



**AUDITOR GENERAL**  
DAVID W. MARTIN, CPA



**NASSAU 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

Nassau 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>No.</u>
<i>Janet H. Adkins</i>	1
<i>Gail G. Cook, Vice-Chair</i>	2
<i>Muriel N. Creamer, Chair</i>	3
<i>James M. Adams</i>	4
<i>Kathy Knight Burns</i>	5

*Dr. John L. Ruis, Superintendent*

This examination was conducted by Ted Montgomery, Jr. 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](mailto: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.

Nassau County District School Board  
 Full-Time Equivalent (FTE) Students and Student Transportation  
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Nassau 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

**FES** – Fluent English Speaking

**ESOL** – English for Speakers of Other Languages

**PK** – Prekindergarten

**OJT** – On-the-Job Training

**IDEA** – Individuals with Disabilities Education Act



DAVID W. MARTIN, CPA  
AUDITOR GENERAL

# AUDITOR GENERAL STATE OF FLORIDA

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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 NASSAU COUNTY DISTRICT SCHOOL BOARD FULL-TIME EQUIVALENT (FTE) STUDENTS

We have examined management's assertion, included in its representation letter dated February 14, 2008, that the Nassau 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 (AICPA) 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 the following instances of material noncompliance:

### 1. Teachers

Nineteen of the 75 teachers in our sample did not meet State requirements governing certification; School Board approval of out-of-field teacher assignments; or notification of parents regarding out-of-field teachers.<sup>1</sup>

### 2. Students

We noted exceptions involving 6 of the 53 students in our ESOL sample<sup>2</sup>, 19 of the 51 students in our ESE Support Levels 4 and 5 sample<sup>3</sup>, and 43 of the 80 students in our sample for Career Education 9-12 (OJT)<sup>4</sup>. These exceptions involved reporting errors or records that were not properly and accurately prepared or were missing and could not be located.

In our opinion, except for the material noncompliance mentioned above involving teachers, and the reporting of, and the preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Nassau 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 of the noncompliance disclosed by our examination procedures is discussed in SCHEDULE D. The impact of that 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.

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<sup>1</sup> For teachers, see SCHEDULE D, finding Nos. 2, 3, 8, 9, 10, 11, 14, 15, 16, 19, 21, 25, 26, and 34.

<sup>2</sup> For ESOL, see SCHEDULE D, finding Nos. 12, 29, and 30.

<sup>3</sup> For ESE Support Levels 4 and 5, see SCHEDULE D, finding Nos. 4, 5, 6, 7, 13, 17, 18, 20, 22, 28, and 31.

<sup>4</sup> For Career Education 9-12 (OJT), see SCHEDULE D, finding Nos. 23, 24, 32, and 33.

**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.<sup>5</sup> However, the material noncompliance mentioned above is indicative of significant deficiencies considered to be material weaknesses in the District's internal controls related to teacher compliance; the reporting of, and the preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT). Other noncompliance disclosed by our examination procedures is indicative of control deficiencies<sup>5</sup>, 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.

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 Nassau 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  
June 11, 2008

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<sup>5</sup>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.

**SCHEDULE A**

Nassau 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<sup>1</sup></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 FTE<sup>2</sup></u>	<u>% of Pop. (Sample)</u>
<b>1. Basic</b>						
Population <sup>3</sup>	19	100.00%	6,627	100.00%	8,517.0300	100.00%
Sample Size <sup>4</sup>	12	63.16%	132	1.99%	114.6695	1.35%
Students w/Exceptions	-	-	(3)	(2.27%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	18.8198	-
<b>2. Basic with ESE Services</b>						
Population <sup>3</sup>	18	100.00%	1,516	100.00%	1,871.9400	100.00%
Sample Size <sup>4</sup>	12	66.67%	85	5.61%	72.8494	3.89%
Students w/Exceptions	-	-	(2)	(2.35%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	10.8102	-
<b>3. ESOL</b>						
Population <sup>3</sup>	13	100.00%	61	100.00%	40.4300	100.00%
Sample Size <sup>4</sup>	10	76.92%	53	86.89%	24.2359	59.95%
Students w/Exceptions	-	-	(6)	(11.32%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	(12.6633)	-
<b>4. ESE Support Levels 4 and 5</b>						
Population <sup>3</sup>	14	100.00%	62	100.00%	73.7900	100.00%
Sample Size <sup>4</sup>	10	71.43%	51	82.26%	36.5900	49.59%
Students w/Exceptions	-	-	(19)	(37.25%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	(11.9700)	-
<b>5. Career Education 9-12</b>						
Population <sup>3</sup>	6	100.00%	182	100.00%	422.9300	100.00%
Sample Size <sup>4</sup>	2	33.33%	80	43.96%	25.7118	6.08%
Students w/Exceptions	-	-	(43)	(53.75%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	(8.7871)	-
-----						
<b>All Programs</b>						
Population <sup>3</sup>	19	100.00%	8,448	100.00%	10,926.1200	100.00%
Sample Size <sup>4</sup>	12	63.167%	401	4.75%	274.0566	2.51%
Students w/Exceptions	-	-	(73)	(18.20%)	-	-
Net Audit Adjustments <sup>5</sup>	-	-	-	-	(3.7904)	-

*The accompanying notes are an integral part of this schedule.*



**SCHEDULE A (Continued)**

Nassau 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> <sup>1</sup>	<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 <sup>3</sup>	19	100.00%	155	100.00%
Sample Size <sup>4</sup>	12	63.16%	75	48.39%
Teachers w/Exceptions	-	-	(19)	(25.33%)

<sup>1</sup> See NOTE A6.

<sup>2</sup> 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.)

<sup>3</sup> 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.)

<sup>4</sup> See NOTE B.

<sup>5</sup> Our audit adjustments present the net effects of the noncompliance disclosed by our examination procedures, including that 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**

Nassau 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<sup>1</sup></u>	<u>Net Audit Adjustment<sup>2</sup></u>	<u>Cost Factor</u>	<u>Weighted FTE<sup>3</sup></u>
101 Basic K-3	4.8719	1.035	5.0424
102 Basic 4-8	5.3741	1.000	5.3741
103 Basic 9-12	8.5738	1.088	9.3283
111 Grades K-3 with ESE Services	1.0000	1.035	1.0350
112 Grades 4-8 with ESE Services	8.4932	1.000	8.4932
113 Grades 9-12 with ESE Services	1.3170	1.088	1.4329
130 ESOL	(12.6633)	1.275	(16.1457)
254 ESE Support Level 4	(7.9000)	3.734	(29.4986)
255 ESE Support Level 5	(4.0700)	5.201	(21.1681)
300 Career Education 9-12	(8.7871)	1.159	(10.1842)
Total	(3.7904)		(46.2907)

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<sup>1</sup> See NOTE A6.

<sup>2</sup> These adjustments are for unweighted FTE. (See SCHEDULE C.)

<sup>3</sup> 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**

Nassau 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>District Wide</u>	<u>Audit Adjustments<sup>1</sup></u>		<u>Balance Forward</u>
		<u>#0051</u>	<u>#0071</u>	
101 Basic K-3	.1100	.2052	4.5000	4.8152
102 Basic 4-8	3.2385	.....	.....	3.2385
103 Basic 9-12	.7336	.....	.....	.7336
111 Grades K-3 with ESE Services	.....	.....	1.0000	1.0000
112 Grades 4-8 with ESE Services	.....	.....	2.5000	2.5000
113 Grades 9-12 with ESE Services	.....	.....	.....	.0000
130 ESOL	(4.0821)	(.2052)	(4.5000)	(8.7873)
254 ESE Support Level 4	.....	.....	(1.0000)	(1.0000)
255 ESE Support Level 5	.....	.....	(3.0300)	(3.0300)
300 Career Education 9-12	.....	.....	.....	.0000
Total	<u>.0000</u>	<u>.0000</u>	<u>(.5300)</u>	<u>(.5300)</u>

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<sup>1</sup> These adjustments are for unweighted FTE. (See NOTE A4.)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE C (Continued)**

Nassau 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

<b>Program No.</b>	<b>Brought Forward</b>	<b>Audit Adjustments<sup>1</sup></b>				<b>Balance Forward</b>
		<b>#0081</b>	<b>#0102</b>	<b>#0121</b>	<b>#0151</b>	
101	4.8152	.....	.....	.....	.....	4.8152
102	3.2385	.8436	1.0500	.....	.....	5.1321
103	.7336	.....	.....	.....	3.9431	4.6767
111	1.0000	.....	.....	.....	.....	1.0000
112	2.5000	1.0000	5.0000	.0400	.....	8.5400
113	.0000	.....	.....	.....	.....	.0000
130	(8.7873)	(.8436)	(1.0500)	.....	.....	(10.6809)
254	(1.0000)	(.5000)	(5.4000)	.....	.....	(6.9000)
255	(3.0300)	(.5000)	.....	(.0400)	.....	(3.5700)
300	<u>.0000</u>	<u>.....</u>	<u>.....</u>	<u>.....</u>	<u>(3.9431)</u>	<u>(3.9431)</u>
Total	<u>(.5300)</u>	<u>.0000</u>	<u>(.4000)</u>	<u>.0000</u>	<u>.0000</u>	<u>(.9300)</u>

<sup>1</sup> These adjustments are for unweighted FTE. (See NOTE A4.)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE C (Continued)**

Nassau 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

<b>Program No.</b>	<b>Brought Forward</b>	<b>Audit Adjustments<sup>1</sup></b>				<b>Balance Forward</b>
		<b>#0191</b>	<b>#0221</b>	<b>#0271</b>	<b>#0281</b>	
101	4.8152	.....	.....	.0567	.....	4.8719
102	5.1321	.....	.3668	.....	(.1248)	5.3741
103	4.6767	2.0080	.....	.....	(.4228)	6.2619
111	1.0000	.....	.....	.....	.....	1.0000
112	8.5400	.....	.....	.....	(.0468)	8.4932
113	.0000	.5000	.....	.....	.3170	.8170
130	(10.6809)	.....	(.3668)	(.0567)	.....	(11.1044)
254	(6.9000)	.....	.....	.....	(.5000)	(7.4000)
255	(3.5700)	(.5000)	.....	.....	.....	(4.0700)
300	<u>(3.9431)</u>	<u>(3.2001)</u>	.....	.....	.....	<u>(7.1432)</u>
Total	<u>(.9300)</u>	<u>(1.1921)</u>	<u>.0000</u>	<u>.0000</u>	<u>(.7774)</u>	<u>(2.8995)</u>

<sup>1</sup> These adjustments are for unweighted FTE. (See NOTE A4.)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE C (Continued)**

Nassau 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

<b>Program No.</b>	<b>Brought Forward</b>	<b><u>Audit Adjustments</u><sup>1</sup></b>	
		<b><u>#0291</u></b>	<b><u>Total</u></b>
101 Basic K-3	4.8719	.....	4.8719
102 Basic 4-8	5.3741	.....	5.3741
103 Basic 9-12	6.2619	2.3119	8.5738
111 Grades K-3 with ESE Services	1.0000	.....	1.0000
112 Grades 4-8 with ESE Services	8.4932	.....	8.4932
113 Grades 9-12 with ESE Services	.8170	.5000	1.3170
130 ESOL	(11.1044)	(1.5589)	(12.6633)
254 ESE Support Level 4	(7.4000)	(.5000)	(7.9000)
255 ESE Support Level 5	(4.0700)	.....	(4.0700)
300 Career Education 9-12	<u>(7.1432)</u>	<u>(1.6439)</u>	<u>(8.7871)</u>
Total	<u>(2.8995)</u>	<u>(.8909)</u>	<u>(3.7904)</u>

<sup>1</sup> These adjustments are for unweighted FTE. (See NOTE A4.)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D**

Nassau 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 teachers, and the reporting of, and the preparation and maintenance of supporting documentation for, students in ESOL, ESE Support Levels 4 and 5, and Career Education 9-12 (OJT), the Nassau 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 23.

**Net Audit  
 Adjustments  
 (Unweighted FTE)**

**Findings**

*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.*

**District-Wide**

**Ineligible Courses Reported in ESOL**

1. [Ref. 149] Our examination procedures included an automated test that compared the courses reported in ESOL to the courses designated for that program by the Department of Education. The results of this test disclosed that 17 courses at 7 schools were reported in ESOL that were ineligible for such reporting. We made the following audit adjustment:

101 Basic K-3	.1100	
102 Basic 4-8	3.2385	
103 Basic 9-12	.7336	
130 ESOL	<u>(4.0821)</u>	<u>.0000</u>
		<u>.0000</u>

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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**

**Atlantic Elementary School (#0051)**

2. [Ref. 5170] The parental notification letter for one out-of-field teacher was not dated and we could not otherwise determine if the notification had been made on a timely basis (i.e., prior to the reporting survey). We made the following audit adjustment:

101 Basic K-3	.1752	
130 ESOL	<u>(.1752)</u>	.0000

3. [Ref. 5171] One teacher was not approved by the School Board to teach LEP students out-of-field, and the parents of the LEP student concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:

101 Basic K-3	.0300	
130 ESOL	<u>(.0300)</u>	.0000
		<u>.0000</u>

**Southside Elementary School (#0071)**

4. [Ref. 7101/03] The Matrix of Services forms for four ESE students were not reviewed and updated when the students' new IEPs were prepared. We made the following audit adjustments:

<u>Ref. 7101</u>		
112 Grades 4-8 with ESE Services	2.5000	
255 ESE Support Level 5	<u>(2.5000)</u>	.0000

<u>Ref. 7103</u>		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	<u>(.5000)</u>	.0000

5. [Ref. 7102] One ESE student was not reported in accordance with the student's Matrix of Services form. We made the following audit adjustment:

*The accompanying notes are an integral part of this schedule.*



**SCHEDULE D (Continued)**

Nassau 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

<u>Findings</u>		<b>Net Audit Adjustments (Unweighted FTE)</b>
<b>Southside Elementary School (#0071) (Continued)</b>		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000
6. [Ref. 7104] <u>The IEP and Matrix of Services form for one ESE student in the Hospital and Homebound program were missing and could not be located. We also noted that the student's file did not contain documentation of the hours and times that homebound instruction was provided to the student. We made the following audit adjustment:</u>		
255 ESE Support Level 5	(.0300)	(.0300)
7. [Ref. 7105] <u>One ESE student was absent from school during the 11-day window of the reporting survey and should not have been reported with the survey's results. We made the following audit adjustment:</u>		
255 ESE Support Level 5	(.5000)	(.5000)
8. [Ref. 7170/72/73] <u>The parents of three LEP students taught by three out-of-field teachers in the October survey were not notified of the teachers' out-of-field status until December 12, 2006. We made the following audit adjustments:</u>		
<u>Ref. 7170</u>		
101 Basic K-3	.5000	
130 ESOL	(.5000)	.0000
<u>Ref. 7172</u>		
101 Basic K-3	2.0000	
130 ESOL	(2.0000)	.0000
<u>Ref. 7173</u>		
101 Basic K-3	.5000	
130 ESOL	(.5000)	.0000

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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**

**Southside Elementary School (#0071)** (Continued)

9. [Ref. 7171] One teacher was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field. We also noted that the parents of the LEP students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:

101 Basic K-3	.5000	
130 ESOL	(.5000)	.0000

10. [Ref. 7174] One teacher in the October survey was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field until December 12, 2006. We also noted that the parents of the two LEP students concerned were not notified of the teacher's out-of-field status until December 12, 2006. We made the following audit adjustment:

101 Basic K-3	1.0000	
130 ESOL	(1.0000)	.0000
		(.5300)

**Emma Love Hardee Elementary School (#0081)**

11. [Ref. 8171] One teacher in the October survey was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field until November 9, 2006. We also noted that the parents of the LEP student concerned were not notified of the teacher's out-of-field status until November 21, 2006. Since the student involved is cited in finding No. 12 (Ref. 8101), no audit adjustment was made here.

.0000

12. [Ref. 8101] The files for two LEP students did not contain documentation that the students' English language proficiency had been assessed. We made the following audit adjustment:

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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

<u>Findings</u>		<b>Net Audit Adjustments (Unweighted FTE)</b>
<b><u>Emma Love Hardee Elementary School (#0081)</u></b> (Continued)		
102 Basic 4-8	.3468	
130 ESOL	(.3468)	.0000
13. [Ref. 8102] <u>Two ESE students were not reported in accordance with the students' Matrix of Services form. We made the following audit adjustment:</u>		
112 Grades 4-8 with ESE Services	1.0000	
254 ESE Support Level 4	(.5000)	
255 ESE Support Level 5	(.5000)	.0000
14. [Ref. 8170] <u>One teacher was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field. We made the following audit adjustment:</u>		
102 Basic 4-8	.1500	
130 ESOL	(.1500)	.0000
15. [Ref. 8172/73] <u>Two teachers in the October survey were not properly certified to teach LEP students and were not approved by the School Board to teach such students out-of-field until November 9, 2006. We also noted the parents of the three LEP students concerned were not notified of the teachers' out-of-field status until November 21, 2006. We made the following audit adjustments:</u>		
<u>Ref. 8172</u>		
102 Basic 4-8	.1734	
130 ESOL	(.1734)	.0000
<u>Ref. 8173</u>		
102 Basic 4-8	.0867	
130 ESOL	(.0867)	.0000

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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**

**Emma Love Hardee Elementary School (#0081)** (Continued)

16. [Ref. 8174] One teacher in the October survey was appropriately approved by the School Board to teach one LEP student out-of-field, but the parents of that LEP student were not notified of the teacher's out-of-field status until November 21, 2006. We made the following audit adjustment:

102 Basic 4-8	.0867	
130 ESOL	(.0867)	.0000
		.0000

**Yulee Elementary School (#0102)**

17. [Ref. 10201] The *Matrix of Services* forms for five ESE students were not reviewed and updated when the students' new IEPs were prepared. We made the following audit adjustment:

112 Grades 4-8 with ESE Services	4.5000	
254 ESE Support Level 4	(4.5000)	.0000

18. [Ref. 10202] One ESE student was reported incorrectly for .5000 FTE in program No. 254 (ESE Support Level 4) in the October and February surveys. For the October survey, the student was reported for homebound instruction, but was provided only on-campus instruction reportable in program No. 112 (Grades 4-8 with ESE Services). For the February survey, the student was provided only homebound instruction of 300 minutes or .1000 FTE, and no on-campus instruction. We made the following audit adjustment:

112 Grades 4-8 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	
254 ESE Support Level 4	(.4000)	(.4000)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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**

**Yulee Elementary School (#0102)** (Continued)

19. [Ref. 10270/71] Two teachers in the October survey were not properly certified to teach LEP students and were not approved by the School Board to teach such students out-of-field until November 9, 2006. We also noted that the teachers' parental notification letters were not dated; consequently, we could not determine whether the notifications were made on a timely basis (i.e., prior to survey). We made the following audit adjustments:

<u>Ref. 10270</u>		
102 Basic 4-8	.9600	
130 ESOL	<u>(.9600)</u>	.0000
<u>Ref. 10271</u>		
102 Basic 4-8	.0900	
130 ESOL	<u>(.0900)</u>	.0000
		<u>(.4000)</u>

**Callahan Elementary School (#0121)**

20. [Ref. 12101] One part-time ESE student was reported incorrectly in program No. 255 (ESE Support Level 5) for services in the Hospital and Homebound program. The student was provided only on-campus Speech Therapy and should have been reported in program No. 112 (Grades 4-8 with ESE Services). We made the following audit adjustment:

112 Grades 4-8 with ESE Services	.0400	
255 ESE Support Level 5	<u>(.0400)</u>	.0000
		<u>.0000</u>

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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**

**Hilliard Middle-Senior High School (#0151)**

21. [Ref. 15170] One teacher in the October survey was not properly certified and was not approved by the School Board to teach Career Education out-of-field until November 9, 2006. We also noted that the teacher's parental notification letter was not dated; consequently, we could not determine whether the notification was made on a timely basis (i.e., prior to survey). We made the following audit adjustment:

103 Basic 9-12	3.9431	
300 Career Education 9-12	(3.9431)	.0000
		.0000

**West Nassau County High School (#0191)**

22. [Ref. 19101] One ESE student was reported incorrectly in program No. 255 (ESE Support Level 5). The student's IEP did not authorize sufficient services to support a reporting in program No. 255. The student should have been reported in program No. 113 (Grades 9-12 with ESE Services). We made the following audit adjustment:

113 Grades 9-12 with ESE Services	.5000	
255 ESE Support Level 5	(.5000)	.0000

23. [Ref. 19102] The course schedules for 25 Career Education 9-12 (OJT) students were funded using an incorrect priority. The student's off-campus OJT was funded prior to the students' on-campus instruction. We made the following audit adjustment:

103 Basic 9-12	2.0080	
300 Career Education 9-12	(2.0080)	(.0000)

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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)**

**West Nassau County High School (#0191)** (Continued)

24. [Ref. 19103] The timecards for five Career Education 9-12 (OJT) students were missing and could not be located. We made the following audit adjustment:

300 Career Education 9-12	(1.1921)	(1.1921)
		(1.1921)

**Yulee Middle School (#0221)**

25. [Ref. 22170/71] Two teachers in the October survey were not properly certified to teach LEP students and were not approved by the School Board to teach such students out-of-field until November 9, 2006. We also noted that the parents of the three LEP students concerned were not notified of the teachers' out-of-field status. We made the following audit adjustments:

<u>Ref. 22170</u>		
102 Basic 4-8	.2751	
130 ESOL	(.2751)	.0000
<u>Ref. 22171</u>		
102 Basic 4-8	.0917	
130 ESOL	(.0917)	.0000
		<u>.0000</u>

**Yulee Primary School (#0271)**

26. [Ref. 27170] One teacher in the October survey was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field until November 9, 2006. We also noted that the parents of the LEP student concerned were not notified of the teacher's out-of-field status until November 29, 2006. We made the following audit adjustment:

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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

<u>Findings</u>	<u>Net Audit Adjustments (Unweighted FTE)</u>
<b><u>Yulee Primary School (#0271)</u></b> (Continued)	
101 Basic K-3	.0567
130 ESOL	(.0567)
	<u>.0000</u>
	<u>.0000</u>

**Nassau Halfway House (#0281)**

27. [Ref. 28101] The number of days-in-term was not appropriately documented for 41 students (16 in the July 2006 survey and 25 in the June 2007 survey). Management could not provide us with an instructional calendar to support the accuracy of the student schedules reported by the Nassau Halfway House, but advised us that the House’s instructional calendar had been very close to the District’s instructional calendar. Accordingly, we used the District’s calendar as if it had also been the calendar for the Nassau Halfway House, and performed our standard examination procedures. We determined that students at the Nassau Halfway House were reported for a 26-day term for the July 2006 survey and a 34-day term for the June 2007 survey; however, the District’s calendar supported only a 24-day term and a 28-day term, respectively. We made the following audit adjustment:

102 Basic 4-8	(.1248)	
103 Basic 9-12	(.4228)	
112 Grades 4-8 with ESE Services	(.0468)	
113 Grades 9-12 with ESE Services	(.1830)	(.7774)

28. [Ref. 28102] The Matrix of Services form for one ESE student was missing and could not be located. We made the following audit adjustment:

113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	<u>.0000</u>
		<u>(.7774)</u>

*The accompanying notes are an integral part of this schedule.*



**SCHEDULE D (Continued)**

Nassau 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)**

**Fernandina Beach High School (#0291)**

29. [Ref. 29101] The files for two LEP students did not contain documentation that the students' English language proficiency had been assessed to justify the students' continued ESOL-placement for a fourth and fifth year, respectively. We made the following audit adjustment:

103 Basic 9-12	.7336	
130 ESOL	(.7336)	.0000

30. [Ref. 29102] The reading and writing competency of two LEP students was not assessed, as required, to support the students' initial ESOL-placement. We made the following audit adjustment:

103 Basic 9-12	.6419	
130 ESOL	(.6419)	.0000

31. [Ref. 29103] The Matrix of Services form for one ESE student was missing and could not be located. We made the following audit adjustment:

113 Grades 9-12 with ESE Services	.5000	
254 ESE Support Level 4	(.5000)	.0000

32. [Ref. 29104] The timecards for five Career Education 9-12 (OJT) students were missing and could not be located. We made the following audit adjustment:

300 Career Education 9-12	(.8909)	(.8909)
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33. [Ref. 29105] The course schedules for eight Career Education 9-12 (OJT) students were funded using an incorrect priority order. The student's off-campus OJT was funded prior to the student's on-campus instruction. We made the following audit adjustment:

103 Basic 9-12	.7530	
300 Career Education 9-12	(.7530)	.0000

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE D (Continued)**

Nassau 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**

**Fernandina Beach High School (#0291)** (Continued)

34. [Ref. 29170] One teacher in the October survey was not properly certified to teach LEP students and was not approved by the School Board to teach such students out-of-field until November 9, 2006. We also noted the parents of the LEP students concerned were not notified of the teacher's out-of-field status. We made the following audit adjustment:

103 Basic 9-12	.1834	
130 ESOL	<u>(.1834)</u>	<u>.0000</u>
		<u>(.8909)</u>
		<u>(3.7904)</u>

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE E**

Nassau 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) only eligible courses are reported for funding in ESOL; (2) only students who are in attendance and membership for a particular survey are reported for FEFP funding; (3) timecards for students in OJT are properly completed and retained in readily accessible files, and students in OJT are reported in accordance with their timecards; (4) students are reported in the proper priority and FEFP funding categories, and have adequate documentation to support that reporting, particularly with regard to students in ESOL, ESE, and Career Education OJT; (5) teachers are properly certified or approved by the School Board to teach out-of-field; and (6) parents are appropriately notified when their children are assigned to out-of-field teachers.

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

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE E (Continued)**

Nassau 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)

- 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
- 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

Career Education On-the-Job Attendance

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

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 Modifications 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

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 2006-2007

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE E (Continued)**

Nassau 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)

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

Nassau 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 41 of this report.*

*The accompanying notes are an integral part of this schedule.*

Nassau 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, FEFP, FTE, and related areas follows:

**1. School District of Nassau County**

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Nassau 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 Nassau County. For the fiscal year ended June 30, 2007, the District operated 19 schools, reported 10,926.12 unweighted FTE, and received approximately \$20 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.

Nassau 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.



Nassau 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:

Nassau 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>
- Ineligible ESOL Courses	1
1. Atlantic Elementary School	2 and 3
2. Southside Elementary School	4 through 10
3. Emma Love Hardee Elementary School	11 through 16
4. Yulee Elementary School	17 through 19
5. Callahan Elementary School	20
6. Hilliard Middle-Senior High School	21
7. West Nassau County High School	22 through 24
8. Yulee Middle School	25
9. Callahan Intermediate School	NA
10. Yulee Primary School	26
11. Nassau Halfway House	27 and 28
12. Fernandina Beach High School	29 through 34



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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 NASSAU COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated February 14, 2008, that the Nassau 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 (AICPA) 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 Nassau 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 the aforementioned 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.<sup>1</sup> The noncompliance mentioned above, while indicative of certain control deficiencies<sup>1</sup>, 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.

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 Nassau 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

June 11, 2008

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<sup>1</sup>*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.*

SCHEDULE A

Nassau 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 <sup>1</sup>	237	100.00%	12,036	100.00%
Sample <sup>2</sup>	-	-	183	1.52%
<u>General Test Results - Non-Sample Students</u>				
Net Audit Adjustments	-	-	0	0.00%
<u>Detailed Test Results - Sample Students</u>				
With Exceptions <sup>3</sup>	-	-	27	(14.75%)
Net Audit Adjustments	-	-	(9)	(4.92%)
<u>General and Detailed Test Results</u>				
Net Audit Adjustments	-	-	(9)	0.07%

<sup>1</sup> 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 12,036 students in the following ridership categories: 328 in IDEA (K-12), Weighted; 2 in IDEA (K-12), Unweighted; 141 in IDEA (PK), Weighted; 13 in IDEA (PK), Unweighted; and 11,552 in Two Miles or More. The District also reported operating a total of 237 buses. (IDEA stands for Individuals with Disabilities Education Act.)

<sup>2</sup> See NOTE B.

<sup>3</sup> Sample students with exceptions are those with exceptions affecting their ridership classification or eligibility for State transportation funding. Students cited only for incorrect reporting of days-in-term are not included.

***The accompanying notes are an integral part of this schedule.***

**SCHEDULE B**

Nassau 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 Nassau 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 37.

**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] The IEPs for 11 students in IDEA-weighted categories did not indicate that the students met at least one of the five criteria required for IDEA-weighted classification. We noted that 8 of the students were eligible for Two Miles or More, and two were eligible for IDEA (PK), Unweighted. The remaining student was not eligible for State transportation funding. We made the following audit adjustments:

**October 2006 Survey**

<u>90 Days-in-Term</u>	
IDEA (K-12), Weighted	(3)
IDEA (PK), Weighted	(1)
IDEA (PK), Unweighted	1
Two Miles or More	2

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE B (Continued)**

Nassau 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)

**February 2007 Survey**

<u>90 Days-in-Term</u>		
IDEA (K-12), Weighted	(1)	
IDEA (PK), Weighted	(1)	
IDEA (PK), Unweighted	1	
Two Miles or More	1	

**June 2007 Survey**

<u>18 Days-in-Term</u>		
IDEA (K-12), Weighted	(5)	
Two Miles or More	5	(1)

2. [Ref. 52] Ten students were incorrectly reported in IDEA (PK), Unweighted. The students were not enrolled in PK programs. We noted, however, that eight of the students lived more than two miles from school and should have been reported in Two Miles or More. The remaining two students lived less than two miles from school and should not have been reported for State transportation funding. We made the following audit adjustments:

**October 2006 Survey**

<u>90 Days-in-Term</u>		
IDEA (PK), Unweighted	(5)	
Two Miles or More	4	

**February 2007 Survey**

<u>90 Days-in-Term</u>		
IDEA (PK), Unweighted	(5)	
Two Miles or More	4	(2)

3. [Ref. 53] Six students were reported incorrectly in Two Miles or More. The students lived less than two miles from school and should not have been reported for State transportation funding. We made the following audit adjustments:

**October 2006 Survey**

<u>90 Days-in-Term</u>		
Two Miles or More	(2)	

*The accompanying notes are an integral part of this schedule.*

**SCHEDULE B (Continued)**

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

<u>Findings</u>	<b>Students Transported Net Audit Adjustments</b>
<b><u>Detailed Tests – Sample Students</u></b> (Continued)	
<b><u>February 2007 Survey</u></b>	
<b><u>90 Days-in-Term</u></b>	
Two Miles or More	(4)                      (6)
<b>Net Audit Adjustments – Sample Students</b>	<b>(9)</b>

*The accompanying notes are an integral part of this schedule.*



SCHEDULE C

Nassau 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) only ESE students whose need for special transportation services have been properly documented on their IEPs are reported in IDEA, weighted ridership categories; (2) all transported students are reported in the correct ridership category; and (3) the distance from home to school, for students in the Two Miles or More category, is verified before being 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.*

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**SCHEDULE D**

Nassau 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 41 of this report.*

*The accompanying notes are an integral part of this schedule.*

Nassau 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 Nassau County**

For the fiscal year ended June 30, 2007, the District received approximately \$2.8 million 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	1	1
October 2006	112	6,028
February 2007	113	5,892
June 2007	<u>11</u>	<u>115</u>
Total	<u>237</u>	<u>12,036</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

Nassau 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.

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**MANAGEMENT'S RESPONSE**

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John L. Ruis, Ed.D.  
Superintendent of Schools

***The Nassau County School District***

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Fernandina Beach, Florida 32034

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July 1, 2008

Mr. David Martin  
Office of the Auditor General  
P. O. Box 1735  
Tallahassee, FL 32302-9981

Dear Mr. Martin:

In reference to the FTE audit for the fiscal year ended June 30, 2007, we have received the draft of the audit report performed by Mr. Theodore Montgomery. We appreciate the very thorough and professional review conducted by Mr. Montgomery.

We accept the findings as presented by Mr. Montgomery. We will continue to make corrections in an effort to minimize deficiencies cited in the report.

Again, we will stress that everyone involved in any part of FTE reporting exercise more care.

Sincerely,

A handwritten signature in cursive script that reads "John L. Ruis".

John L. Ruis, Ed. D.

JLR: vt

*Our mission is to develop each student as an inspired life-long learner and problem-solver with the strength of character to serve as a productive member of society.*

AN EQUAL OPPORTUNITY EMPLOYER