

**LAKE 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:

C. Dennis Reid

Scott Strong

Rebecca C. Elswick

Jimmy Conner

Kyleen Fischer

Pam Saylor, 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 at 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.

Lake 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

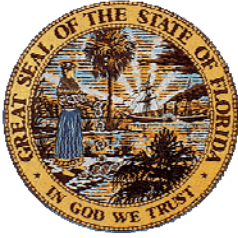
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EXECUTIVE SUMMARY

Summary

Pursuant to State Board of Education Rule 6A-1.0453(5), Florida Administrative Code, the Lake County District School Board requested an informal conference with the Department of Education (DOE) to discuss several findings presented in report No. 2005-195. The informal conference was held on July 23, 2009. The resulting informal conference panel's memorandum of October 14, 2009, recommended the restoration of the audit adjustments for finding Nos. 115, 117, and 118. The panel's recommendations were accepted by the Commissioner of Education, as evidenced by letter dated October 19, 2009.

The FTE audit adjustments restored pursuant to the panel's recommendations totaled to .0000 unweighted FTE, but have a potential impact on weighted FTE of a positive 69.8309 FTE. The financial impact of the restored audit adjustments is subject to the determination of the Department of Education.



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
FAX: 850-488-6975

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

INDEPENDENT AUDITOR'S REPORT 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 September 1, 2004, that the Lake 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. 2005-195, issued June 21, 2005. This agreed-upon procedures report on the restoration of audit adjustments should be read in conjunction with report No. 2005-195.

Pursuant to State Board of Education Rule 6A-1.0453(5), Florida Administrative Code, the Lake County District School Board requested an informal conference with the Department of Education (DOE) to discuss several findings presented in report No. 2005-195. The informal conference was held on July 23, 2009. The resulting informal conference panel's memorandum of October 14, 2009, recommended the restoration of the audit adjustments for finding Nos. 115, 117, and 118. The panel's recommendations were accepted by the Commissioner of Education, as evidenced by letter dated October 19, 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
October 26, 2009

SCHEDULE A

Lake 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>
101 Basic K-3	(2.5000)	1.002	(2.5050)
102 Basic 4-8	(10.6000)	1.000	(10.6000)
103 Basic 9-12	(5.5001)	1.140	(6.2701)
254 ESE Support Level 4	9.0001	3.948	35.5324
255 ESE Support Level 5	<u>9.6000</u>	5.591	<u>53.6736</u>
Total	<u>.0000</u>		<u>69.8309</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

Lake 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

Pursuant to State Board of Education Rule 6A-1.0453(5), Florida Administrative Code, the Lake County District School Board requested an informal conference with the Department of Education (DOE) to discuss several findings in report No. 2005-195. The informal conference was held on July 23, 2009. The resulting informal conference panel’s memorandum of October 14, 2009, recommended the restoration of the audit adjustments for finding Nos. 115, 117, and 118. The panel’s recommendation was accepted by the Commissioner of Education, as evidenced by letter dated October 19, 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)**

Lifestream Behavioral Center/Lifestream Academy – Leesburg (#9010)

Finding No. 115 (Ref. 901071/72)

Two teachers of 32 courses during the school terms covered by the October and February surveys did not hold a Florida teaching certificate and were not otherwise documented as qualified teachers. We made the following audit adjustments:

<u>Ref. 901071</u>		
102 Basic 4-8	5.5000	
103 Basic 9-12	.5000	
254 ESE Support Level 4	(3.5000)	
255 ESE Support Level 5	<u>(2.5000)</u>	.0000
<u>Ref. 901072</u>		
101 Basic K-3	2.0000	
102 Basic 4-8	5.0000	
254 ESE Support Level 4	(4.5000)	
255 ESE Support Level 5	<u>(2.5000)</u>	.0000

Summary of Discussion: The District indicated that the governing board of the Academy had adopted policies and procedures to use experts who do not hold Florida teaching certificates. The Academy’s approved lists of teachers, technicians, and therapists were provided to the District. Copies of the lists were provided to and accepted by the Panel after the conference.

SCHEDULE B (Continued)

Lake 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. 115 (Ref. 901071/72) (Continued)

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

Auditor's Procedures: Pursuant to the panel's recommendation, we restored the audit adjustments for finding No. 115, as presented below:

<u>Ref. 901071</u>		
102 Basic 4-8	(5.5000)	
103 Basic 9-12	(.5000)	
254 ESE Support Level 4	3.5000	
255 ESE Support Level 5	<u>2.5000</u>	.0000
<u>Ref. 901072</u>		
101 Basic K-3	(2.0000)	
102 Basic 4-8	(5.0000)	
254 ESE Support Level 4	4.5000	
255 ESE Support Level 5	<u>2.5000</u>	.0000

National Deaf Academy Charter School (#9023)

Finding No. 117 (Ref. 902371)

Three Academy teachers provided Therapeutic Instructional Support to students during the school terms covered by the October and February surveys, but did not possess either a Florida teaching certificate or a valid therapy license. Management advised us that these individuals were supervised by a licensed mental health therapist; however, they were reported as the teachers of record for the students to whom therapy was provided. Accordingly, they were required to meet the certification requirements specified in the Course Code Directory. We made the following audit adjustments:

101 Basic K-3	.5000	
102 Basic 4-8	.1000	
103 Basic 9-12	.2001	
254 ESE Support Level 4	(.2001)	
255 ESE Support Level 5	<u>(.6000)</u>	.0000

SCHEDULE B (Continued)

Lake 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. 117 (Ref. 902371) (Continued)

Summary of Discussion: The District indicated that the governing board of the charter school had adopted policies and procedures to use experts who do not hold Florida teaching certificates. The District contended that the teachers in question were supervised by a licensed mental health counselor. A copy of the supervisor’s license was submitted as supporting documentation for the conference. The Panel agreed that the licensed supervisor should have reported as the teacher of record and considered an “expert in the field.”

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

Auditor’s Procedures: Pursuant to the panel’s recommendation, we restored the audit adjustments for finding No. 117, as presented below:

101 Basic K-3	(.5000)	
102 Basic 4-8	(.1000)	
103 Basic 9-12	(.2001)	
254 ESE Support Level 4	.2001	
255 ESE Support Level 5	<u>.6000</u>	.0000

Finding No. 118 (Ref. 902372)

One teacher was not properly certified and was not approved by the School Board to teach out-of-field during the school terms covered by the October and February surveys. The teacher held certification in Physical Education, but taught courses that required certification in Hearing Impaired and Health. We also noted that the parents of the students who were taught by this teacher were not notified of the teacher’s out-of-field status. Management advised us that the teacher was considered to be a qualified teacher because she was fluent in American Sign Language and had 9.5 years experience teaching deaf adult students; however, as noted above, the teacher did not meet certification requirements and did not have School Board approval to teach out-of-field. We made the following audit adjustments:

103 Basic 9-12	4.8000	
254 ESE Support Level 4	(.8000)	
255 ESE Support Level 5	<u>(4.0000)</u>	.0000

SCHEDULE B (Continued)

Lake 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. 118 (Ref. 902372) (Continued)

Summary of Discussion: The District contended that the teacher was not considered out-of-field by the school, but was considered an “expert in the field,” since the teacher was fluent in American Sign Language and had 9.5 years of experience in teaching deaf adult students. The Panel accepted the District’s explanation.

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

Auditor’s Procedures: Pursuant to the panel’s recommendation, we restored the audit adjustments for finding No. 118, as presented below:

103 Basic 9-12	(4.8000)	
254 ESE Support Level 4	.8000	
255 ESE Support Level 5	<u>4.0000</u>	<u>.0000</u>
		<u>.0000</u>

Lake 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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DR. AKSHAY DESAI

ROBERTO MARTÍNEZ

JOHN R. PADGET

KATHLEEN SHANAHAN

LINDA K. TAYLOR



October 19, 2009

Dr. Susan Moxley
Superintendent
Lake County School District
201 West Burleigh Boulevard
Tavares, Florida 32778-2496

Dear Superintendent Moxley:

My staff has reviewed with me the recommended agreement, which was a result of the informal conference concluded on July 23, 2009. The conference concerned the Full-Time Equivalent (FTE) Students and Student Transportation Audit (Report No. 2005-195) for the year ending June 30, 2004, for the School District of Lake County. I accept the informal conference panel's recommendations and, by copy of this letter, am asking Deputy Commissioner Linda Champion to initiate appropriate action with regard to the FEFP adjustment for Lake County. I am pleased that an agreement was reached by the informal conference participants.

Sincerely,

Dr. Eric J. Smith

EJS:lj

cc: Linda Champion
Joe Williams
Frances Haithcock

Lake County District School Board
Full-Time Equivalent (FTE) Students (FEFP)
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*

Members

PETER BOULWARE

DR. AKSHAY DESAI

ROBERTO MARTÍNEZ

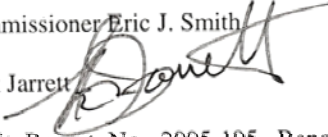
JOHN R. PADGET

KATHLEEN SHANAHAN

LINDA K. TAYLOR



MEMORANDUM

Date: October 14, 2009
To: Commissioner Eric J. Smith
From: Link Jarrett 
Subject: Audit Report No. 2005-195, Report on the School District of Lake County, Florida Education Finance Program (FEFP) Full-Time Equivalent (FTE) Students and Student Transportation for the Fiscal Year Ended June 30, 2004

On April 11, 2008, the Department received a request from the Lake County School District for an informal conference to discuss Audit Report No. 2005-195 and related issues. The informal conference was held by telephone on July 23, 2009.

The Lake County School District was represented by Carol MacLeod, Howard Wiener, Rebecca Hilding, and Kim House. The Department was represented by Kim Komisar, Laura Harrison, Lee Davis, 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, the Lake County School District appealed audit findings related to the National Deaf Academy Charter School and Lifestream Behavioral Center. The recommendations that resulted from the informal appeal conference are as follows:

1. Lifestream Academy - Leesburg (Finding No. 115, Ref. 901071/72)

Summary of Finding: Two teachers of 32 courses during the school terms covered by the October and February surveys did not hold a Florida teaching certificate and were not otherwise documented as qualified teachers. Adjustments were made to reduce the FTE students for the reported ESE program levels and increase the Basic program levels.

LINCOLN JARRETT, JR.
OPERATIONS AND PROGRAM MANAGER

325 W. GAINES STREET • SUITE 1214 • TALLAHASSEE, FL 32399-0400 • (850) 245-0405 • www.fldoe.org
FAX (850) 245-9135

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

Commissioner Eric J. Smith
October 14, 2009
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The district indicated that the governing board of the academy had adopted policies and procedures to use experts who do not hold Florida teaching certificates. The academy's approved lists of teachers, technicians, and therapists were provided to the district. Copies of the lists were provided to and accepted by the panel after the conference.

Recommendation: The panel recommended restoration of the October and February survey weighted FTE students and funding for the audit finding, since the District provided an acceptable explanation and supporting documentation.

2. National Deaf Academy Charter School (Finding No. 117, Ref. 902371)

Summary of Finding: Three teachers provided Therapeutic Instructional Support to students during the school terms covered by the October and February surveys, but did not possess either a Florida teaching certificate or a valid therapy license. The teachers in question were reported as the teachers of record for the students to whom therapy was provided and therefore were required to meet the certification requirements specified in the *Course Code Directory*.

The district indicated that the governing board of the charter school had adopted policies and procedures to use experts who do not hold Florida teaching certificates. The district contended that the teachers in question were supervised by a licensed mental health counselor. A copy of the supervisor's license was submitted as supporting documentation for the conference. The panel agreed that the licensed supervisor should have been reported as the teacher of record and considered an "expert in the field."

Recommendation: The panel recommended restoration of the October and February survey weighted FTE students and funding for the audit finding, since the District provided an acceptable explanation and supporting documentation.

3. National Deaf Academy Charter School (Finding No. 118, Ref. 902372)

Summary of Finding: One teacher was not properly certified and was not approved by the School Board to teach out of field during the school terms covered by the October and February surveys. The teacher held certification in Physical Education, but taught courses that required certification in Hearing Impaired and Health. The parents of the students who were taught by the teacher were not notified of the out-of-field status.

The district contended that the teacher was not considered out-of-field by the school, but was considered an "expert in the field," since the teacher was fluent in American Sign Language and had 9.5 years of experience in teaching deaf adult students.

Recommendation: The panel recommended restoration of the October and February survey weighted FTE students and funding for the audit finding, because the district's explanation was acceptable.

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

Commissioner Eric J. Smith
October 14, 2009
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Two audit findings that were appealed concerned Lifestream Academy exceptional student files. Finding number 88 indicated that eight students were not reported in accordance with their *Matrix of Services* forms. Finding number 89 indicated that the files for 12 students did not contain *Matrix of Services* forms that were valid for the surveys concerned. The district did not provide supporting documentation for the appeal of these findings.

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
Martha Haynes
Kim Komisar
Michael Kooi
Carol MacLeod
David Morris
Susan Moxley
Joe Williams