



AUDITOR GENERAL
DAVID W. MARTIN, CPA



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

For the Fiscal Year Ended June 30, 2007

Lafayette County District School Board members and the Superintendent of Schools who served during the 2006-07 fiscal year are shown in the following tabulation:

	<i>District</i>
	<u><i>No.</i></u>
<i>Robert A. Hart</i>	1
<i>Henry McCray, Chair</i>	2
<i>Robert D. Koon, Vice-Chair from 11-21-06</i>	3
<i>Carolyn S. Land, Vice-Chair to 11-20-06</i>	4
<i>Johnny L. Reid to 11-20-06</i>	5
<i>Jerry Hill from 11-21-06</i>	5
 <i>Fredric W. Ward, Superintendent</i>	

This examination was conducted by Jennifer Taylor, CPA, and was supervised by 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.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.

Lafayette County District School Board
 Full-Time Equivalent (FTE) Students and Student Transportation
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Lafayette County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2007

IEP – Individual Educational Plan

ESE – Exceptional Student Education

LEP – Limited English Proficient

ESOL – English for Speakers of Other Languages

PK – Prekindergarten

IDEA – Individuals with Disabilities Education Act



DAVID W. MARTIN, 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 LAFAYETTE COUNTY DISTRICT SCHOOL BOARD FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated November 14, 2007, that the Lafayette 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, 2007. 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.

Compliance

Our examination procedures disclosed material noncompliance involving students reported in ESOL. Eleven of the 36 students in our sample for ESOL had reporting errors or records that were not properly and accurately prepared or were missing and could not be located.¹

In our opinion, except for the material noncompliance mentioned above involving the reporting of, and preparation and maintenance of supporting documentation for, students in ESOL, the Lafayette County District School Board 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, 2007.

The results of our examination disclosed other noncompliance with the aforementioned State requirements, in addition to the material noncompliance mentioned above. We considered this other noncompliance in forming our opinion regarding management's assertion and it did not affect our opinion as stated above. All noncompliance disclosed by our examination procedures is discussed in SCHEDULE D. The impact of this noncompliance on the District's reported FTE students is presented in SCHEDULE A, SCHEDULE B, SCHEDULE C, and SCHEDULE D.

Internal Control Over Compliance

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report significant deficiencies in internal control detected during our examination and identify those considered to be material weaknesses. The purpose of our examination was to express an opinion on the District's compliance with State requirements and did not include expressing an opinion on the District's related internal controls. Accordingly, we express no such opinion. Due to its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.² However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to the reporting of, and the preparation and maintenance of supporting documentation for, students in ESOL. Other noncompliance disclosed by our examination procedures is indicative of control deficiencies², and is also presented herein. The findings, populations, samples, and exception totals that pertain to material and other noncompliance are presented in SCHEDULE A and SCHEDULE D.

¹See finding Nos. 4, 5, 8, and 9.

²A control deficiency in the entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the aforementioned State requirements such that there is more than a remote likelihood that noncompliance that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than remote likelihood that material noncompliance will not be prevented or detected by the entity's internal control.

The District's written response to this examination has not been subjected to our examination procedures and, accordingly, we express no opinion on it.

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 Lafayette 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,



David W. Martin, CPA
March 28, 2008

SCHEDULE A

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2007

<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. Basic						
Population ³	2	100.00%	934	100.00%	814.4300	100.00%
Sample Size ⁴	2	100.00%	24	2.57%	21.6266	2.66%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(.9638)	-
2. Basic with ESE Services						
Population ³	2	100.00%	181	100.00%	159.2300	100.00%
Sample Size ⁴	2	100.00%	11	6.08%	9.9835	6.27%
Students w/Exceptions	-	-	(1)	(9.09%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	.1514	-
3. ESOL						
Population ³	2	100.00%	41	100.00%	26.2600	100.00%
Sample Size ⁴	2	100.00%	36	87.80%	22.6862	86.39%
Students w/Exceptions	-	-	(11)	(30.56%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	.1639	-
4. ESE Support Levels 4 and 5						
Population ³	2	100.00%	3	100.00%	3.0000	100.00%
Sample Size ⁴	2	100.00%	3	100.00%	3.0000	100.00%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	.0000	-
5. Career Education 9-12						
Population ³	1	100.00%	47	100.00%	50.0400	100.00%
Sample Size ⁴	1	100.00%	24	51.06%	6.3054	12.60%
Students w/Exceptions	-	-	(2)	(8.33%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(.3016)	-

All Programs						
Population ³	2	100.00%	1,206	100.00%	1,052.9600	100.00%
Sample Size ⁴	2	100.00%	98	8.13%	63.6017	6.04%
Students w/Exceptions	-	-	(14)	(14.29%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(.9501)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2007

<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>Teachers</u>				
Population ³	2	100.00%	49	100.00%
Sample Size ⁴	2	100.00%	22	44.90%
Teachers w/Exceptions	-	-	(2)	(9.09%)

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, ESOL, ESE, and Career Education). The population shown for the number of students is the total number of students in each program at the schools in our sample. 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 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, 2007. The population shown for teachers is the total number of teachers at schools in our sample who taught courses in ESE or Career Education or taught courses to LEP students. (See NOTE A5.)

⁴ See NOTE B.

⁵ Our audit adjustments present the net effects of the 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 reported FTE is taken to zero.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
EFFECT OF AUDIT ADJUSTMENTS ON WEIGHTED FTE
(For Illustrative Purposes Only)
 For the Fiscal Year Ended June 30, 2007

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
101 Basic K-3	(.6452)	1.035	(.6678)
102 Basic 4-8	(.2426)	1.000	(.2426)
103 Basic 9-12	(.0760)	1.088	(.0827)
112 Grades 4-8 with ESE Services	.0165	1.000	.0165
113 Grades 9-12 with ESE Services	.1349	1.088	.1468
130 ESOL	.1639	1.275	.2090
300 Career Education 9-12	<u>(.3016)</u>	1.159	<u>(.3496)</u>
Total	<u>(.9501)</u>		<u>(.9704)</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

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
AUDIT ADJUSTMENTS BY SCHOOL
 For the Fiscal Year Ended June 30, 2007

<u>No. Program</u>	<u>Audit Adjustments¹</u>		
	<u>#0021</u>	<u>#0022</u>	<u>Total</u>
101 Basic K-3	(.6452)	(.6452)
102 Basic 4-8	(.1524)	(.0902)	(.2426)
103 Basic 9-12	(.0760)	(.0760)
112 Grades 4-8 with ESE Services	.01650165
113 Grades 9-12 with ESE Services	.13491349
130 ESOL	(.5715)	.7354	.1639
300 Career Education 9-12	<u>(.3016)</u>	<u>.....</u>	<u>(.3016)</u>
Total	<u>(.9501)</u>	<u>.0000</u>	<u>(.9501)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Lafayette County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2007

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. Except for material noncompliance involving the reporting of, and the preparation and maintenance of supporting documentation for students in ESOL, the Lafayette 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, 2007. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 12.

Findings

**Net Audit
Adjustments
(Unweighted FTE)**

Our examination included the July and October 2006 surveys and the February and June 2007 surveys (see NOTE A5). Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2006 survey or the February 2007 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Lafayette High School (#0021)

1. [Ref. 2171/73] Two non-certified teachers were hired as a long-term substitute and taught six Basic courses and five Career Education courses during the school terms covered by the October and February surveys. Since there are no specific limitations placed on substitute teaching by law or rule, and since State Board of Education Rule 6A-1.0503, Florida Administrative Code, in particular, defines qualified instructional personnel but does not address the area of substitute teaching, we made no audit adjustments:

.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Lafayette High School (#0021) (Continued)

2. [Ref. 2101] The teacher's attendance records documenting the classroom instructional time for one Career Education student were missing and could not be located. We made the following audit adjustment:

103 Basic 9-12	(.2834)	
300 Career Education 9-12	(.1667)	(.4501)

3. [Ref. 2102] The reported course schedules for two ESE students incorrectly listed three courses in programs other than ESE. We made the following audit adjustment:

102 Basic 4-8	(.0165)	
112 Grades 4-8 with ESE Services	.0165	
113 Grades 9-12 with ESE Services	.1349	
300 Career Education 9-12	(.1349)	.0000

4. [Ref. 2103] The reported course schedules for four LEP students incorrectly funded the students' Basic courses prior to the student's higher priority ESOL courses. We made the following audit adjustment:

102 Basic 4-8	(.1359)	
103 Basic 9-12	(.0614)	
130 ESOL	.1973	.0000

5. [Ref. 2104] One student was reported incorrectly for FEFP funding. The student was a foreign exchange student who was not eligible for such funding. We made the following audit adjustment:

103 Basic 9-12	(.1916)	
130 ESOL	(.3084)	(.5000)

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Lafayette County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2007

**Net Audit
Adjustments
(Unweighted FTE)**

Findings

Lafayette High School (#0021) (Continued)

6. [Ref. 2170] One Math teacher was not properly certified and was not approved by the School 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	.0717	
130 ESOL	<u>(.0717)</u>	.0000

7. [Ref. 2172] One English teacher was not properly certified and was not approved by the School Board to teach out-of-field. We also noted that the teacher taught Reading to a class that included three LEP students, but was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field. Additionally, 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	.3887	
130 ESOL	<u>(.3887)</u>	.0000
		<u>(.9501)</u>

Lafayette Elementary School (#0022)

8. [Ref. 2201] The reported course schedules for five LEP students incorrectly funded the students’ Basic courses prior to the student’s higher priority ESOL courses. We made the following audit adjustment:

101 Basic K-3	(.1452)	
102 Basic 4-8	(.0902)	
130 ESOL	<u>.2354</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

Findings

**Net Audit
 Adjustments
 (Unweighted FTE)**

Lafayette Elementary School (#0022) (Continued)

9. [Ref. 2202] The ESOL courses for one LEP student were incorrectly reported in Basic education in the October survey. We made the following audit adjustment:

101 Basic K-3	(.5000)	
130 ESOL	<u>.5000</u>	<u>.0000</u>
		<u>.0000</u>
		<u>(.9501)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Lafayette County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2007

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) attendance records are maintained in readily accessible files; (2) student course schedules are reported under the correct educational programs using the correct priority ranking; (3) foreign exchange students are not reported for FEFP funding; and (4) out-of-field teachers are approved by the School Board and parents are notified of the teachers' out-of-field status prior to survey.

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 FTE and 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 2006-2007

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 2006-2007
- Comprehensive Management Information System: Automated Student Attendance Recordkeeping System

English for Speakers of Other Languages (ESOL)

- 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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Lafayette County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2007

Regulatory Citations (Continued)

English for Speakers of Other Languages (ESOL) (Continued)

- Rule 6A-6.0901, F.A.C.Definitions Which Apply to Programs for Limited English Proficient Students
- Rule 6A-6.0902, F.A.C.Requirements for Identification, Assessment, and Programmatic Assessment of Limited English Proficient Students
- Rule 6A-6.0904, F.A.C.Equal Access to Appropriate Programming for Limited English Proficient Students

Exceptional Education

- Section 1003.57, F.S.Exceptional Students Instruction
- Section 1011.62, F.S.Funds for Operation of Schools
- Section 1011.62(1)(e), F.S.Funding Model for Exceptional Student Education Programs
- Rule 6A-6.03028, F.A.C.Development of Individual Educational Plans for Students with Disabilities
- Rule 6A-6.03029, F.A.C.Development of Family Support Plans for Children with Disabilities Ages Birth through Five Years
- Rule 6A-6.0312, F.A.C.Course Modification for Exceptional Students
- Rule 6A-6.0331, F.A.C.Identification and Determination of Eligibility of Exceptional Students for Specially Designed Instruction
- Rule 6A-6.0334, F.A.C.Temporary Assignment of Transferring Exceptional Students
- Rule 6A-6.03411, F.A.C.Policies and Procedures for the Provision of Specially Designed Instruction and Related Services for Exceptional Students

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
- Rule 6A-6.0907, F.A.C.Inservice Requirements for Personnel of Limited English Proficient Students

The accompanying notes are an integral part of this schedule.

SCHEDULE F

Lafayette County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2007

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 29 of this report.

The accompanying notes are an integral part of this schedule.

Lafayette County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2007

NOTE A - SUMMARY

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

1. School District of Lafayette County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Lafayette County, Florida. Those services are provided primarily to students attending kindergarten through high school, but also to adults seeking career education-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 Lafayette County. For the fiscal year ended June 30, 2007, the District operated two schools, reported 1,052.96 FTE, and received approximately \$4.7 million in State funding 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 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.

Lafayette County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2007

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. 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 FTE 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, 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 2006-2007 school year were conducted during and for the following weeks: survey one was performed for July 10-14, 2006; survey two was performed for October 9-13, 2006; survey three was performed for February 5-9, 2007; and survey four was performed for June 11-15, 2007.

Lafayette County District School Board
 Florida Education Finance Program (FEFP)
 Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2007

NOTE A - SUMMARY (Continued)

6. Educational Programs

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) ESOL; (3) ESE; 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 schools, students, and teachers, using statistical and judgmental methods, for testing FTE reported to the Department of Education for the fiscal year ended June 30, 2007. 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 FEFP. The following schools were in our sample:

Lafayette County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2007

NOTE B - SAMPLING (Continued)

<u>School Name/Description</u>	<u>Finding Number(s)</u>
1. Lafayette High School	1 through 7
2. Lafayette Elementary School	8 and 9



DAVID W. MARTIN, 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 LAFAYETTE COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated November 14, 2007, that the Lafayette 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, 2007. 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.

Compliance

In our opinion the Lafayette 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, 2007.

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

Internal Control Over Compliance

In accordance with attestation standards established by the AICPA and *Government Auditing Standards*, we are required to report significant deficiencies in internal control detected during our examination and identify those considered to be material weaknesses. The purpose of our examination was to express an opinion on the District's compliance with State requirements and did not include expressing an opinion on the District's related internal controls. Accordingly, we express no such opinion. Due to its limited purpose, our examination would not necessarily identify all deficiencies in internal control over compliance that might be significant deficiencies or material weaknesses.¹ The noncompliance mentioned above, while indicative of certain control deficiencies¹, is not considered indicative of material weaknesses in the District's internal controls related to the classification and reporting of transported students. The findings, populations, samples, and exception totals that pertain to noncompliance are presented in SCHEDULE A and SCHEDULE B.

The District's written response to this examination has not been subjected to our examination procedures, and accordingly, we express no opinion on it.

¹*A control deficiency in the entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect noncompliance on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to comply with the aforementioned State requirements such that there is more than a remote likelihood that noncompliance that is more than inconsequential will not be prevented or detected by the entity's internal control. A material weakness is a significant deficiency, or combination of significant deficiencies, that results in a more than remote likelihood that material noncompliance will not be prevented or detected by the entity's internal control.*

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 Lafayette 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,



David W. Martin, CPA
March 28, 2008

SCHEDULE A

Lafayette County District School Board
 Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2007

<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	22	100.00%	900	100.00%
Sample ²	-	-	75	8.33%
<u>Sample Students</u>				
With Exceptions ³	-	-	6	(8.00%)
Net Audit Adjustments	-	-	(4)	(5.33%)
<u>Non-Sample Students</u>				
With Exceptions ³	-	-	0	0.00%
Net Audit Adjustments	-	-	0	0.00%
<u>Sample and Non-Sample Students</u>				
Net Audit Adjustments	-	-	(4)	0.44%

¹ The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2007. The District reported 900 students in the following ridership categories: 3 in IDEA (PK), Unweighted; 2 in Teenage Parents and Infants; and 895 in Two Miles or More. The District also reported operating a total of 22 buses. (IDEA stands for Individuals with Disabilities Education Act.)

² See NOTE B.

³ Students with exceptions are sample students with exceptions affecting their ridership classification.

The accompanying notes are an integral part of this schedule.

SCHEDULE B

Lafayette County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2007

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. The Lafayette 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, 2007. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 25.

**Students
 Transported
 Net Audit
 Adjustments**

Findings

Our examination procedures included both general tests and detailed tests. Our general tests included inquiries concerning the District's transportation of students and verification that a bus driver's report existed for each bus reported in a survey. Our detailed tests involved verification of the specific ridership categories reported for students sampled from the July, October, February, and June surveys. Adjusted students who were in more than one survey are accounted for by survey. For example, a student sampled twice (i.e., once for the October survey and once for the February survey) will be presented in our findings as two sample students.

Detailed Tests – Sample Students

1. [Ref. 51] Two students were reported in incorrect ridership categories. One student was reported in IDEA (PK) Unweighted, but was in kindergarten and should have been reported in IDEA (K-12), Unweighted. The other student was reported in Two Miles or More, but was an IDEA PK student and should have been reported in IDEA (PK), Unweighted. We made the following audit adjustment:

October 2006 Survey

90 Days-in-Term

IDEA (K-12), Unweighted	1	
IDEA (PK), Unweighted	(1)	
IDEA (PK), Unweighted	1	
Two Miles or More	(1)	0

The accompanying notes are an integral part of this schedule.

SCHEDULE B (Continued)

Lafayette County District School Board
Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
For the Fiscal Year Ended June 30, 2007

**Students
Transported
Net Audit
Adjustments**

Findings

Detailed Tests – Sample Students (Continued)

2. [Ref. 52] Three students were reported incorrectly in Two Miles or More. The students lived less than two miles from school and were not otherwise eligible for State transportation funding. We made the following audit adjustments:

October 2006 Survey

90 Days-in-Term

Two Miles or More (2)

February 2007 Survey

90 Days-in-Term

Two Miles or More (1) (3)

3. [Ref. 53] One student in the February survey was not marked on the supporting bus driver's report as having been transported during the 11-day window of that survey; consequently, the student's reported ridership was not supported. We made the following audit adjustment:

February 2007 Survey

90 Days-in-Term

Two Miles or More (1) (1)

Net Audit Adjustments – Detailed Tests-Sample Students (4)

SCHEDULE C

Lafayette County District School Board
Student Transportation
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2007

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) students are reported in the correct ridership categories; (2) students reported in Two Miles or More live two or more miles from school; and (3) bus attendance is documented for each student reported.

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

Lafayette County District School Board
Student Transportation
SUMMARY OF MANAGEMENT'S RESPONSE
For the Fiscal Year Ended June 30, 2007

Management agreed with our findings and recommendations.

A copy of management's response may be found on page 29 of this report.

The accompanying notes are an integral part of this schedule.

Lafayette County District School Board
 Student Transportation
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2007

NOTE A - SUMMARY

A summary discussion 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 Career Education 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 Lafayette County

For the fiscal year ended June 30, 2007, the District received approximately \$197,000 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 2006	0	0
October 2006	11	441
February 2007	11	459
June 2007	<u>0</u>	<u>0</u>
Total	<u>22</u>	<u>900</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

Lafayette County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2007

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, 2007. 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



FREDRIC W. WARD
SUPERINTENDENT

Lafayette County School Board

363 N.E. Crawford Street • Mayo, Florida 32066-9248
Telephone: (386) 294-1351
FAX: (386) 294-3072

March 31, 2008

Mr. David W. Martin, CPA
Auditor General
G74 Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Mr. Martin:

I have received the draft copy of the report on the examination of FTE students and student transportation for Lafayette County School District for the fiscal year ended June 30, 2007. We agree with all findings.

I have met with administrators in our district to discuss and correct those findings which relate to their area of expertise. We have put the following controls in place:

1. Transportation

In August, 2008, we will provide training to bus drivers regarding ridership categories, correct mileage for students who live near the schools and documentation for attendance.

2. FTE Students

The Principals will meet with data entry clerks to discuss and implement procedures for filing attendance records and correct reporting of student schedules.

The members of the Lafayette County School Board will take action regarding fees for foreign exchange students.

The principals and Personnel Director will meet to discuss and implement procedures for proper reporting of out-of-field teachers.

If you have any questions, please do not hesitate go contact me.

Sincerely,

Fredric W. Ward
Superintendent of Schools

ANDY HART
DISTRICT ONE

HENRY McCRAY
DISTRICT TWO

BOBBY KOON
DISTRICT THREE

CAROLYN S. LAND
DISTRICT FOUR

JERRY HILL
DISTRICT FIVE

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