

**OKALOOSA COUNTY DISTRICT SCHOOL
BOARD**

**Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students**

Restoration of Audit Adjustments

For the Fiscal Year Ended
June 30, 2004



GOVERNING BODY AND SUPERINTENDENT

The governing body of the District is the District School Board, which is composed of five elected members. The executive officer of the Board is the elected Superintendent of Schools. The Board members and Superintendent of Schools who served during the fiscal year ended June 30, 2004, were:

Lucinda J. Frakes, Chairman

Catherine S. Thigpen, Vice Chairman

Howard Hill

Lloyd Taylor

Rodney L. Walker

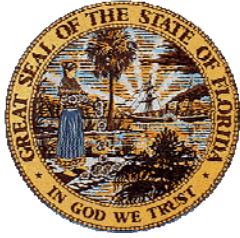
Don Gaetz, Superintendent

Please address inquiries regarding this report to Joseph L. Williams, CPA, Audit Manager, via e-mail at joewilliams@aud.state.fl.us or by telephone at (850) 414-9941.

This report and other reports prepared by the Auditor General can be obtained on our Web site www.myflorida.com/audgen; by telephone at (850) 487-9024; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Okaloosa County District School Board
Full-Time Equivalent (FTE) Students
Restoration of Audit Adjustments
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For the Fiscal Year Ended June 30, 2004

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DAVID W. MARTIN, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

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



PHONE: 850-488-5534
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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 AGREED-UPON PROCEDURES FOR RESTORATION OF AUDIT ADJUSTMENTS FULL-TIME EQUIVALENT (FTE) STUDENTS

We have previously examined management's assertion, included in its representation letter dated August 18, 2004, that the Okaloosa County District School Board complied with State requirements governing the determination and reporting of the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) for the fiscal year ended June 30, 2004, and have presented the results of our examination in report No. 2005-156, issued March 23, 2005. This agreed-upon procedures report on the restoration of audit adjustments should be read in conjunction with report No. 2005-156.

Pursuant to State Board of Education Rule 6A-1.0453(5), Florida Administrative Code, the Okaloosa County District School Board requested an informal conference with the Department of Education (DOE) to discuss finding Nos. 58, 60, 63, and 67, which were presented in report No. 2005-156. The informal conference was held as a teleconference on July 16, 2009. The resulting informal conference panel's memorandum of July 27, 2009, recommended the restoration of audit adjustments for the findings discussed, as specified in the panel's recommendations. The panel's recommendations were accepted by the Commissioner of Education, as evidenced by letter dated July 30, 2009.

In conjunction with the panel's recommendations and the Commissioner's acceptance, we performed certain agreed-upon procedures, specified in SCHEDULE B herein, to determine and report the audit adjustments to be restored. We performed the agreed-upon procedures, and have issued this report, solely to assist DOE with this restoration. DOE is responsible for the sufficiency of the agreed-upon procedures and the computation of the restoration's financial impact. Consequently, we make no representation regarding the sufficiency of the procedures either for the purpose for which this report has been requested or for any other purpose.

We performed the agreed-upon procedures in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) and the standards contained in *Government Auditing Standards* issued by the Comptroller General of the United States. We did not conduct an examination, the objective of which would be the expression of an opinion on the restoration of audit adjustments contained herein. Accordingly, we do not express such an opinion. Had we performed additional procedures pursuant to such an examination, other matters might have come to our attention that we would have reported.

Pursuant to Section 11.45(4), 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 State Board of Education, 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,



David W. Martin, CPA
August 6, 2009

SCHEDULE A

Okaloosa County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
EFFECT OF RESTORED AUDIT ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
 For the Fiscal Year Ended June 30, 2004

<u>No. Program</u>	<u>Net Audit Adjustment¹</u>	<u>Cost Factor</u>	<u>Weighted FTE²</u>
102 Basic 4-8	(9.4630)	1.000	(9.4630)
103 Basic 9-12	(27.3688)	1.140	(31.2004)
112 Grades 4-8 with ESE Services	4.7066	1.000	4.7066
113 Grades 9-12 with ESE Services	13.0790	1.140	14.9101
254 ESE Support Level 4	15.0462	3.948	59.4024
255 ESE Support Level 5	<u>4.0000</u>	5.591	<u>22.3640</u>
	<u>.0000</u>		<u>60.7197</u>

¹ These adjustments are for unweighted FTE. (See SCHEDULE B.)

² The restored weighted FTE adjustments are presented for illustrative purposes only; they 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 audit adjustments. That computation is the responsibility of the Department of Education.

SCHEDULE B

Okaloosa County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
RESTORATION OF AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

Overview

The informal conference panel’s memorandum of July 27, 2009, recommended the restoration of the audit adjustments for finding Nos. 58, 60, 63, and 67 presented originally in report No. 2005-156. The panel’s recommendations were accepted by the Commissioner of Education, as evidenced by letter dated July 30, 2009. In conjunction with the panel’s recommendations and the Commissioner’s acceptance, we performed certain agreed-upon procedures to determine and report the number of FTE audit adjustments to be restored, as specified below.

Description

**Net Audit
 Adjustments Restored
(Unweighted FTE)**

Finding No. 58 (Ref. 981002)

Finding: The Meeting Participation Notice forms documenting the invitation to parents to attend the Individual Educational Plan (IEP) meetings for ten Exceptional students in the October and February surveys were dated either the day of the IEP meeting concerned or later. State Board of Education Rule 6A-6.03028(7)1, Florida Administrative Code, states that parents should be notified "... of the meeting early enough to ensure that they will have an opportunity to attend." Since the notices were sent on the day of the IEP meetings or later, the parents were not afforded an opportunity to attend the meetings. We made the following audit adjustments:

102 Basic 4-8	2.3390	
103 Basic 9-12	5.6118	
112 Grades 4-8 with ESE Services	(2.3390)	
113 Grades 9-12 with ESE Services	<u>(5.6118)</u>	.0000

Panel’s Recommendation: The Panel recommended the restoration of the audit adjustments for the above finding.

Auditor’s Procedures: We restored the audit adjustments for finding No. 58, pursuant to the panel’s recommendation, as presented below:

SCHEDULE B (Continued)

Okaloosa County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
RESTORATION OF AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

<u>Description</u>		Net Audit Adjustments Restored (Unweighted FTE)
102 Basic 4-8	(2.3390)	
103 Basic 9-12	(5.6118)	
112 Grades 4-8 with ESE Services	2.3390	
113 Grades 9-12 with ESE Services	<u>5.6118</u>	.0000

Finding No. 60 (Ref. 981202)

Finding: *The Meeting Participation Notice forms documenting the invitation to parents to attend the Individual Educational Plan (IEP) meetings for 17 Exceptional students in the July, October, and February surveys (one of whom was in both our Basic with ESE Services sample and our Exceptional (ESE Support Levels 4 and 5) sample) were dated either the day of the IEP meeting concerned or later. State Board of Education Rule 6A-6.03028(7)1, Florida Administrative Code, states that parents should be notified "... of the meeting early enough to ensure that they will have an opportunity to attend." Since the notices were sent on the day of the IEP meetings or later, the parents were not afforded an opportunity to attend the meetings. We made the following audit adjustments:*

102 Basic 4-8	2.0122	
103 Basic 9-12	9.7564	
112 Grades 4-8 with ESE Services	(.5784)	
113 Grades 9-12 with ESE Services	(6.2728)	
254 ESE Support Level 4	<u>(4.9174)</u>	.0000

Panel's Recommendation: The Panel recommended the restoration of the audit adjustments for the above finding.

Auditor's Procedures: We restored the audit adjustments for finding No. 60, pursuant to the panel's recommendation, as presented below:

102 Basic 4-8	(2.0122)	
103 Basic 9-12	(9.7564)	
112 Grades 4-8 with ESE Services	.5784	
113 Grades 9-12 with ESE Services	6.2728	
254 ESE Support Level 4	<u>4.9174</u>	.0000

SCHEDULE B (Continued)

Okaloosa County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
RESTORATION OF AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

**Net Audit
 Adjustments Restored
 (Unweighted FTE)**

Description

Finding No. 63 (Ref. 981601)

Finding: The Meeting Participation Notice forms documenting the invitation to parents to attend the Individual Educational Plan (IEP) meetings for ten Exceptional students in the July, October, and February surveys (one of whom was in both our Basic with ESE Services sample and our Exceptional (ESE Support Levels 4 and 5) sample) were dated either the day of the IEP meeting concerned or later. State Board of Education Rule 6A-6.03028(7)1, Florida Administrative Code, states that parents should be notified "... of the meeting early enough to ensure that they will have an opportunity to attend." Since the notices were sent on the day of the IEP meetings or later, the parents were not afforded the opportunity to attend the meetings. We also noted the following exceptions involving four of the ten aforementioned students:

- a. Three students' Matrix of Services forms had been scored incorrectly. The students' rating point totals incorrectly included an additional point under a Special Considerations criterion that was not applicable to the students' circumstances.
- b. The Matrix of Services form for one student was dated August 20, 2004, after the student had withdrawn from the facility; consequently, the Matrix form was not valid for the fiscal year ended June 30, 2004.

We made the following audit adjustments:

102 Basic 4-8	1.5000	
103 Basic 9-12	5.5000	
255 ESE Support Level 5	<u>(7.0000)</u>	.0000

Panel's Recommendation: The Panel recommended the restoration of the audit adjustments attributable to the parental notification deficiency noted in the above finding.

Auditor's Procedures: We restored the audit adjustments attributable to the parental notification deficiency noted in finding No. 63, pursuant to the panel's recommendation, as presented below:

SCHEDULE B (Continued)

Okaloosa County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
RESTORATION OF AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2004

<u>Description</u>		Net Audit Adjustments Restored (Unweighted FTE)
102 Basic 4-8	(1.0000)	
103 Basic 9-12	(3.0000)	
255 ESE Support Level 5	<u>4.0000</u>	.0000

Finding No. 67 (Ref. 981701)

Finding: *The Meeting Participation Notice forms documenting the invitation to parents to attend the Individual Educational Plan (IEP) meetings for 16 Exceptional students in the July, October, and February surveys were dated either the day of the IEP meeting concerned or later. State Board of Education Rule 6A-6.03028(7)1, Florida Administrative Code, states that parents should be notified ". . . of the meeting early enough to ensure that they will have an opportunity to attend."* *Since the notices were sent on the day of the IEP meetings or later, the parents were not afforded the opportunity to attend the meetings. We made the following audit adjustments:*

102 Basic 4-8	4.1118	
103 Basic 9-12	9.0006	
112 Grades 4-8 with ESE Services	(1.7892)	
113 Grades 9-12 with ESE Services	(1.1944)	
254 ESE Support Level 4	<u>(10.1288)</u>	.0000

Panel's Recommendation: The Panel recommended the restoration of the audit adjustments for the above finding.

Auditor's Procedures: We restored the audit adjustments for finding No. 67, pursuant to the panel's recommendation, as presented below:

102 Basic 4-8	(4.1118)	
103 Basic 9-12	(9.0006)	
112 Grades 4-8 with ESE Services	1.7892	
113 Grades 9-12 with ESE Services	1.1944	
254 ESE Support Level 4	<u>10.1288</u>	.0000

Okaloosa County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
COMMISSIONER'S LETTER
For the Fiscal Year Ended June 30, 2004

FLORIDA DEPARTMENT OF EDUCATION



Dr. Eric J. Smith
Commissioner of Education

STATE BOARD OF EDUCATION

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Members

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JOHN R. PADGET

KATHLEEN SHANAHAN

LINDA K. TAYLOR



July 30, 2009

Dr. Alexis Tibbetts, Superintendent
Okaloosa County School District
120 Lowery Place, Southeast
Ft. Walton Beach, FL 32548-5595

Dear Superintendent Tibbetts:

My staff has reviewed with me the recommended agreement, which was a result of the informal audit conference concluded on July 16, 2009. The conference concerned the Full-Time Equivalent (FTE) Students and Student Transportation Audit (Report No. 2005-156) for the year ending June 30, 2004, for the School District of Okaloosa County. I accept the informal conference panel's recommendation and, by copy of this letter, am asking Deputy Commissioner Linda Champion to initiate appropriate action with regard to the FEFP adjustment for Okaloosa County. I am pleased that an agreement was reached by the informal conference participants.

Sincerely,

Dr. Eric J. Smith

EJS:lj

c: Linda Champion
Joe Williams
Frances Haithcock

Okaloosa County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
INFORMAL CONFERENCE PANEL'S MEMORANDUM
 For the Fiscal Year Ended June 30, 2004

FLORIDA DEPARTMENT OF EDUCATION



Dr. Eric J. Smith
 Commissioner of Education

STATE BOARD OF EDUCATION

T. WILLARD FAIR, *Chairman*

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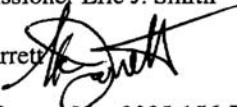
LINDA K. TAYLOR



MEMORANDUM

Date: July 27, 2009

To: Commissioner Eric J. Smith

From: Link Jarrett 

Subject: Audit Report No. 2005-156 Report on the School District of Okaloosa County, Florida Education Finance Program (FEFP) Full-Time Equivalent (FTE) Students and Student Transportation for the Fiscal Year Ended June 30, 2004

On March 31, 2008, the Department received a request from the Okaloosa County School District for an informal conference to discuss Audit Report No. 2005-156 and issues related to the report. The teleconference was held on July 16, 2009.

The Okaloosa County School District was represented by J.C. Connor, Rodney Nobles, and Rita Scallan. The Department was represented by Kim Komisar and Becky Pruett. Martha Asbury, David Morris, and I were on the informal conference panel. Joe Williams represented the Office of the Auditor General.

In its written response to the audit report, Okaloosa County School District appealed four audit findings to the Commissioner.

1. Gulf Coast Youth Academy Meeting Participation Notices (Finding No. 58, Ref. 981002)

Summary of Finding: The *Meeting Participation Notice* forms documenting the invitation to parents to attend the *Individual Educational Plan (IEP)* meetings for ten Exceptional students in the October and February surveys were dated either the day of the IEP meeting concerned or later. State Board of Education Rule 6A-6.03028(7)1, Florida Administrative Code (FAC), states

LINCOLN JARRETT, JR.
 OPERATIONS AND PROGRAM MANAGER

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 FAX (850) 245-9135

Okaloosa County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
INFORMAL CONFERENCE PANEL'S MEMORANDUM (Continued)
 For the Fiscal Year Ended June 30, 2004

Commissioner Eric J. Smith
 July 27, 2009
 Page 2

that parents should be notified of such meetings "...early enough to ensure that they will have an opportunity to attend." Since the notices were sent on the day of the IEP meetings or later, the parents were not afforded the opportunity to attend the meetings.

The Academy was a special program operated by the Department of Juvenile Justice (DJJ) and, therefore, was involved with unusual circumstances regarding the students and parents. The district indicated that, since the students in question required extensive services, its method of expediting services to each student included a phone call to the parents prior to the meeting to ascertain whether or not the parents would be able to attend the meeting. The IEP meeting was held and a subsequent written notice was sent to the parents if they were not in attendance.

As a result of the audit finding, district procedures were modified to include sending the *Meeting Participation Notice* to parents prior to the meeting, via overnight mail, in order to fully comply with Rule 6A-6.03028(7)1, FAC.

Recommendation: The panel recommended restoration of the audit adjustments made for the finding that was appealed, since the district made a good faith effort to follow established procedures to contact the parents concerning the IEP meetings.

2. Okaloosa Youth Academy (Finding No. 60, Ref. 981202)

Summary of Finding: The *Meeting Participation Notice* forms documenting the invitation to parents to attend the *Individual Educational Plan* (IEP) meetings for 17 Exceptional students in the July, October, and February surveys (one of whom was in both the Basic with ESE Services sample and the Exceptional (ESE Support Levels 4 and 5) sample) were dated either the day of the IEP meeting concerned or later. State Board of Education Rule 6A-6.03028(7)1, FAC, states that parents should be notified of such meetings "...early enough to ensure that they will have an opportunity to attend." Since the notices were sent on the day of the IEP meetings or later, the parents were not afforded the opportunity to attend the meetings.

The Academy was a special program operated by the Department of Juvenile Justice (DJJ) and, therefore, was involved with unusual circumstances regarding the students and parents. The district indicated that, since the students in question required extensive services, its method of expediting services to each student included a phone call to the parents prior to the meeting to ascertain whether or not the parents would be able to attend the meeting. The IEP meeting was held and a subsequent written notice was sent to the parents if they were not in attendance.

As a result of the audit finding, district procedures were modified to include sending the *Meeting Participation Notice* to parents prior to the meeting, via overnight mail, in order to fully comply with Rule 6A-6.03028(7)1, FAC.

Recommendation: The panel recommended restoration of the audit adjustments made for the finding that was appealed, since the district made a good faith effort to follow established procedures to contact the parents concerning the IEP meetings.

Okaloosa County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
INFORMAL CONFERENCE PANEL'S MEMORANDUM (Continued)
For the Fiscal Year Ended June 30, 2004

Commissioner Eric J. Smith
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3. Gulf Coast Residential Care (Finding No. 63, Ref. 981601)

Summary of Finding: The *Meeting Participation Notice* forms documenting the invitation to parents to attend the *Individual Educational Plan* (IEP) meetings for 17 Exceptional students in the July, October, and February surveys (one of whom was in both the Basic with ESE Services sample and the Exceptional (ESE Support Levels 4 and 5) sample) were dated either the day of the IEP meeting concerned or later. State Board of Education Rule 6A-6.03028(7)1, FAC, states that parents should be notified of such meetings "...early enough to ensure that they will have an opportunity to attend."

The site was a residential care facility and the district indicated that, since the students in question required extensive services, its method of expediting services to each student included a phone call to the parents prior to the meeting to ascertain whether or not the parents would be able to attend the meeting. The IEP meeting was held and a subsequent written notice was sent to the parents if they were not in attendance.

As a result of the audit finding, district procedures were modified to include sending the *Meeting Participation Notice* to parents prior to the meeting, via overnight mail, in order to fully comply with Rule 6A-6.03028(7)1, FAC.

Recommendation: The panel recommended restoration of the audit adjustments made for the part of finding No. 63 that was appealed, since the district made a good faith effort to follow established procedures to contact the parents concerning the IEP meetings.

4. Milton Girls Juvenile Facility (Finding No. 67, Ref. 981701)

Summary of Finding: The *Meeting Participation Notice* forms documenting the invitation to parents to attend the *Individual Educational Plan* (IEP) meetings for 16 Exceptional students in the July, October, and February surveys were dated either the day of the IEP meeting concerned or later. State Board of Education Rule 6A-6.03028(7)1, FAC, states that parents should be notified of such meetings "...early enough to ensure that they will have an opportunity to attend."

The Facility was a special program operated by the Department of Juvenile Justice (DJJ) and, therefore, was involved with unusual circumstances regarding the students and parents. The district indicated that, since the students in question required extensive services, its method of expediting services to each student included a phone call to the parents prior to the meeting to ascertain whether or not the parents would be able to attend a meeting. The IEP meeting was held and a subsequent written notice was sent to the parents, if they were not in attendance.

As a result of the audit finding, district procedures were modified to include sending the *Meeting Participation Notice* to parents, prior to the meeting, via overnight mail, in order to fully comply with Rule 6A-6.03028(7)1, FAC.

Okaloosa County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
INFORMAL CONFERENCE PANEL'S MEMORANDUM (Continued)
For the Fiscal Year Ended June 30, 2004

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July 27, 2009
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Recommendation: The panel recommended restoration of the audit adjustments made for the finding that was appealed, since the district made a good faith effort to follow established procedures to contact the parents concerning the IEP meetings.

If you accept the recommendations, the Office of Funding and Financial Reporting and the Auditor General should be notified to take appropriate restoration action.

LJ/bp

cc: Martha Asbury
Linda Champion
Karen Denbroeder
Martha Haynes
Kim Komisar
David Morris
Rita Scallan
Alexis Tibbetts
Joe Williams