



AUDITOR GENERAL
WILLIAM O. MONROE, CPA



CALHOUN COUNTY DISTRICT SCHOOL BOARD
FLORIDA EDUCATION FINANCE PROGRAM (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS
AND
STUDENT TRANSPORTATION

For the Fiscal Year Ended June 30, 2005

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 School Superintendents who served during the examination period were: Willie A. Brown, Chairman; Doyle F. Daniels, Vice Chairman; Volena Barfield; Timothy G. Smith; David Price (to 11/15/04); Grant Williams (from 11/16/04); Wilson T. McClellan, Superintendent (to 11/15/04); and Mary Sue Neves, Superintendent (from 11/16/04).

This examination was conducted by Alice Pounds, CPA, and supervised by J. David Hughes, CPA. Please address inquiries regarding this report to Joe Williams, Audit Manager, via e-mail at joewilliams@aud.state.fl.us or by telephone at (850) 414-9941.

This report, as well as other audit reports prepared by the Auditor General, can be obtained on our Web site (<http://www.state.fl.us/audgen>); by telephone at (850) 487-9024; or by mail at G74 Claude Pepper Building, 111 West Madison Street, Tallahassee, Florida 32399-1450.

Calhoun County District School Board
TABLE OF CONTENTS
 For the Fiscal Year Ended June 30, 2005

	PAGE NO.
FULL-TIME EQUIVALENT (FTE) STUDENTS	
Independent Auditor's Report.....	1
Schedule A - Populations, Samples, and Audit Adjustments	3
Schedule B - Effect of Audit Adjustments on Weighted FTE	5
Schedule C - Audit Adjustments by School	6
Schedule D - Findings and Audit Adjustments	7
Schedule E – Recommendations and Regulatory Citations.....	8
Schedule F – Summary of Management’s Response	9
Notes to Schedules.....	10
STUDENT TRANSPORTATION	
Independent Auditor's Report.....	14
Schedule A - Populations, Samples, and Audit Adjustments	16
Schedule B - Findings and Audit Adjustments.....	17
Schedule C – Recommendations and Regulatory Citations.....	20
Schedule D – Summary of Management’s Response	21
Notes to Schedules.....	22
MANAGEMENT'S RESPONSE.....	24



WILLIAM O. MONROE, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

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



850/488-5534/SC 278-5534
Fax: 488-6975/SC 278-6975

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

INDEPENDENT AUDITOR'S REPORT CALHOUN COUNTY DISTRICT SCHOOL BOARD FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated January 13, 2006, that the Calhoun 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, 2005. These requirements are found primarily in Sections 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* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

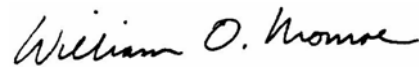
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with the aforementioned State requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. The legal determination of the District's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

In our opinion, the Calhoun County District School Board complied, in all material respects, with State requirements regarding 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, 2005.

The results of our examination disclosed instances of noncompliance with the State requirements mentioned above. We considered these instances of noncompliance in forming our opinion regarding management's assertion and these items did not affect our opinion as stated above. All of the instances of noncompliance disclosed by our examination procedures are discussed in SCHEDULE D. The impact of those instances of noncompliance on the District's reported number of full-time equivalent (FTE) students is presented in SCHEDULE A, SCHEDULE B, SCHEDULE C, and SCHEDULE D.

This report is intended for the information 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 the Calhoun County District School Board. Copies of this report are available pursuant to Section 11.45(4)(c), Florida Statutes, and its distribution is not limited.

Respectfully submitted,



William O. Monroe, CPA
March 2, 2006

SCHEDULE A

Calhoun County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

<u>Description¹</u>	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Students (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>	<u>Number of Unweighted FTE²</u>	<u>% of Pop. (Sample)</u>
1. <u>Basic</u>						
Population ³	5	100.00%	1,789	100.00%	1,575.9200	100.00%
Sample Size ⁴	5	100.00%	112	6.26%	99.0575	6.29%
Net Audit Adjustments ⁵	-	-	(1)	(0.89%)	.0000	-
2. <u>English for Speakers of Other Languages (ESOL)</u>						
Population ³	3	100.00%	9	100.00%	6.1800	100.00%
Sample Size ⁴	3	100.00%	8	88.89%	5.6758	91.84%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	.0000	-
3. <u>Exceptional - Basic with ESE Services</u>						
Population ³	5	100.00%	625	100.00%	569.6900	100.00%
Sample Size ⁴	5	100.00%	66	10.56%	59.1964	10.39%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	.0000	-
4. <u>Exceptional - ESE Support Levels 4 and 5</u>						
Population ³	5	100.00%	46	100.00%	31.6800	100.00%
Sample Size ⁴	5	100.00%	39	84.78%	25.6356	80.92%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	.0000	-
5. <u>Vocational 9-12 On-the-Job Training (OJT)</u>						
Population ³	2	100.00%	9	100.00%	1.5135	100.00%
Sample Size ⁴	2	100.00%	6	66.67%	.9344	61.74%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	(.1664)	-
6. <u>Vocational 9-12 (Excluding OJT)</u>						
Population ³	2	100.00%	0	0.00%	97.4065	100.00%
Sample Size ⁴	0	0.00%	0	0.00%	.0000	0.00%
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	.0000	-

<u>All Programs</u>						
Population ³	5	100.00%	2,478	100.00%	2,282.3900	100.00%
Sample Size ⁴	5	100.00%	231	9.32%	190.4997	8.35%
Net Audit Adjustments ⁵	-	-	(1)	(0.43%)	(.1664)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Calhoun County District School Board
**FULL-TIME EQUIVALENT (FTE) STUDENTS
 POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS**
 For the Fiscal Year Ended June 30, 2005

<u>Description</u> ¹	<u>Number of Schools</u>	<u>% of Pop.</u>	<u>Number of Teachers (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>	<u>Number of Unweighted FTE</u> ²
<u>Teacher Certification</u>					
Population	5	100.00%	74	100.00%	-
Sample Size ⁴	5	100.00%	32	43.24%	-
Net Audit Adjustments ⁵	-	-	(0)	(0.00%)	-
Net Audit Adjustments -- Students and Teachers					<u>(.1664)</u>

¹ See NOTE A6.

² Unweighted full-time equivalent (FTE) students represents FTE prior to the application of the applicable cost factor for each program. (See SCHEDULE B and NOTE A4.)

³ The population shown for the number of schools is the total number of schools in the District which offered the courses in the program specified (i.e., Basic, English for Speakers of Other Languages (ESOL), Exceptional, and Vocational). The population shown for the number of students is the total number of students in each program at the schools in our sample. Our Vocational sample was limited to only those students who participated in on-the-job-training (OJT). The population shown for full-time equivalent (FTE) students is the total FTE for all of the District's schools (sample schools plus nonsample schools) as reported for each survey conducted for the fiscal year ended June 30, 2005. The population shown for teachers is the total number of teachers at schools in our sample who taught courses in Exceptional education or Vocational education or taught courses to Limited English Proficient (LEP) students. (See NOTE A5.)

⁴ See NOTE B.

⁵ Our audit adjustments generally reclassify reported FTE to Basic education for all exceptions except for those involving a student's attendance or enrollment (the audit adjustments for which take the reported FTE to zero).

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Calhoun County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
EFFECT OF AUDIT ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
 For the Fiscal Year Ended June 30, 2005

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
300 Vocational 9-12	(.1664)	1.187	(.1975)
Total	(.1664)		(.1975)

¹ See NOTE A6.

² These adjustments are for unweighted FTE. (See SCHEDULE C.)

³ 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. (See NOTE A4.)

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Calhoun County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2005

<u>No. Program</u>	<u>Audit Adjustments</u> ¹	
	<u>#0101</u>	<u>Total</u>
300 Vocational 9-12	(.1664)	(.1664)
Total	(.1664)	(.1664)

¹ These adjustments are for unweighted FTE. (See NOTE A4.)

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Calhoun County District School Board
**FULL-TIME EQUIVALENT (FTE) STUDENTS
FINDINGS AND AUDIT ADJUSTMENTS**
For the Fiscal Year Ended June 30, 2005

Overview

Management is responsible for determining and reporting the number of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) in compliance with State requirements. These requirements are found primarily in Sections 1011.60, 1011.61, and 1011.62, Florida Statutes; State Board of Education Rules, Chapter 6A-1, Florida Administrative Code; and the *FTE General Instructions* issued by the Department of Education. In our opinion, the Calhoun County District School Board complied, in all material respects, with State requirements governing the determination and reporting of FTE for the fiscal year ended June 30, 2005. The instances of noncompliance disclosed by our examination procedures, while not of material impact on the District's compliance, are nevertheless worthy of management's attention and action, as recommended on page 8.

Findings

**Net Audit
Adjustment
(Unweighted FTE)**

Altha Public School (#0101)

1. [Ref. 10101] The file for one Basic student in on-the-job training (OJT) did not contain the timecards necessary to support the student's reported work time in the October survey. We made the following audit adjustment:

300 Vocational 9-12	(.1664)	(.1664)
		(.1664)

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Calhoun County District School Board
**FULL-TIME EQUIVALENT (FTE) STUDENTS
RECOMMENDATIONS AND REGULATORY CITATIONS**
For the Fiscal Year Ended June 30, 2005

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that timecards for students in on-the-job training (OJT) programs are properly completed and retained in readily accessible files.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all State requirements governing full-time equivalent (FTE) students and the Florida Education Finance Program (FEFP).

Regulatory Citations

Attendance

- Section 1003.23, F.S. Attendance Records and Reports
- Rules 6A-1.044(3)&(6)(c), F.A.C. . Pupil Attendance Records
- Rule 6A-1.04513, F.A.C. Maintaining Auditable FTE Records
- FTE General Instructions 2004-2005
- Comprehensive Management Information System: Automated Student Attendance Recordkeeping System

Vocational On-the-Job Funding Hours

- Rule 6A-6.055(3), F.A.C. Definitions of Terms in Vocational Education Program

The accompanying notes are an integral part of this schedule.

SCHEDULE F

Calhoun County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2005

Management agreed with our findings and recommendations concerning FTE.

A copy of management's response may found on page 24 of this report.

The accompanying notes are an integral part of this schedule.

Calhoun County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE A - SUMMARY

A summary discussion of the significant features of the Calhoun County District School Board, the Florida Education Finance Program (FEFP), full-time equivalent (FTE) students, and related areas follows:

1. School District of Calhoun County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Calhoun County, Florida. Those services are provided primarily to students attending kindergarten through high school, but also to adults seeking vocational-type training. The District is part of the State system of public education under the general direction and control of the State Board of Education. The geographic boundaries of the District are those of Calhoun County. For the fiscal year ended June 30, 2005, the District operated five schools, reported 2,282.39 unweighted full-time equivalent (FTE) students, and received approximately \$9.5 million in State funding under the Florida Education Finance Program (FEFP) for those FTE. The primary sources of funding for the District are funds from FEFP, local ad valorem taxes, and Federal grants and donations.

2. Florida Education Finance Program (FEFP)

Florida school districts receive State funding through the Florida Education Finance Program (FEFP), which was established by the Florida Legislature in 1973. It is the intent of the law "to guarantee to each student in the Florida public school system the availability of programs and services appropriate to his educational needs which 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.

Calhoun County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE A - SUMMARY (Continued)

3. Full-Time Equivalent (FTE) Students

The funding provided by FEEP is based upon the numbers of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an FTE (full-time equivalent) student. For example, for kindergarten through third grade, one 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 four through twelve, one FTE is defined as one student in membership in a program or a group of programs for 25 hours per week for 180 days.

4. Calculation of FEEP Funds

The amount of State and local FEEP funds is calculated by the Department of Education by multiplying the number of unweighted full-time equivalent (FTE) students 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 this product to obtain the total State and local FEEP dollars. All cost factors, the base student allocation amount, cost differential factors, and various adjustment figures are established by the Florida Legislature.

5. FTE Surveys

FTE is determined and reported during the school year by means of four FTE membership surveys, which are conducted under the direction of district and school management. Each survey is a sampling of FTE membership for a period of one week. The surveys for the 2004-2005 school year were conducted during and for the following weeks: survey one was performed for July 12-16, 2004; survey two was performed for October 11-15, 2004; survey three was performed for February 7-11, 2005; and survey four was performed for June 13-17, 2005.

Calhoun County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE A - SUMMARY (Continued)

6. Educational Programs

The Florida Education Finance Program (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 as follows: (1) Basic; (2) English for Speakers of Other Languages (ESOL); (3) Exceptional; and (4) Vocational (9-12).

7. Statutes and Rules

The following statutes and rules are of significance to the administration of Florida public education:

- Chapter 1000, F.S. K-20 General Provisions
- Chapter 1001, F.S. K-20 Governance
- Chapter 1002, F.S. Student and Parental Rights and Educational Choices
- Chapter 1003, F.S. Public K-12 Education
- Chapter 1006, F.S. Support for Learning
- Chapter 1007, F.S. Articulation and Access
- Chapter 1010, F.S. Financial Matters
- Chapter 1011, F.S. Planning and Budgeting
- Chapter 1012, F.S. Personnel
- Chapter 6A-1, F.A.C. Finance and Administration
- Chapter 6A-4, F.A.C. Certification
- Chapter 6A-6, F.A.C. Special Programs I

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of schools, students, and teachers, using statistical and judgmental methods, for testing of FTE reported to the Department of Education for the fiscal year ended June 30, 2005. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements governing FTE and the Florida Education Finance Program (FEFP). The following schools were in our sample:

Calhoun County District School Board
FULL-TIME EQUIVALENT (FTE) STUDENTS
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE B - SAMPLING (Continued)

<u>School Name/Description</u>	<u>Finding Number(s)</u>
1. Altha Public School	1
2. Blountstown Senior High School	NA
3. Blountstown Middle School	NA
4. Carr Elementary & Middle School	NA
5. Blountstown Elementary School	NA



WILLIAM O. MONROE, CPA
AUDITOR GENERAL

AUDITOR GENERAL STATE OF FLORIDA

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



850/488-5534/SC 278-5534
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Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT CALHOUN COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated January 13, 2006, that the Calhoun County District School Board complied with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2005. These requirements are found primarily in Chapter 1006, Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. As discussed in the representation letter, management is responsible for the District's compliance with State requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

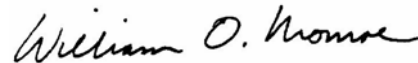
Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about the District's compliance with the aforementioned State requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. The legal determination of the District's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

In our opinion, the Calhoun County District School Board complied, in all material respects, with State requirements governing the determination and reporting of the number of students transported for the fiscal year ended June 30, 2005.

The results of our examination disclosed instances of noncompliance with the State requirements mentioned above. We considered these instances of noncompliance in forming our opinion regarding management's assertion and these items did not affect our opinion as stated above. All of the instances of noncompliance disclosed by our examination procedures are discussed in SCHEDULE B. The impact of those instances of noncompliance on the District's reported number of transported students is presented in SCHEDULE A and SCHEDULE B.

This report is intended for the information 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 the Calhoun County District School Board. Copies of this report are available pursuant to Section 11.45(4)(c), Florida Statutes, and its distribution is not limited.

Respectfully submitted,

A handwritten signature in cursive script that reads "William O. Monroe".

William O. Monroe, CPA
March 2, 2006

SCHEDULE A

Calhoun County District School Board
STUDENT TRANSPORTATION
POPULATIONS, SAMPLES, AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

<u>Description</u>	<u>Number of Vehicles</u>	<u>% of Pop.</u>	<u>No. of Students Transp.</u>	<u>% of Pop. (Sample)</u>
Population ¹	62	100.00%	2,403	100.00%
Sample ²	24	38.71%	142	5.91%
<u>General Tests</u>				
Students w/ Exceptions ³	-	-	-	-
Net Audit Adjustments	-	-	(21)	NA
<u>Detailed Tests</u>				
Students w/ Exceptions	-	-	11	(7.75%)
Net Audit Adjustments	-	-	(5)	(3.52%)
<u>General and Detailed Tests</u>				
Net Audit Adjustments	-	-	(26)	1.08%

NA - *Not Applicable*

¹ *The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2005. The District reported 2,403 students in the following ridership categories: 59 in IDEA (K-12), Weighted; 41 in IDEA (K-12), Unweighted; 96 in IDEA (PK), Unweighted; 4 in Teenage Parents and Infants; and 2,203 in Two Miles or More. The District also reported operating a total of 62 vehicles (54 buses and 8 passenger cars). (IDEA stands for Individuals with Disabilities Education Act.)*

² *See NOTE B.*

³ *Our General Tests do not include the selection and testing of individual students; consequently, there are no test results presented above for General Tests/ Students with Exceptions.*

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Calhoun County District School Board
**STUDENT TRANSPORTATION
 FINDINGS AND AUDIT ADJUSTMENTS**
 For the Fiscal Year Ended June 30, 2005

Overview

Management is responsible for determining and reporting the number of students transported in compliance with State requirements. These requirements are found primarily in Chapter 1006, Part I, E., and Section 1011.68, Florida Statutes; State Board of Education Rules, Chapter 6A-3, Florida Administrative Code; and the *Student Transportation General Instructions* issued by the Department of Education. In our opinion, the Calhoun County District School Board complied, in all material respects, with State requirements governing the determination and reporting of students transported for the fiscal year ended June 30, 2005. The instances of noncompliance disclosed by our examination procedures, while not of material impact on the District’s compliance, are nevertheless worthy of management’s attention and action, as recommended on page 20.

**Students
 Transported
 Net Audit
Adjustment**

Findings

Our examination procedures included both general tests and detailed tests. For our general tests, we made inquiries concerning the District’s transportation of students and reconciled the District’s reported ridership totals for the fiscal year ended June 30, 2005, to the supporting records. Our general tests disclosed the instances of noncompliance discussed in finding No. 1. Our detailed tests of the specific ridership categories for students sampled from the July, October, February, and June surveys disclosed the instances of noncompliance discussed in finding Nos. 2 and 3.

General Tests

1. [Ref. 51] Four of the five bus drivers’ reports for the July survey were missing and could not be located; consequently, the reported ridership of 22 students was not adequately supported. We also noted that two Exceptional students, who were transported on bus No. 73 during the July survey period, were eligible to be reported in IDEA (K-12), Unweighted, but were not reported due to an isolated clerical error. Additionally, one student in the February survey was not transported during that survey period and should not have been reported. We made the following audit adjustments:

**July 2004 Survey
 (7 Days-in-Term)**

IDEA (K-12), Unweighted	(4)
Two Miles or More	(9)

(8 Days-in-Term)

IDEA (K-12), Unweighted	(2)
Two Miles or More	(7)

Adjustments continue on next page.

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Calhoun County District School Board
STUDENT TRANSPORTATION
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

<u>Findings</u>	<u>Students Transported</u>	<u>Net Audit Adjustment</u>
<u>General Tests</u> (Continued)		
<u>July 2004 Survey</u> (Continued)		
<u>(7 Days-in-Term)</u>		
IDEA (K-12), Unweighted	2	
<u>February 2005 Survey</u>		
<u>90 Days-in-Term</u>		
Two Miles or More	(1)	(21)
Net Audit Adjustments from General Tests		(21)

Detailed Tests

2. [Ref. 52] Eight students in the Two Miles or More ridership category (four in the October survey and four in the June survey) lived less than two miles from school and were ineligible for that category. We noted, however, that three of the four students in the June survey were eligible to be reported in IDEA (K-12), Unweighted. We made the following audit adjustments:

October 2004 Survey
(90 Days-in-Term)

Two Miles or More (4)

June 2005 Survey
(10 Days-in-Term)

IDEA (K-12), Unweighted 3
 Two Miles or More (4) (5)

3. [Ref. 53] Three Exceptional students were reported incorrectly in the IDEA (K-12), Weighted ridership category (one in the October and June surveys, one in the February and June surveys, and one in the June survey). The students' Individual Educational Plans (IEPs) indicated that the students did not meet at least one of the five criteria required for classification in an IDEA weighted ridership category.

Finding continues on next page.

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Calhoun County District School Board
STUDENT TRANSPORTATION
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2005

**Students
 Transported
 Net Audit
 Adjustment**

Findings

Detailed Tests (Continued)

We noted, however, that one of the students was eligible to be reported in Two Miles or More and the other two students were eligible to be reported in IDEA (K-12), Unweighted. We made the following audit adjustments:

October 2004 Survey
(90 Days-in-Term)

IDEA (K-12), Weighted	(1)	
IDEA (K-12), Unweighted	1	

February 2005 Survey
(90 Days-in-Term)

IDEA (K-12), Weighted	(1)	
Two Miles or More	1	

June 2005 Survey
(10 Days-in-Term)

IDEA (K-12), Weighted	(3)	
IDEA (K-12), Unweighted	2	
Two Miles or More	1	0

Net Audit Adjustments from Detailed Tests		<u>(5)</u>
--	--	-------------------

The accompanying notes are an integral part of this schedule.

SCHEDULE C

Calhoun County District School Board
STUDENT TRANSPORTATION
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2005

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) all bus drivers' reports are retained in readily accessible files; (2) only eligible students who are transported by the District during a survey are reported with that survey's results; (3) the distance from home to school for students classified in Two Miles or More is verified prior to being reported; and (4) only Exceptional students whose need for special transportation services is documented on their *Individual Educational Plans* (IEPs) are reported in IDEA weighted ridership categories.

The absence of statements in this report regarding practices and procedures followed by the District should not be construed as acceptance, approval, or endorsement of those practices and procedures. Additionally, the specific nature of this report does not limit or lessen the District's obligation to comply with all State requirements governing student transportation.

Regulatory Citations

- Chapter 1006, Part I, E., F.S.Transportation of Public K-12 Students
- Section 1011.68, F.S.Funds for Student Transportation
- Chapter 6A-3, F.A.C.Transportation
- Student Transportation General Instructions

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Calhoun County District School Board
STUDENT TRANSPORTATION
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2005

Management agreed with our findings and recommendations regarding student transportation.

A copy of management's response may be found on page 24 of this report.

The accompanying notes are an integral part of this schedule.

Calhoun County District School Board
STUDENT TRANSPORTATION
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE A - SUMMARY

A summary of the significant features of student transportation and related areas follows:

1. Student Eligibility

Any student who is transported by bus must meet one or more of the following conditions in order to be eligible for State transportation funding: live two or more miles from school, be physically handicapped, be a Vocational or Exceptional student who is transported from one school center to another where appropriate programs are provided, or meet the criteria for hazardous walking specified in Section 1006.23(4), Florida Statutes.

2. Transportation in Calhoun County

For the fiscal year ended June 30, 2005, the District received approximately \$491,000 in State transportation funding. The District’s transportation reporting by survey was as follows:

<u>Survey Period</u>	<u>No. of Vehicles</u>	<u>No. of Students</u>
July 2004	5	28
October 2004	25	1,167
February 2005	28	1,157
June 2005	4	<u>51</u>
Total	<u>62</u>	<u>2,403</u>

3. Statutes and Rules

The following statutes and rules are of significance to the District’s administration of student transportation:

- Chapter 1006, Part I, E., F.S.Transportation of Public K-12 Students
- Section 1011.68, F.S.Funds for Student Transportation
- Chapter 6A-3, F.A.C.Transportation

Calhoun County District School Board
STUDENT TRANSPORTATION
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2005

NOTE B - SAMPLING

Our examination procedures provided for the selection of samples of buses and students, using statistical and judgmental methods, for testing the number of students transported as reported to the Department of Education for the fiscal year ended June 30, 2005. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the District's compliance with State requirements governing students transported.

MANAGEMENT'S RESPONSE

Mary Sue Neves
Superintendent of Schools

Board Meets Second
Tuesday of Each Month



20859 Central Ave E, Rm G20
Blountstown, FL 32424

Phone (850) 674-5927
Fax (850) 674-5814

March 27, 2006

Mr. William O. Monroe, CPA
Auditor General
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Mr. Monroe:

I would like to thank the members of your staff who conducted the audit for the efficient and courteous manner in which they did their job.

Our responses are as follows:

Calhoun County School District agrees with findings 1-3, schedule B, page 17 of report number 2006-XXX.

The following procedures will be put into place to help prevent future problems:

Management will exercise more care when receiving bus driver reports and make sure that they are placed in the appropriate files. When all files are turned in, a re-check will be made to insure that all reports are present.

Management will only place students transported during a survey on that survey's results.

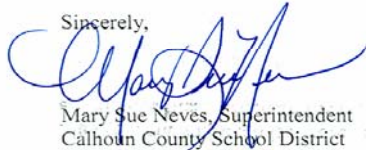
Management will exercise more care when measuring mileage from home to school for students who are close to the "two miles or more" requirement.

Management will consult with ESE staff to make sure that only exceptional students, whose need for special transportation services are documented on their IEP, are reported in IDEA weighted ridership categories.

Calhoun County School District agrees with finding 1, schedule D, page 7 of report no. 2006-XXX.

In the future, more care will be taken to insure that time cards for OJT programs are properly signed and filed. These files will be checked by both the teacher and other appropriate staff to verify that proper procedures have been followed.

Sincerely,


Mary Sue Neves, Superintendent
Calhoun County School District

District I
Grant Williams

District II
Volena Barfield

District III
Timothy G. Smith

District IV
Willie A. Brown

District V
Doyle F. Daniels

"An Equal Opportunity Employer"