inspire every student to be successful"

Shawn R. Frost • Dale Simchick • Laura Zorc • Charles G. Searcy • Tiffany Justice
District 1 District 2 District 3 District 4 District 5

"To serve all students with excellence"
Equal Opportunity Educator and Employer

replace or over-write the current plan by subsequent data entries, annually updated assessment data is documented on the ELL Committee Meeting form. The ELL Committee Meeting Form is located in the student's cumulative folder and is part of the ESOL program folder. Paper-based copies of the CELLA score reports (now ACCESS 2.0) are also maintained in each student's cumulative file and electronically in the Student Information System, formerly TERMS (14/15 SY) and currently FOCUS. All other state and local student assessment data and test history information is maintained and updated in the Student Information System. However, in an effort to resolve this matter beginning in the spring semester of the 2016/17 school year the District will also update the student's ELL Plan with the most recent test scores and class schedules. In addition, all ELL student records will be retained in the cumulative folder in a secure location. We believe that this additional step will resolve this issue. The District will also seek further guidance from the Florida Department of Education, (FLDOE) with respect to our interpretation of SBE Rule 6A-6.0901, FAC.

Finding No. 2,5, 7,9,13,16,19,21,23,24,25,27,29,31,32. Attendance Recordkeeping
[Ref. 10103,12103,13101,14101,16104,29102,37102,500602] The District concurs with the auditors finding and subsequent adjustments. The District has migrated from a dual data system, eSembler and TERMS that were utilized in the 2014-15 school year. Data was manually entered by teachers into eSembler and imported into TERMS through a series of routines. The District has migrated from this multi-step process into a single integrated electronic gradebook and attendance data system. We believe that the new system implemented in the 2015-16 school year, Focus, will drastically reduce the errors for the future and resolve the issues noted in the referenced findings.

Finding No. 3,14,18,22: DUESS dates and ELL Committee: The District concurs with the auditors finding and subsequent adjustment. The District has put in place procedures that will ensure that ELL students English language proficiencies are assessed within 30 days prior to their DUESS anniversary date. In addition, additional training has been provided to appropriate staff to ensure that ELL committees are convened timely to consider the students' continued ESOL placement beyond 3 years from the DUESS date.

Finding No. 4,26: Proper classification and matrix of services: The District concurs with the auditors finding and subsequent adjustment. Additional training will be provided to staff to ensure that proper classification within the Matrix of Services is recorded and that the Matrix of Services are included in the audit file.

Finding No. 8: Teacher certification: The District concurs with the auditors finding and subsequent adjustment. The District will ensure that identified therapists maintain service logs and sign appropriate documentation as it relates to therapies provided.

Finding No.6,12,17,20,28: Notification of out-of-field status: The District concurs with the auditors finding and subsequent adjustment. Additional procedures will be put in place to ensure that the parents of ELL students that are taught by out-of-filed teachers are notified of their status.

Finding No. 10,11,15: Hospital Homebound : The District concurs with the auditors finding and subsequent adjustments. The District will ensure that professional development

is provided to the school-based Resource Specialists and District-based staff in implementing the Hospital / Homebound Education Service protocol, service and matrix requirements.

Student Transportation findings 1-10: The District concurs with the auditors findings. The Transportation Department will provide continuous training to bus operators on procedures to properly report riders, including those students in the hazardous walking category, and will utilize staff at each school to assist in capturing the correct ridership.

The District understands its responsibilities to comply with all State requirements and will continue to institute corrective actions to audit findings in an effort to ensure compliance in all areas.

In closing, I would like to thank the staff from your office for their professionalism and cooperation in the conduct of the aforementioned audit. Please feel free to contact my office if you have any questions concerning this matter.

Sincerely,



Mark J. Rendell, Ed.D.
Superintendent

Cc: Carter Morrison
Jennifer Idlette
Heather Stanford
Karen Malits