

**FLORIDA VIRTUAL
SCHOOL**

Florida Education Finance Program
Full-Time Equivalent Student Enrollment
For the Fiscal Year Ended June 30, 2022



Sherrill F. Norman, CPA
Auditor General

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Edward Pozzuoli	Broward

The team leader was Bernice Rivas, and the examination was supervised by Jennifer Taylor, CPA.

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**FLORIDA VIRTUAL SCHOOL
LIST OF ABBREVIATIONS**

DEUSS	Date Entered United States School
DOE	Department of Education
DJJ	Department of Juvenile Justice
ELL	English Language Learner
EP	Educational Plan
ESE	Exceptional Student Education
ESOL	English for Speakers of Other Languages
FAC	Florida Administrative Code
FEFP	Florida Education Finance Program
FTE	Full-Time Equivalent
IEP	Individual Educational Plan
OJT	On-the-Job Training
PK	Prekindergarten
SBE	State Board of Education

SUMMARY

SUMMARY OF ATTESTATION EXAMINATION

Except for the material noncompliance described below involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages (ESOL) and Career Education 9-12, the Florida Virtual School (School) complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent (FTE) student enrollment, including teacher certification as reported under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2022. Specifically, we noted exceptions involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for 3 of the 28 students in our ESOL test and 5 of the 40 students in our Career Education 9-12 test.

Noncompliance related to the reported FTE student enrollment resulted in 14 findings. The resulting proposed net adjustment to the School's reported, unweighted FTE totaled negative .8335 but has a potential impact on the School's weighted FTE of negative 1.0453.

The weighted adjustments to the FTE student enrollment are presented in our report for illustrative purposes only. The weighted adjustments to the FTE student enrollment 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 (DOE). However, the gross dollar effect of our proposed adjustments to the FTE may be estimated by multiplying the proposed net weighted adjustments to the FTE student enrollment by the base student allocation amount. The base student allocation for the fiscal year ended June 30, 2022, was \$4,372.91 per FTE. For the School, the estimated gross dollar effect of our proposed adjustments to the reported FTE student enrollment is negative \$4,571 (negative 1.0453 times \$4,372.91).

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 DOE.

THE FLORIDA VIRTUAL SCHOOL

The School was established pursuant to Section 1002.37(1)(a), Florida Statutes, to develop and deliver online and distance learning education. The School mission as stated in Section 1002.37(1)(b), Florida Statutes, is to provide students with technology-based educational opportunities to gain the knowledge and skills necessary to succeed. The Commissioner of Education is responsible for monitoring the School performance and reporting such performance to the State Board of Education and the Florida Legislature.

Section 1002.37(2), Florida Statutes, provides that the School is to be governed by a Board of Trustees (Board) composed of seven members appointed by the Governor to 4-year staggered terms. The executive officer of the Board is the appointed President and Chief Executive Officer. The School operated six virtual school cost centers serving Kindergarten through 12th-grade students.

For the fiscal year ended June 30, 2022, State funding totaling \$283.8 million was provided through the FEFP to the School for the School-reported 52,377.87 unweighted FTE as recalibrated. The primary sources of funding for the School are funds from the FEFP.

FEFP

FTE Student Enrollment

Florida school districts, including the School, receive State funding through the FEFP to serve PK 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 on 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 courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses 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.

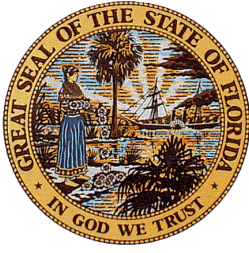
School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The DOE combines all FTE student enrollment reported for the student by all school districts, including the School. The DOE then recalibrates all reported FTE student enrollment for each student to 1.0 FTE if the total reported FTE for the student exceeds 1.0 FTE. The FTE student enrollment reported by the Department of Juvenile Justice (DJJ) for FTE student enrollment earned beyond the 180-day school year, FTE related to John M. McKay Scholarships for Students with Disabilities Program, and FTE reported for the Family Empowerment Scholarship Programs are not included in the recalibration to 1.0 FTE.

All FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the DJJ for students beyond the 180-day school year and FTE related to the John M. McKay Scholarships for Students with Disabilities Program and Family Empowerment Scholarship Programs. However, if a student only has FTE student enrollment reported in one FTE membership survey¹ of the 180-day school

¹ FTE is determined and reported during the school year by means of four FTE membership surveys that are conducted under the direction of district and school management. See Note A6. for more information on surveys.

year (Survey 2 or Survey 3), the FTE student enrollment reported will be capped at .5000 FTE, even if FTE student enrollment is reported in Survey 1 or Survey 4, with the exception of FTE student enrollment reported by the DJJ for students beyond the 180-day school year and FTE related to John M. McKay Scholarships for Students with Disabilities Program and Family Empowerment Scholarship Programs.

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The President of the Senate, the Speaker of the
House of Representatives, and the
Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

Report on Full-Time Equivalent Student Enrollment

We have examined the Florida Virtual School's (School's) compliance with State requirements relating to the classification, assignment, and verification of the full-time equivalent student enrollment including teacher certification reported under the Florida Education Finance Program for the fiscal year ended June 30, 2022. These requirements are found primarily in Sections 1002.37, 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the *FTE General Instructions 2021-22* issued by the Department of Education.

Management's Responsibility for Compliance

School management is responsible for the School's compliance with the aforementioned State requirements, including the design, implementation, and maintenance of internal control to prevent, or detect and correct, noncompliance due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the School's compliance with State requirements based on our examination. Our examination was conducted in accordance with attestation standards for a direct examination engagement established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the classification, assignment, and verification of the full-time equivalent student enrollment including teacher certification reported by the School under the Florida Education Finance Program complied with State requirements in all material respects.

An examination involves performing procedures to obtain evidence about whether the School complied with State requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error.

We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our modified opinion. Our examination does not provide a legal determination on the School's compliance with State requirements. The legal determination of the School's compliance with these requirements is the responsibility of the Department of Education.

We are required to be independent of the School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our examination engagement.

An examination by its nature does not include a review of all records and actions of School management and staff and, as a consequence cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency. Because of these limitations and the inherent limitations of internal control, an unavoidable risk exists that some material noncompliance may not be detected, even though the examination is properly planned and performed in accordance with attestation standards.

Opinion

Our examination disclosed material noncompliance with State requirements relating to the classification, assignment, and verification of full-time equivalent student enrollment as reported under the Florida Education Finance Program for students in our English for Speakers of Other Languages 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 described in the preceding paragraph involving reporting errors or records that were not properly or accurately prepared or were not available at the time of our examination and could not be subsequently located for students in English for Speakers of Other Languages and Career Education 9-12, the Florida Virtual School complied, in all material respects, with State requirements relating to the classification, assignment, and verification of the full-time equivalent student enrollment including teacher certification reported under the Florida Education Finance Program for the fiscal year ended June 30, 2022.

Other Reporting Required by *Government Auditing Standards*

In accordance with attestation standards established by *Government Auditing Standards*, we are required to report all deficiencies that are considered to be significant deficiencies or material weaknesses² in internal control; fraud and noncompliance with provisions of laws or regulations that have a material effect on the School'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, and waste and abuse that has a material effect on the School'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 School's compliance with State requirements and not for the purpose of expressing an opinion on the School's related internal control over compliance

² 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.

with State requirements; accordingly, we express no such opinion. 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 School'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 English for Speakers of Other Languages 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 School's reported full-time equivalent student enrollment including teacher certification is presented in *SCHEDULES A, B, C, and D*.

The School's written response to this examination has not been subjected to our examination procedures and, accordingly, we express no opinion on it.

Purpose of this Report

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 American Institute of Certified Public Accountants require us to indicate that the purpose of this report is to provide an opinion on the School's compliance with State requirements. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
October 23, 2023

SCHEDULE A

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

Reported FTE Student Enrollment

The funding provided by the FEFP is based on the numbers of individual students participating in particular educational programs. The FEFP funds ten specific programs that are grouped under four general program titles: Basic, ESOL, 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, 2022, the Florida Virtual School (School) reported to the DOE 52,377.87 unweighted FTE as recalibrated at six virtual school cost centers.

Schools and Students

As part of our examination procedures, we tested the FTE student enrollment reported to the DOE for the School and students for the fiscal year ended June 30, 2022. (See *NOTE B.*) The population of the School (six virtual school cost centers) consisted of the total number of virtual school cost centers comprising the School that offered virtual instruction in the FEFP-funded programs. The population of students (222,883) consisted of the total number of students in each program at the virtual cost centers in our tests. Our Career Education 9-12 student test data includes only those students who participated in OJT.

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 3 of the 28 students in our ESOL test,³ and 5 of the 40 students in our Career Education 9-12 test.⁴

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	6	6	220,807	342	2	49,287.4900	192.3158	29.7638
Basic with ESE Services	4	3	1,887	130	12	1,736.6300	114.3132	(9.4552)
ESOL	3	3	112	28	3	69.1700	17.8463	(1.3369)
Career Education 9-12	3	1	77	40	5	1,284.5500	6.2414	(19.8052)
All Programs	6	6	<u>222,883</u>	<u>540</u>	<u>22</u>	<u>52,377.8700</u>	<u>330.7167</u>	<u>(.8335)</u>

Teachers

We also tested teacher qualifications as part of our examination procedures. (See *NOTE B.*) The population of teachers (2,483) consisted of the total number of teachers reported under virtual school cost centers in our test who taught courses in Basic, Basic with ESE Services, Career Education 9-12,

³ For ESOL, the material noncompliance is composed of Findings 3, 7 and 8 on *SCHEDULE D*.

⁴ For Career Education 9-12, the material noncompliance is disclosed in Finding 9 on *SCHEDULE D*.

or taught courses to ELL students. From the population of teachers, we selected 246 and found exceptions for 5 teachers.

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 DOE.

SCHEDULE B

EFFECT OF PROPOSED ADJUSTMENTS ON WEIGHTED FULL-TIME EQUIVALENT STUDENT ENROLLMENT

<u>No. Program</u> ¹	<u>Proposed Net Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
101 Basic K-3	4.9167	1.126	5.5362
102 Basic 4-8	.3715	1.000	.3715
103 Basic 9-12	24.4756	1.010	24.7204
111 Grades K-3 with ESE Services	(4.5002)	1.126	(5.0672)
112 Grades 4-8 with ESE Services	(.4548)	1.000	(.4548)
113 Grades 9-12 with ESE Services	(4.5002)	1.010	(4.5452)
130 ESOL	(1.3369)	1.199	(1.6029)
300 Career Education 9-12	<u>(19.8052)</u>	1.010	<u>(20.0033)</u>
Total	<u>(.8335)</u>		<u>(1.0453)</u>

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 DOE. (See NOTE A5.)

SCHEDULE C

PROPOSED ADJUSTMENTS BY SCHOOL FULL-TIME EQUIVALENT STUDENT ENROLLMENT

<u>No.</u> <u>Program</u>	<u>Proposed Adjustments</u> ¹			<u>Balance Forward</u>
	<u>#0300</u>	<u>#0400</u>	<u>#0600</u>	
101 Basic K-3	4.9167	.....	.....	4.9167
102 Basic 4-8	.4548	.....	.....	.4548
103 Basic 9-12	.....	5.4206	19.0550	24.4756
111 Grades K-3 with ESE Services	(4.5002)	.....	.....	(4.5002)
112 Grades 4-8 with ESE Services	(.4548)	.....	.....	(.4548)
113 Grades 9-12 with ESE Services	.....	(4.5002)	.....	(4.5002)
130 ESOL	(.4165)	(.9204)	.....	(1.3369)
300 Career Education 9-12	.....	(.7502)	(19.0550)	(19.8052)
Total	<u>.0000</u>	<u>(.7502)</u>	<u>.0000</u>	<u>(.7502)</u>

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

<u>No. Program</u>	<u>Proposed Adjustments¹</u>		
	<u>Brought Forward</u>	<u>#0801</u>	<u>Total</u>
101 Basic K-3	4.9167	.....	4.9167
102 Basic 4-8	.4548	(.0833)	.3715
103 Basic 9-12	24.4756	.....	24.4756
111 Grades K-3 with ESE Services	(4.5002)	.....	(4.5002)
112 Grades 4-8 with ESE Services	(.4548)	.....	(.4548)
113 Grades 9-12 with ESE Services	(4.5002)	.....	(4.5002)
130 ESOL	(1.3369)	.....	(1.3369)
300 Career Education 9-12	<u>(19.8052)</u>	<u>.....</u>	<u>(19.8052)</u>
Total	<u>(.7502)</u>	<u>(.0833)</u>	<u>(.8335)</u>

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

SCHEDULE D

FINDINGS AND PROPOSED ADJUSTMENTS FULL-TIME EQUIVALENT STUDENT ENROLLMENT

Overview

Florida Virtual School (School) management is responsible for determining that the FTE student enrollment including teacher certification as reported under the FEFP is in compliance with State requirements. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; SBE Rules, Chapter 6A-1, FAC; and the *FTE General Instructions 2021-22* issued by the DOE. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action as presented in *SCHEDULE E*.

Findings

Proposed Net Adjustments (Unweighted FTE)

Our examination included the July and October 2021 reporting survey periods and the February and June 2022 reporting survey periods. (See NOTE A6.) Unless otherwise specifically stated, the Findings and Proposed Adjustments presented herein are for the October 2021 reporting survey period, the February 2022 reporting survey period, and/or the June 2022 reporting survey period. Accordingly, our Findings do not mention specific reporting survey periods unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Florida Virtual Elementary School (#0300)

1. [Ref. 30001] School records did not evidence the individuals who participated in the development of an EP for two ESE students in the Gifted Program. We propose the following adjustment:

101 Basic K-3	1.0000	
102 Basic 4-8	.4548	
111 Grades K-3 with ESE Services	(1.0000)	
112 Grades 4-8 with ESE Services	<u>(.4548)</u>	.0000

2. [Ref. 30002] The IEPs (four students) or EP (one student) for five ESE students were not completed until after the applicable reporting survey periods. We propose the following adjustment:

101 Basic K-3	3.5002	
111 Grades K-3 with ESE Services	<u>(3.5002)</u>	.0000

3. [Ref. 30003] The *ELL Student Plan* and parent notification for one ELL student were completed October 18, 2021, which was after the October 2021 reporting survey period. We propose the following adjustment:

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

Florida Virtual Elementary School (#0300) (Continued)

101 Basic K-3	.4165	
130 ESOL	<u>(.4165)</u>	<u>.0000</u>
		<u>.0000</u>

Florida Virtual High School (#0400)

4. [Ref. 40001] The EPs for two ESE students in the Gifted Program were not available at the time of our examination and could not be subsequently located. We propose the following adjustment:

103 Basic 9-12	1.5002	
113 Grades 9-12 with ESE Services	<u>(1.5002)</u>	.0000

5. [Ref. 40002] One student’s virtual education course in our Basic test was incorrectly reported for FTE funding. School records demonstrated that the course had been taken and successfully completed in a previous school year. We propose the following adjustment:

300 Career Education 9-12	<u>(.0833)</u>	(.0833)
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6. [Ref. 40003] School records did not evidence the individuals who participated in the development of an EP for three ESE students in the Gifted Program. We propose the following adjustment:

103 Basic 9-12	3.0000	
113 Grades 9-12 with ESE Services	<u>(3.0000)</u>	.0000

7. [Ref. 40004] The English language proficiency of one ELL student was not assessed, and an ELL Committee was not convened until after the October 2021 reporting survey period to consider the student’s continued ESOL placement beyond 3 years from the student’s DEUSS anniversary date. Additionally, the student’s parents were not notified of the student’s ESOL placement. We propose the following adjustment:

103 Basic 9-12	.2668	
130 ESOL	<u>(.2668)</u>	.0000

8. [Ref. 40005] The *ELL Student Plan* for one ELL student did not include an updated course schedule for courses reported during the February 2022 reporting survey period. We propose the following adjustment:

103 Basic 9-12	.3332	
130 ESOL	<u>(.3332)</u>	.0000

Findings

Florida Virtual High School (#0400) (Continued)

9. [Ref. 40006] Four Career Education 9-12 students who participated in OJT did not have timecards, and another student’s timecard was not signed and dated by the student and the student’s employer. We propose the following adjustment:

300 Career Education 9-12	(.6669)	(.6669)
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10. [Ref. 40071] One teacher taught a Language Arts course that included ELL students but was not certified in ESOL and was not approved by the School Board to teach out of field. In addition, the students’ parents were not notified of the teacher’s out-of-field status. We propose the following adjustment:

103 Basic 9-12	.1538	
130 ESOL	(.1538)	.0000

11. [Ref. 40072] One teacher taught Mathematics to a class that included an ELL student but had earned only 40 of the 60 in-service training points in ESOL strategies required by SBE Rule 6A-6.0907, FAC, and the teacher’s in-service training timeline. We propose the following adjustment:

103 Basic 9-12	.1666	
130 ESOL	(.1666)	.0000
		(.7502)

Florida Virtual School Flex 9-12 (#0600)

12. [Ref. 60072/73] Two teachers taught American Sign Language courses but were not properly certified and were not approved by the School Board to teach out of field until November 30, 2021, (Ref. 60072) or March 29, 2022, (Ref. 60073) which was after the October 2021 or February 2022 reporting survey periods. We present this disclosure finding with no proposed adjustment.

.0000

13. [Ref. 60071] One teacher was not properly certified and was not approved by the School Board to teach out of field. The teacher was certified in English, Social Science, ESOL, and held a School-issued certificate in Criminal Justice but taught a course that required certification in Public Service. In addition, the students’ parents were not notified of the teacher’s out-of-field status. We propose the following adjustment:

**Proposed Net
Adjustments
(Unweighted FTE)**

Findings

Florida Virtual School Flex 9-12 (#0600) (Continued)

103 Basic 9-12	19.0550	
300 Career Education 9-12	<u>(19.0550)</u>	<u>.0000</u>
		<u>.0000</u>

Florida Virtual Middle School (#0801)

14. [Ref. 80101] The FTE for one virtual education student in our Basic test was incorrectly reported based on the student’s successful completion of a course on June 23, 2022. The *FTE General Instructions 2021-22* provide that virtual educational courses not reported in progress during the October 2021 or February 2022 survey periods must be completed prior to the end of the 180-day school year. The course was only reported during the June 2022 reporting survey period and, since the course was not reported in progress during the earlier survey periods and was not completed prior to the June 2, 2022, end of the School’s 180-day school year, it was ineligible to be reported for FEFP funding for the 2021-22 school year. We propose the following adjustment:

102 Basic 4-8	<u>(.0833)</u>	<u>(.0833)</u>
		<u>(.0833)</u>

Proposed Net Adjustment

(.8335)

SCHEDULE E

RECOMMENDATIONS AND REGULATORY CITATIONS FULL-TIME EQUIVALENT STUDENT ENROLLMENT

RECOMMENDATIONS

We recommend that Florida Virtual School management exercise more care and take corrective action, as appropriate, to ensure that: (1) all required participants are involved in the development of students' EPs or IEPs and proper documentation is timely prepared and retained in readily assessable files; (2) *ELL Student Plans* are timely prepared, include the students' course schedules, and are retained in the students' files; (3) parents are timely notified of their child's ESOL placement; (4) only virtual education courses that are timely and successfully completed are reported for FEFP funding, and such completion is supported by readily accessible and accurate documentation; (5) the English language proficiency of students being considered for continuation of their ESOL placements beyond the initial 3-year base period is assessed by October 1 if the students' DEUSS falls within the first 2 weeks of the school year, or within 30 school days prior to the students' DEUSS, ELL Committees are timely convened subsequent to these assessments, and students' parents are properly notified of the ELL Committee meeting; (6) students in Career Education 9-12 who participate in OJT are reported in accordance with timecards that are signed, dated, and retained in readily accessible files; (7) students enrolling in virtual education courses after the February 2022 reporting survey period complete the course by the end of the 180-day school year; (8) all teachers serving in a role consistent with that of a classroom teacher as provided by Florida Statutes and SBE rules, are properly certified, or if not properly certified, are approved by the School Board, and the students' parents are notified of the teacher's out-of-field assignment; and (9) ESOL teachers earn the appropriate in-service training points as required by SBE Rule 6A-6.0907, FAC, and in accordance with the teachers' in-service training timelines.

The absence of statements in this report regarding practices and procedures followed by the School 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 School's obligation to comply with all State requirements relating to the classification, assignment, and verification of the FTE student enrollment including teacher certification 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, FAC, *Florida Education Finance Program Student Membership Surveys*

SBE Rule 6A-1.045111, FAC, *Hourly Equivalent to 180-Day School Year*

FTE General Instructions 2021-22

Attendance

Section 1003.23, Florida Statutes, *Attendance Records and Reports*

SBE Rule 6A-1.044(3) and (6)(c), FAC, *Pupil Attendance Records*

FTE General Instructions 2021-22

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, FAC, *Definitions Which Apply to Programs for English Language Learners*

SBE Rule 6A-6.0902, FAC, *Requirements for Identification, Eligibility, and Programmatic Assessments of English Language Learners*

SBE Rule 6A-6.09021, FAC, *Annual English Language Proficiency Assessment for English Language Learners (ELLs)*

SBE Rule 6A-6.09022, FAC, *Extension of Services in English for Speakers of Other Languages (ESOL) Program*

SBE Rule 6A-6.0903, FAC, *Requirements for Exiting English Language Learners from the English for Speakers of Other Languages Program*

SBE Rule 6A-6.09031, FAC, *Post Reclassification of English Language Learners (ELLs)*

SBE Rule 6A-6.0904, FAC, *Equal Access to Appropriate Instruction for English Language Learners*

Career Education On-The-Job Attendance

SBE Rule 6A-1.044(6)(c), FAC, *Pupil Attendance Records*

Career Education On-The-Job Funding Hours

FTE General Instructions 2021-22

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, FAC, *Provision of Free Appropriate Public Education (FAPE) and Development of Individual Educational Plans for Students with Disabilities*

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

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

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

SBE Rule 6A-6.03411, FAC, *Definitions, ESE Policies and Procedures, and ESE Administrators*

SBE Rule 6A-6.0361, FAC, *Contractual Agreements with Nonpublic Schools and Residential Facilities Matrix of Services Handbook (2017 Edition)*

Teacher Certification

Section 1010.215(1)(c), Florida Statutes, *Educational Funding Accountability*
Section 1012.01(2)(a), Florida Statutes, *Definitions, Classroom Teachers*
Section 1012.42(2), Florida Statutes, *Teacher Teaching Out-of-Field; Notification Requirements*
Section 1012.55, Florida Statutes, *Positions for Which Certificates Required*
Section 1012.56, Florida Statutes, *Educator Certification Requirements*
SBE Rule 6A-1.0502, FAC, *Non-certificated Instructional Personnel*
SBE Rule 6A-1.0503, FAC, *Definition of Qualified Instructional Personnel*
SBE Rule 6A-4.001, FAC, *Instructional Personnel Certification*
SBE Rule 6A-4.0021, FAC, *Florida Teacher Certification Examinations*
SBE Rule 6A-6.0907, FAC, *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>NOTE A – SUMMARY FULL-TIME EQUIVALENT STUDENT ENROLLMENT</p>

A summary discussion of the significant features of the Florida Virtual School (School), the FEFP, the FTE, and related areas is provided below.

1. The Florida Virtual School

The School was established pursuant to Section 1002.37(1)(a), Florida Statutes, to develop and deliver online and distance learning education. The School mission, as stated in Section 1002.37(1)(b), Florida Statutes, is to provide students with technology-based educational opportunities to gain the knowledge and skills necessary to succeed. The Commissioner of Education is responsible for monitoring the School performance and reporting such performance to the State Board of Education and the Florida Legislature.

Section 1002.37(2), Florida Statutes, provides that the School is to be governed by a Board of Trustees (Board) composed of seven members appointed by the Governor to 4-year staggered terms. The executive officer of the Board is the appointed President and Chief Executive Officer. The School operated six virtual school cost centers serving Kindergarten through 12th-grade students.

For the fiscal year ended June 30, 2022, State funding totaling \$283.8 million was provided through the FEFP to the School for the School-reported 52,377.87 unweighted FTE as recalibrated. The primary sources of funding for the School are funds from the FEFP.

2. FEFP

Florida school districts, including the School, receive State funding through the FEFP to serve PK 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 on 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 PK 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 courses per day at 50 minutes per course for the full 180-day school year (i.e., six courses 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

School districts report all FTE student enrollment regardless of the 1.0 FTE cap. The DOE combines all FTE student enrollment reported for the student by all school districts, including the School. The DOE 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 by the Department of Juvenile Justice (DJJ) for FTE student enrollment earned beyond the 180-day school year, FTE related to John M. McKay Scholarships for Students with Disabilities Program, and FTE reported for the Family Empowerment Scholarship Programs are not included in the recalibration to 1.0 FTE.

All FTE student enrollment is capped at 1.0 FTE except for the FTE student enrollment reported by the DJJ for students beyond the 180-day school year and FTE related to the John M. McKay Scholarships for Students with Disabilities Program and Family Empowerment Scholarship Programs. However, if a student only has FTE student enrollment reported in one FTE membership survey of the 180-day school year (Survey 2 or Survey 3), the FTE student enrollment reported will be capped at .5000 FTE, even if FTE student enrollment is reported in Survey 1 or Survey 4, with the exception of FTE student enrollment reported by the DJJ for students beyond the 180-day school year and FTE related to John M. McKay Scholarships for Students with Disabilities Program and Family Empowerment Scholarship Programs.

5. Calculation of FEFP Funds

The amount of State and local FEFP funds is calculated by the DOE 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 Surveys

The FTE is determined and reported during the school year by means of four FTE membership surveys that are conducted under the direction of district and school management. Each survey is a determination of the FTE membership for a period of 1 week. The surveys for the 2021-22 school year were conducted during and for the following weeks at the applicable schools: Survey 1 was performed July 12 through 16, 2021; Survey 2 was performed October 11 through 15, 2021; Survey 3 was performed February 7 through 11, 2022; and Survey 4 was performed June 13 through 17, 2022.

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) ESOL, (3) ESE, 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, *Early Learning-20 General Provisions*

Chapter 1001, Florida Statutes, *Early Learning-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, FAC, *Finance and Administration*

SBE Rules, Chapter 6A-4, FAC, *Certification*

SBE Rules, Chapter 6A-6, FAC, *Special Programs I*

NOTE B – TESTING FTE STUDENT ENROLLMENT
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Our examination procedures for testing provided for the selection of schools, students, and teachers using judgmental methods for testing the FTE student enrollment including teacher certification as reported under the FEFP to the DOE for the fiscal year ended June 30, 2022. Our testing process was designed to facilitate the performance of appropriate examination procedures to test the School's compliance with State requirements relating to the classification, assignment, and verification of the FTE student enrollment including teacher certification as reported under the FEFP. The FLVS schools were all selected for testing:

<u>School</u>	<u>Findings</u>
1. Florida Virtual Elementary School	1 through 3
2. Florida Virtual High School	4 through 11
3. Florida Virtual School Flex 6-8	NA
4. Florida Virtual School Flex 9-12	12 and 13
5. Florida Virtual School Flex K-5	NA
6. Florida Virtual Middle School	14

MANAGEMENT'S RESPONSE



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October 23, 2023

Ms. Sherrill F. Norman, CPA
Auditor General
Claude Denson Pepper Building, Room 476A
111 West Madison Street
Tallahassee, Florida 32399-1450

Attn: Jacqueline Bell

Dear Ms. Norman:

Attached you will find our responses to the audit findings for the FEFP FTE report for the fiscal year ending June 2022.

Please do not hesitate to contact me if you have any questions regarding the documentation FLVS has provided.

Thank you for your professionalism and assistance during this process. FLVS leadership and the Board of Trustees are committed to assuring the elimination of findings going forward.

Sincerely,

Louis Algaze
Digitally signed by Louis Algaze
DN: cn=Louis Algaze, o=Florida
Virtual School, ou,
email=lalgaze@flvs.net, c=US
Date: 2023.10.23 13:06:49 -04'00'

Louis J. Algaze, Ph.D.
President and CEO
Florida Virtual School

ATTACHMENT: FLVS RESPONSE TO AUDIT FINDINGS

ESE Process Improvements (Refs: 30001, 30002, 40001, 40003)

FLVS concurs with the FTE audit findings for FY 2021-2022 regarding ESE processes.

Refs. 30001 and 40003:

FLVS will take corrective measures to ensure that all required participants are involved in the development of students' EPs or IEPs, and proper documentation is timely prepared and retained in readily accessible files. FLVS will re-train staff for requirements on reviewing records from prior districts during the time of enrollment for evidence of the required meeting participants on EPs and IEPs as new students are enrolling at FLVS. If such evidence does not exist, then FLVS will communicate the need for such evidence of the required meeting participants from prior districts when FLVS requests records. If the prior district fails to provide proper documentation evidencing the required meeting participants, then FLVS will timely convene its EP or IEP meeting with the required participants, and FLVS will record readily accessible evidence of the required participants in FLVS' Student Information System ("FOCUS").

Ref: 30002:

FLVS will take corrective measures to ensure that proper documentation for IEP and EP files is timely prepared and retained in readily accessible files for the applicable survey reporting period. When reporting FTE data, FLVS stakeholders will thoroughly review FOCUS reports and FTE Survey reports to ensure that FEFP numbers are accurate according to the applicable survey reporting period as to the student's initial EPs and IEPs dates.

Ref: 40001:

FLVS will take corrective measures to ensure that proper documentation for IEP and EP files is timely prepared and retained in readily accessible files. In addition, internal checks of documentation will be performed to ensure compliance with audit standards. FLVS has implemented improved and increased communication through multiple modalities (i.e., emails, phone calls, and parent portal alerts) to request that families share students' past or current EPs or IEPs with FLVS staff.

ESOL Process Improvements (Refs: 30003, 40004, 40005)

FLVS concurs with the FTE audit findings for FY 2021-2022 regarding ESOL processes. FLVS ESOL stakeholders have been informed and reminded of the following requirements via email, in a virtual meeting, and during an in-person training prior to the 23-24 school year. FLVS will take corrective measures and stakeholders will monitor and update procedures to ensure compliance within the Florida Consent Decree and the District ELL Plan.

Ref. 30003:

FLVS will take corrective measures that entail the FLVS ESOL team's monitoring and reviewing data periodically. FLVS will review all records to ensure accuracy prior to survey periods to ensure timely parent notification. The Student Information System, FOCUS, will be updated with all ESOL information to include all meeting documentation and pertinent letters regarding the ESOL program for every identified English Language Learner (ELL).

Ref. 40004:

FLVS will take corrective measures with stakeholders to ensure the following documentation is prepared in a timely manner and accessible in FOCUS: assessment of language proficiency, convening the ELL Committee for any continued ESOL placement beyond a student's three-year DEUSS anniversary, and notifying parent(s) of a student's ESOL placement. The ESOL team will conduct all meetings with necessary stakeholders and provide them with the most current information for the ELL.

Ref. 40005:

FLVS will take corrective measures with stakeholders which includes the FLVS ESOL team's monitoring and reviewing data periodically for updated course schedules aligned to FTE reporting survey periods. Timely reports from FOCUS will be reviewed to ensure all ELLs have the accurate FEFP numbers during applicable survey periods and included in the ESOL documentation.

OJT Process Improvements (Ref: 40006)

FLVS concurs with the FTE audit findings for FY 2021-2022 regarding the OJT processes and will take corrective measures to ensure that timecards are signed, dated, and retained in readily accessible files. FLVS stakeholders were informed and reminded of the requirements via email, in a virtual meeting, and during an in-person training prior to the 23-24 school year. FLVS stakeholders will update procedures, re-train staff, and monitor to ensure compliance with OJT requirements for timecards and signatures.

Eligible FLVS Virtual Courses Improvements (Ref: 40002, 80101)

FLVS concurs with the FTE audit finding for FY 2021-2022 regarding eligible FLVS Virtual Courses.

Ref. 40002:

FLVS will take corrective measures to ensure that only virtual education courses that are timely and successfully completed are reported for FEFP funding, and that such completion is supported by readily accessible and accurate information. FLVS will establish appropriate transcript checks, and FLVS will re-train staff to ensure compliance



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with grade issuance and course completion deadlines according to the student's enrollment date. In addition, reports provided by the FTE team, along with transcripts, will be reviewed for accuracy to ensure compliance.

Ref: 80101:

FLVS will take corrective measures to ensure that students enrolled in virtual education courses after the February survey reporting period complete the course by the end of the 180-day school year. FLVS will re-train staff to ensure compliance with enrollment and grade issuance deadlines.

Teacher Certification Process Improvements (Refs: 40071, 40072, 60071, 60072, 60073)

FLVS concurs with the FTE audit finding for FY 2021-2022 regarding Teacher Certifications.

Refs: 40071 and 40072:

FLVS will take corrective measures to ensure that its ESOL teachers earn the appropriate in-service training points as required by SBE Rule 6A-6.0907, FAC, and in accordance with the teachers' in-service training timelines. FLVS's hiring protocols will be modified to include ESOL pre-screen requirements, and FLVS will provide documents to teachers notating ESOL necessary compliance requirements and a timeline for completion. FLVS will also communicate ESOL compliance in FLVS's internal website. FLVS will either: (1) mark teachers as out-of-field and notify the students' parents of the teacher's out-of-field status; or (2) FLVS will not assign ELLs in classes until the teachers complete the ESOL training necessary for the course(s) they are teaching.

Refs: 60071, 60072 and 60073:

FLVS will take corrective measures to ensure that all teachers are properly certified, or if not properly certified, are approved by the FLVS Board of Trustees and the students' parents are notified of the teacher's out-of-field assignment.

Out-of-field teachers will be submitted to the FLVS Board of Trustees for approval during each quarterly meeting cycle, and the students' parents are notified of the teacher's out-of-field assignment. The relevant district certification area and superintendent signature, which were missing on the initial district-issued certificate and resulted in certain teacher(s) to be designated as out-of-field, has also been corrected.