



# AUDITOR GENERAL

WILLIAM O. MONROE, CPA



## Analysis of the Funding Associated with the Transfer of the Criminal Justice Training Programs to St. Johns River Community College and Tallahassee Community College

### INTRODUCTION:

Pursuant to the provisions of Section 4, Chapter 2000-171, Laws of Florida, we performed an analysis of the funding associated with the transfer of the criminal justice training programs from the Leon County School District and the St. Johns County School District to the Tallahassee Community College and the St. Johns River Community College, respectively. The following provides the results of this analysis.

### SUMMARY OF FINDINGS:

- The funds allocated to the community colleges' base appropriation were less than the amounts associated with the programs under the formula for calculating Workforce Development Education Fund appropriations. The differences for the two-year period totaled \$461,404 (\$227,963 for 1999-2000 and \$233,441 for 2000-2001) for Tallahassee Community College and \$175,832 (\$78,664 for 1999-2000 and \$97,168 for 2000-2001) for St. Johns River Community College. (See [Schedule 1](#))
- Section 4, Chapter 2000-171, Laws of Florida, does not specify the source of funds that the Department of Education is to use to shift funds to the community colleges to address

differences determined by our analysis. Additionally, the law is unclear as to whether the prior year appropriation can be adjusted, and to what extent, if any, the calculations made by the Department under the provisions of Section 240.384(6)(b), Florida Statutes, are superseded. We also noted that Section 4, Chapter 2000-171, Laws of Florida, which directs the Auditor General to perform this analysis, is repealed on the same date that it becomes law. These issues will need to be resolved before any funds can be shifted.

- The Department of Education should review Section 236.081(7), Florida Statutes, to determine if changes should be recommended to the Legislature to address circumstances in which a transfer involves programs funded by Workforce Development Education Funds.

### BACKGROUND:

Section 240.384, Florida Statutes, provides that the criminal justice training programs at Leon County School District and St. Johns County School District be transferred to Tallahassee Community College and St. Johns River Community College, respectively. This section also provides that beginning July 1, 1999, the Department of Education shall shift funds generated by students in

these training programs from the appropriate school district to the respective community college. Section 240.384(6)(b), Florida Statutes, provides that the funding shift to the community colleges be calculated based on 90 percent of the FEFP generated by the programs in the 1996-1997 fiscal year. The school districts are to retain the remaining 10 percent.

A calculation of the allocation of these funds for the 1999-2000 fiscal year was made by the Florida Department of Education and a budget transfer was made to distribute the moneys pursuant to Section 240.384(6)(b), Florida Statutes. Funding for these programs at the respective community college for the subsequent year, 2000-2001, was calculated by the Department of Education under the guidelines for computing Workforce Development Education funding established under the provisions of Chapter 239, Florida Statutes.

Subsequently, Section 4, Chapter 2000-171, Laws of Florida, directed the Auditor General to perform an analysis to determine that all State funds, and the various factors in calculating the funding related to the criminal justice training programs, were correctly identified and transferred to the community colleges. The provisions of this law state that all funds identified in this analysis are to be shifted to the base appropriation for the appropriate community college. The following provides our findings and recommendations related to this analysis.

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**FINDINGS:**

Section 240.384(6)(b), Florida Statutes, provides that the transfer of the funds to the community colleges be based on 90 percent of the funding generated for the programs under the Florida Education Finance Program (FEFP) in the 1996-1997 fiscal year. Under the provisions of Section 240.384(6)(b), Florida Statutes, the school districts retained the remaining 10 percent. A calculation was made by the Department of Education to identify the FEFP generated by students for those courses offered in the programs at

the Leon and the St. Johns County School Districts for the 1996-1997 fiscal year. Our analysis showed that the calculation made by the Department to transfer the funding for the 1999-2000 fiscal year was made in accordance with Section 240.384(6)(b), Florida Statutes. Based on the Department's calculation, a budget amendment was made to transfer funds totaling \$874,995 and \$487,709 from the 1999-2000 appropriations of Leon County School District and St. Johns County School District, respectively, to Tallahassee Community College and St. Johns River Community College, respectively.

The funds transferred above were added to the respective community colleges' Workforce Development Education Fund allocation for the 1999-2000 fiscal year. In 1999-2000, however, Workforce Development Education Fund appropriations were calculated differently from prior years. Accordingly, a transfer of funds based on the 1996-1997 FEFP funding generated would not agree with the amount of funds calculated for these courses under the Workforce Development Education Fund formula as discussed below.

The criminal justice training programs are funded primarily by the State through the adult vocational funding process. Fiscal year 1996-1997 was the last year that funds for adult education were allocated on the basis of FTE student counts. In the 1997-1998 and 1998-1999 fiscal years, a lump-sum appropriation was made to each community college and applicable school district for adult education under the new Workforce Development Education Fund. Beginning with the 1999-2000 fiscal year appropriation, Workforce Development Education Funds for a community college or school district were calculated under the new Workforce Development Education Fund formula as provided for in Section 239.115, Florida Statutes.

**Schedule 1** shows the amount of funds for these programs in the Workforce Development Education Fund (WDEF) appropriations for the Leon and St. Johns County School Districts (as calculated under the WDEF formula) prior to the transfer of funds to

the Tallahassee and St. Johns River Community Colleges. Since the 2000-2001 calculation of Workforce Development Education Funds is based in large part on the 1999-2000 base allocation, the effect of the difference carries through to the 2000-2001 appropriation. [Schedule 1](#) also shows the differences in the amount calculated under the funding formula and the amount calculated using the transfers as prescribed by Section 240.384(6)(b), Florida Statutes.

We also noted that an error was made in applying the formula for the 2000-2001 fiscal year for the four entities affected by the transfer. These errors resulted in underfunding of Tallahassee Community College and St. Johns River Community College of \$35,705 and \$27,274, respectively, and overfunding of Leon County School District and St. Johns County School District of \$35,706, and \$27,273, respectively. Department of Education personnel are aware of this error, as are personnel of each of the four affected entities. These errors have been taken into consideration in the calculated differences shown in [Schedule 1](#) and our recommendations addressed below.

[Schedules 1 through 3](#) included with this report were prepared by us from various records obtained from the Florida Department of Education, and the objectives of this analysis did not include the expression of an opinion on these schedules. Therefore, an independent auditor's report on the schedules, as contemplated by *AU Section 623, Special Reports, Codification of Statements on Auditing Standards*, is not included herein.

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#### **RECOMMENDATIONS:**

Section 4, Chapter 2000-171, Laws of Florida, states that funds shall be shifted to the base appropriation for the affected community colleges based on the analysis conducted by the Auditor General. We considered in our analysis the various categorical programs, workforce development funds, performance incentives, incentive grants, and other State fund sources. Other than the Workforce Development Education Funds, we identified no

funds associated with the adult education funding process that relate to the base funding for these programs.

Based on our analysis, the additional Workforce Development Education Funds necessary to bring the community colleges' base allocation in line with the Workforce Development Education Fund formula totaled \$461,404 (\$227,963 for 1999-2000 and \$233,441 for 2000-2001) for Tallahassee Community College and \$175,832 (\$78,664 for 1999-2000 and \$97,168 for 2000-2001) for St. Johns River Community College. (See [Schedule 1](#)) The revised Workforce Development Education Fund total allocations (including the criminal justice training programs) for carry-forward for the 2001-2002 calculations are shown on [Schedule 3](#).

If the adjustments noted above are made, the changes that carry through in the 2000-2001 allocation will increase the base upon which the Workforce Development Education Fund calculation will be made in the fiscal year 2001-2002. Thus, the adjustments will address the Workforce Development Education Fund calculations for these programs going forward.

Section 4, Chapter 2000-171, Laws of Florida, however, does not specify the source of the funds to provide for a shift of funds to the community colleges. Additionally, the law is not clear as to whether the prior year appropriation can be adjusted or to what extent, if any, the calculations made by the Department under the provisions of Section 240.384(6)(b), Florida Statutes, are superseded. Additionally, we note that Section 4, Chapter 2000-171, Laws of Florida, is repealed on the same date, July 1, 2000, that it becomes law. Accordingly, we recommend that the Department of Education, in consultation with the Attorney General, determine the effects of any conflicting provisions of law prior to taking any action with regard to revising the Workforce Development Education Fund allocations.

One other issue that we noted in conducting our analysis is that Florida Statutes do not clearly

address the process for adjusting the funding under the Workforce Development Education Fund when transferring a program from one local educational entity to another local educational entity. We noted that the Leon County School District and the St. Johns County School District received an allocation in fiscal 1999-2000 under the “decline in full-time equivalent students” provision of Section 236.081(7), Florida Statutes. Section 236.081(7), Florida Statutes, provides that if a school district transfers a program to another institution not under the authority of the district school board, the district is provided an allocation of 15 percent of the transferred FEFP for the decline in “full-time equivalent students.”

The adjustment under Section 236.081(7), Florida Statutes, addresses a calculation that is tied to the FEFP funding process of FTE student counts which provides for funding based on the current number of students served. Such calculations would not necessarily take into consideration the performance element of the funding of the adult programs, which rewards a school district or community college in future periods for providing successful programs under the guidelines established by the State. Accordingly, we recommend that the Department of Education review the funding process for transferring Workforce Development programs and determine whether recommended changes should be made to the Legislature to modify Section 236.081(7), Florida Statutes, to address this issue.



William O. Monroe, CPA  
Auditor General

July 26, 2000

**Schedule 1**  
**Calculation of Associated Funding**  
**Criminal Justice Training Programs**  
**1999-2000 and 2000-2001 Fiscal Years**

|  | 1998-99<br>Funding | Base Allocation<br>Factor | 1999-2000 Calculation        |                           | Total             | Base Allocation<br>Factor | 2000-2001 Calculation        |                           | Total              |  |
|--|--------------------|---------------------------|------------------------------|---------------------------|-------------------|---------------------------|------------------------------|---------------------------|--------------------|--|
|  |                    |                           | 1999-2000<br>Base Allocation | Performance<br>Allocation |                   |                           | 2000-2001<br>Base Allocation | Performance<br>Allocation |                    |  |
|  |                    |                           | Col. 1 x Col. 2              |                           |                   |                           | Col. 5 x Col. 6              |                           |                    |  |
|  | <u>1</u>           | <u>2</u>                  | <u>3</u>                     | <u>4</u>                  | <u>5</u>          | <u>6</u>                  | <u>7</u>                     | <u>8</u>                  | <u>9</u>           |  |
| <b>Leon Criminal Justice Training Programs</b>         |                    |                           |                              |                           |                   |                           |                              |                           |                    |  |
| Postsecondary Vocational                               | \$ 707,731         | 0.85                      | \$ 601,571                   | \$ 236,901                | \$ 838,472        | 0.85                      | \$ 712,701                   | \$ 313,120                | \$ 1,025,821       |  |
| Continuing Workforce Education                         | <u>264,486</u>     |                           |                              |                           | <u>264,486</u>    |                           |                              |                           | <u>264,486</u>     |  |
| Total  | <u>\$ 972,217</u>  |                           |                              |                           | 1,102,958         |                           |                              |                           | 1,290,307          |  |
| <b>Allocation To Tallahassee Community College</b>     | (1)                |                           |                              |                           | <u>(874,995)</u>  |                           |                              |                           | <u>(1,056,866)</u> |  |
| Net Difference   |                    |                           |                              |                           | <u>\$ 227,963</u> |                           |                              |                           | <u>\$ 233,441</u>  |  |
| <b>St. Johns Criminal Justice Training Programs</b>    |                    |                           |                              |                           |                   |                           |                              |                           |                    |  |
| Postsecondary Vocational                               | 339,876            | 0.85                      | 288,895                      | 75,455                    | 364,350           | 0.85                      | 309,697                      | 178,935                   | 488,632            |  |
| Continuing Workforce Education                         | <u>202,023</u>     |                           |                              |                           | <u>202,023</u>    |                           |                              |                           | <u>202,023</u>     |  |
| Total  | <u>\$ 541,899</u>  |                           |                              |                           | 566,373           |                           |                              |                           | 690,655            |  |
| <b>Allocation To St. Johns River Community College</b> | (1)                |                           |                              |                           | <u>(487,709)</u>  |                           |                              |                           | <u>(593,487)</u>   |  |
| Net Difference   |                    |                           |                              |                           | <u>\$ 78,664</u>  |                           |                              |                           | <u>\$ 97,168</u>   |  |

(1) From Schedule 2

**Schedule 2**  
**Calculation of Funding**  
**Criminal Justice Training Programs**  
**1999-2000 and 2000-2001 Fiscal Years**

|  | 1999-2000<br>Funding<br><b>(1)</b> | Base Allocation<br>Factor | 2000-2001<br>Base Allocation<br>Col. 1 x Col. 2 | Performance<br>Allocation<br>2000-2001 | Total<br>2000-2001<br>Funding |
|--|------------------------------------|---------------------------|---|--|-------------------------------|
|  | <u>1</u>                           | <u>2</u>                  | <u>3</u>  | <u>4</u>                               | <u>5</u>                      |
| <b>Tallahassee Community College</b>         |                                    |                           |   |  |                               |
| Postsecondary Vocational                     | \$ 636,958                         | 0.85                      | \$ 541,414                                      | \$ 313,120                             | \$ 854,534                    |
| Continuing Workforce Education               | <u>238,037</u>                     |                           |   |  | <u>238,037</u>                |
| Allocation Total                             | \$ 874,995                         |                           |   |  | \$ 1,092,571                  |
| Error in Applying Workforce Fund Calculation |                                    |                           |   |  | <u>(35,705)</u>               |
| Allocation Total (To Schedule 1)             | <u>\$ 874,995</u>                  |                           |   |  | <u>\$ 1,056,866</u>           |
| <b>St. Johns River Community College</b>     |                                    |                           |   |  |                               |
| Postsecondary Vocational                     | 305,888                            | 0.85                      | 260,005   | 178,935                                | 438,940                       |
| Continuing Workforce Education               | <u>181,821</u>                     |                           |   |  | <u>181,821</u>                |
| Allocation Total                             | \$ 487,709                         |                           |   |  | \$ 620,761                    |
| Error in Applying Workforce Fund Calculation |                                    |                           |   |  | <u>(27,274)</u>               |
| Allocation Total (To Schedule 1)             | <u>\$ 487,709</u>                  |                           |   |  | <u>\$ 593,487</u>             |

**(1) Transferred pursuant to Section 240.384(6), Florida Statutes**

**Schedule 3**  
**Revised Workforce Development**  
**Education Fund Total Allocations**  
**2000-2001 Fiscal Year**

|   | <u>Tallahassee<br/>Community College</u> | <u>St. Johns River<br/>Community College</u> |
|---|--|--|
| 1999-2000 Funding Before Adjustment Under<br>2000-171, LOF  | \$ 3,668,223                             | \$ 2,406,141                                 |
| Adjustment to the 1999-2000<br>Workforce Development Education Fund<br>Allocation ( See Schedule 1) | <u>227,963</u>                           | <u>78,664</u>                                |
| 1999-2000 Total Adjusted Allocation   | 3,896,186                                | 2,484,805                                    |
| Deduct Continuing Workforce Education   | <u>347,715</u>                           | <u>248,542</u>                               |
| Adjusted Base Allocation for Application<br>of the 85% Carry-forward to 2000-2001                   | 3,548,471                                | 2,236,263                                    |
| Base Allocation Factor  | 0.85                                     | 0.85   |
| Revised Base Allocation for 2000-2001   | 3,016,200                                | 1,900,823                                    |
| Add Performance Allocation for 2000-2001  | 742,681                                  | 517,392                                      |
| Add Back Continuing Workforce Education<br>at 100 Percent   | <u>347,715</u>                           | <u>248,542</u>                               |
| Total Adjusted 2000-2001 Allocation   | 4,106,596                                | 2,666,757                                    |
| Current Allocation  | <u>3,873,155</u>                         | <u>2,569,589</u>                             |
| Net Difference (See Schedule 1)   | <u>\$ 233,441</u>                        | <u>\$ 97,168</u>                             |



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The Auditor General, pursuant to Section 11.45, Florida Statutes, reviews selected programs, activities, and functions of State agencies. This analysis was made in accordance with applicable standards. The various reports prepared by the Auditor General can be obtained on our web site (<http://www.state.fl.us/audgen>); by telephone (850 487-9024); or by mail (G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450).

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