



AUDITOR GENERAL
WILLIAM O. MONROE, CPA



FLORIDA A & M UNIVERSITY DEVELOPMENTAL RESEARCH SCHOOL
FLORIDA EDUCATION FINANCE PROGRAM (FEFP)
FULL-TIME EQUIVALENT (FTE) STUDENTS

For the Fiscal Year Ended June 30, 2006

General oversight and guidance is provided to the School by an advisory board, pursuant to Section 1002.32(8), Florida Statutes. The board was composed of the following members during our examination period:

Dean of the College of Education

Dr. Scott Jackson Dantley

Faculty Members

Dr. James Bouyer

Dr. Thyria Greene-Ansley

Dr. Marcia Owens

Dr. Gloria Poole

Layperson-Community Representative

Mrs. Beulah B. Gregory

Parent Representatives

Mrs. Kay Wallace

Mr. Terry Watson

Student Representative

Mr. Brent Lang

This examination was conducted by Myla Ustymenko and J. David Hughes, CPA. 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, 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.

Florida A & M University Developmental Research School
 Full-Time Equivalent (FTE) Students
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 For the Fiscal Year Ended June 30, 2006

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WILLIAM O. MONROE, CPA
AUDITOR GENERAL

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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 FLORIDA A & M UNIVERSITY DEVELOPMENTAL RESEARCH SCHOOL FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated April 16, 2007, that the Florida A & M University Developmental Research School complied with the 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, 2006. 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 School's compliance with State requirements. Our responsibility is to express an opinion on the School'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 School'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 School's compliance with these requirements is, however, ultimately the responsibility of the Department of Education.

In our opinion, the Florida A & M University Developmental Research School complied, in all material respects, 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, 2006.

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 School'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 Florida A & M University Developmental Research School. 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

May 23, 2007

SCHEDULE A

Florida A & M University Developmental Research School
 Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2006

<u>Description</u> ¹	<u>Number of Students (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>	<u>Number of Unweighted FTE</u> ²	<u>% of Pop. (Sample)</u>
<u>1. Basic</u>				
Population ³	475	100.00%	440.7622	100.00%
Sample Size ⁴	24	5.05%	23.2562	5.28%
Students w/Exceptions	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	6.9844	-
<u>2. Career Education 9-12</u>				
Population ³	3	100.00%	18.4046	100.00%
Sample Size ⁴	3	100.00%	1.6340	8.88%
Students w/Exceptions	(3)	(100.00%)	-	-
Net Audit Adjustments ⁵	-	-	(8.1564)	-

<u>All Programs</u>				
Population ³	478	100.00%	459.1668	100.00%
Sample Size ⁴	27	5.65%	24.8902	5.42%
Students w/Exceptions	(3)	(11.11%)	-	-
Net Audit Adjustments ⁵	-	-	(1.1720)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Florida A & M University Developmental Research School
 Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2006

<u>Description</u> ¹	<u>Number of Teachers (w/Exceptions)</u>	<u>% of Pop. (Sample)</u>
<u>Teachers</u>		
Population ³	12	100.00%
Sample Size ⁴	5	41.67%
Teachers w/Exceptions	(1)	(20.00%)

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 students is the total number of students in each program at the School. Our Career Education sample was limited to those students who participated in OJT. The population shown for full-time equivalent (FTE) students is the total FTE reported in the programs indicated for the fiscal year ended June 30, 2006. The population shown for teachers is the total number of teachers who taught courses in Career Education 9-12. (See NOTE A5.)

⁴ See NOTE B.

⁵ Our audit adjustments present the net effects of the instances of noncompliance disclosed by our examination procedures, including those related to our tests of teacher certification. Our audit adjustments generally reclassify reported FTE to Basic education, except for noncompliance involving a student's enrollment or attendance, in which case the audit adjustment take the reported FTE to zero.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Florida A & M University Developmental Research School
 Full-Time Equivalent (FTE) Students
EFFECT OF AUDIT ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
 For the Fiscal Year Ended June 30, 2006

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
103 Basic 9-12	6.9844	1.113	7.7736
300 Career Education 9-12	<u>(8.1564)</u>	1.193	<u>(9.7306)</u>
Total	<u>(1.1720)</u>		<u>(1.9570)</u>

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

Florida A & M University Developmental Research School
Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
For the Fiscal Year Ended June 30, 2006

<u>No. Program</u>	<u>Audit Adjustments</u> ¹
103 Basic 9-12	6.9844
300 Career Education 9-12	<u>(8.1564)</u>
Total	<u>(1.1720)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Florida A & M University Developmental Research School
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2006

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. The Florida A & M University Developmental Research School complied, in all material respects, with State requirements governing the determination and reporting of FTE for the fiscal year ended June 30, 2006. All of the instances of noncompliance disclosed by our examination procedures are discussed below and require management's attention and action, as recommended on page 8.

Findings

**Net Audit
 Adjustment
 (Unweighted FTE)**

Our examination included the July and October 2005 surveys and the February and June 2006 surveys. (See NOTE A5.) Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2005 survey or the February 2006 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

1. [Ref. 35101] The course schedules for three students in on-the-job training (OJT) were reported using an incorrect priority that funded the students' off-campus OJT courses prior to their on-campus instruction. We also noted that the timecards for these students were missing and could not be located. We made the following audit adjustment:

103 Basic 9-12	.4620	
300 Career Education 9-12	<u>(1.6340)</u>	(1.1720)

2. [Ref. 35171] One teacher was not properly certified and was not approved by the School's advisory board to teach out-of-field. We also noted that the parents of the students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:

103 Basic 9-12	6.5224	
300 Career Education 9-12	<u>(6.5224)</u>	.0000
		<u>(1.1720)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Florida A & M University Developmental Research School
 Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
 For the Fiscal Year Ended June 30, 2006

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) the on-campus instruction of students is funded prior to any off-campus instruction or work time; (2) timecards for students in OJT programs are properly completed and retained in readily accessible files; (3) teachers are properly certified or, if out-of-field, are approved by the School’s advisory board to teach out-of-field; and (4) the parents of students taught by out-of-field teachers are appropriately notified of the teachers’ out-of-field status prior to the survey period.

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

Regulatory Citations

Reporting

- Section 1011.60, F.S.Minimum Requirements of the Florida Education Finance Program (FEFP)
- Section 1011.61, F.S.Definitions
- Section 1011.62, F.S.Funds for Operation of Schools
- Rule 6A-1.0451, F.A.C.FEFP Student Membership Surveys
- Rule 6A-1.04513, F.A.C.Maintaining Auditable FTE Records
- FTE General Instructions 2005-2006

Career Education On-the-Job Attendance

- Rule 6A-1.044(6)(c), F.A.C.Pupil Attendance Records

Career Education On-the-Job Funding Hours

- Rule 6A-6.055(3), F.A.C.Definitions of Terms Used in Vocational Education and Adult Programs
- FTE General Instructions 2005-2006

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Florida A & M University Developmental Research School
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2006

Regulatory Citations (Continued)

Teacher Certification

Section 1003.56, F.S.English Language Instruction for Limited English Proficient Students

Section 1011.62(1)(g), F.S.Education for Speakers of Other Languages

Section 1012.42(2), F.S.Teacher Teaching Out-of-Field; Notification Requirements

Section 1012.55, F.S.Positions for Which Certificates Required

Rule 6A-1.0502, F.A.C.Non-certificated Instructional Personnel

Rule 6A-1.0503, F.A.C.Definition of Qualified Instructional Personnel

Rule 6A-4.001, F.A.C.Instructional Personnel Certification

The accompanying notes are an integral part of this schedule.

SCHEDULE F

Florida A & M University Developmental Research School
Full-Time Equivalent (FTE) Students
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2006

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 14 of this report.

The accompanying notes are an integral part of this schedule.

Florida A & M University Developmental Research School
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

NOTE A - SUMMARY

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

1. Florida A & M University Developmental Research School

The Florida A & M University Developmental Research School was established pursuant to Section 1002.32, Florida Statutes, as a developmental research school on the campus of Florida A & M University. The statute specifies that developmental research schools are to provide "a vehicle for the conduct of research, demonstration, and evaluation regarding management, teaching, and learning." The statute also states that "the primary goal of a lab school is to enhance instruction and research in [mathematics, science, computer science, and foreign languages] by using resources available in a state university campus, while also providing an education in nonspecialized subjects." The School offers instruction in Basic education and Career Education 9-12, and serves students in kindergarten through twelfth grade. For the fiscal year ended June 30, 2006, the School reported 459.1668 unweighted full-time equivalent (FTE) students, and received approximately \$2.7 million in State funding for those FTE under the Florida Education Finance Program (FEFP). The primary source of funding for the School is State funds allocated from the Florida Education Finance Program.

2. Florida Education Finance Program (FEFP)

Florida school districts and developmental research schools 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.

Florida A & M University Developmental Research School
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

NOTE A - SUMMARY (Continued)

3. Full-Time Equivalent (FTE) Students

The funding provided by FEFP 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 FEFP Funds

The amount of State and local FEFP 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 FEFP 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. Each survey is a sampling of FTE membership for a period of one week. The surveys for the 2005-2006 school year were conducted during and for the following weeks: survey one was performed for July 11-15, 2005; survey two was performed for October 10-14, 2005; survey three was performed for February 6-10, 2006; and survey four was performed for June 12-16, 2006.

Florida A & M University Developmental Research School
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2006

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) Career Education (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 students and teachers, using statistical and judgmental methods, for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2006. Our sampling process was designed to facilitate the performance of appropriate examination procedures to test the School's compliance with State requirements governing FTE and the Florida Education Finance Program (FEFP).

MANAGEMENT'S RESPONSE



Florida Agricultural and Mechanical University

TALLAHASSEE, FLORIDA 32307-5000

DEVELOPMENTAL RESEARCH SCHOOL

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June 14, 2006

William O. Monroe, CPA
Auditor General
Room 412C Claude Pepper Bldg.
111 West Madison Street
Tallahassee, Fl. 32399-1450

Dear Mr. Monroe:

This correspondence is in response to the recent FTE audit conducted at Florida A&M University Developmental Research School.

Regulatory Citation:

Rule 6A-1.044(6)(c), F.A.C.....Pupil Attendance Records
Rule 6A-6.055(3), F.A.C. Definitions of Terms in Career Education Program
FTE General Instructions 2005-2006

Response to Citation:

The binder containing the documentation for the three 2006-2007 OJT/DCT students identified in the audit was misplaced by the instructor at the end of the year. Additionally, copies of the records were not properly maintained. Although the instructor was able to obtain verification from their former employers as to their employment, she was unable to acquire copies of the timesheets documenting actual time worked.

The school administration will institute the following measures to ensure that future OJT/DCT students' off-campus employment will be properly administered and managed.

- 1) All OJT/DCT timesheets will be submitted to the DCT instructor as well as to the school's attendance office. These timesheets will be kept in a binder that will be constantly monitored and maintained by the principal;
- 2) OJT/DCT students will be required to meet with the principal and DCT instructor a minimum of once per week in order to review documentation as well as discuss the DCT experience for the designated period;
- 3) The OJT/DCT instructor will contact all DCT supervisors a minimum of twice per month to verify and confirm student attendance, monitor student performance, and review the OJT/DCT experience. The OJT/DCT instructor will submit verification of these discussions to the attendance office so that documentation may be placed in students' OJT/DCT files located in the attendance office. Copies of these verifications will also be kept in the OJT/DC T instructor's files; and



Florida Agricultural and Mechanical University

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- 4) The OJT/DCT instructor will review with the principal, once each nine weeks, the DCT attendance documents and verification documents to ensure all documentation is in order and to make any adjustments in the program as needed.

Regulatory Citation

Section 1012.42(2), F.S.Teacher Teaching Out-of-Field; notification Requirements.
 Section 1012.55, F.S.Positions for which certificates required
 Rule 6A-1.0503, F.A.CQualified Instructional Personnel

Response to Citation:

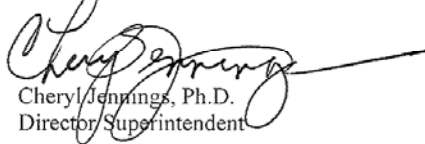
FAMUDRS fully acknowledges that the identified teacher was inappropriately assigned; however, the teacher does have certification in related subject areas and therefore, was given responsibility for teaching the identified/cited courses. Even though the teacher was teaching out of field, he was held accountable for adhering to the state mandated curriculum.

The following measures will be strictly adhered to in order to ensure statutory compliance regarding proper and current certification for teachers of all subjects.

- 1) Teaching assignments will be based upon appropriate degrees and certification;
- 2) All teachers will be required to have continuous staff development and proper certification prior to accepting additional teaching assignments in any subject area; and
- 3) As required by law, the school will continue the practice of informing parents of faculty who are not teaching in field. (please see attached sample letter)

Should you require additional information, please do not hesitate to contact me at the above number.

Sincerely,



Cheryl Jennings, Ph.D.
 Director/ Superintendent