

**UNION COUNTY DISTRICT SCHOOL
BOARD**

Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students

and

Student Transportation

For the Fiscal Year Ended

June 30, 2008



BOARD MEMBERS AND SUPERINTENDENT

Union County District School Board members and the Superintendent of Schools who served during the 2007-08 fiscal year are listed below:

	<i>District</i>
	<u>No.</u>
<i>Allen Parrish</i>	<i>1</i>
<i>Alvin A. Griffis, Chair to 11-19-07</i>	<i>2</i>
<i>Marsan H. Carr</i>	<i>3</i>
<i>Sandra R. Floyd, Vice-Chair to 11-19-07, Chair from 11-20-07</i>	<i>4</i>
<i>George W. Green, Jr., Vice-Chair from 11-20-07</i>	<i>5</i>

Carlton Faulk, Superintendent

The examination team leader was Jennifer Taylor, CPA. The examination 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 and other audit reports prepared by the Auditor General can be obtained on our Web site 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.

Union County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
TABLE OF CONTENTS
For the Fiscal Year Ended June 30, 2008

	PAGE NO.
FULL-TIME EQUIVALENT (FTE) STUDENTS	
Independent Auditor's Report	1
Schedule A – Populations, Samples, and Test Results	4
Schedule B – Effect of Audit Adjustments on Weighted FTE	6
Schedule C – Audit Adjustments by School.....	7
Schedule D – Findings and Audit Adjustments.....	8
Schedule E – Recommendations and Regulatory Citations	11
Notes to Schedules.....	13
STUDENT TRANSPORTATION	
Independent Auditor's Report	17
Schedule F – Populations, Samples, and Test Results	20
Schedule G – Findings and Audit Adjustments.....	21
Schedule H – Recommendations and Regulatory Citations.....	23
Notes to Schedules.....	24
MANAGEMENT'S RESPONSE	
Exhibit A – Management’s Response	26

Union County District School Board
Full-Time Equivalent (FTE) Students and Student Transportation
LIST OF ABBREVIATIONS
For the Fiscal Year Ended June 30, 2008

IEP – Individual Educational Plan

ESE – Exceptional Student Education

PK – Prekindergarten

IDEA – Individuals with Disabilities Education Act



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

We have examined management's assertion, included in its representation letter dated July 22, 2008, that the Union 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, 2008. 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 material noncompliance involving students in ESE Support Levels 4 and 5. We noted exceptions for 6 of the 16 students in our sample. These exceptions involved reporting errors and an incorrectly prepared *Matrix of Services* form. (See SCHEDULE D, finding Nos. 1, 2, 6, and 7.)

In our opinion, except for the material noncompliance mentioned above involving the reporting of students in ESE Support Levels 4 and 5, and the incorrect preparation of a *Matrix of Services* form, the Union 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, 2008.

The results of our examination disclosed other noncompliance with the State requirements 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 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.¹ 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 preparation of *Matrix of Service* forms for, students in ESE Support Levels 4 and 5. Other noncompliance disclosed by our examination procedures is indicative of control deficiencies¹, 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.

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.

Pursuant to 11.45(4), Florida Statutes, this report is a public record and its distribution is not limited. Attestation standards established by the AICPA require us to indicate that this report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and applicable District management and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



David W. Martin, CPA
January 8, 2009

SCHEDULE A

Union 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, 2008

<u>Description</u> ¹	<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</u> ²	<u>% of Pop. (Sample)</u>
1. Basic						
Population ³	4	100.00%	1,925	100.00%	1,697.4528	100.00%
Sample Size ⁴	4	100.00%	39	2.03%	32.7147	1.93%
Students w/Exceptions	-	-	(2)	(5.13%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	15.8234	-
2. Basic with ESE Services						
Population ³	4	100.00%	482	100.00%	423.3228	100.00%
Sample Size ⁴	4	100.00%	27	5.60%	24.3683	5.76%
Students w/Exceptions	-	-	(3)	(11.11%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	2.7796	-
3. ESOL						
Population ³	0	0.00%	0	0.00%	.0000	0.00%
Sample Size ⁴	0	0.00%	0	0.00%	.0000	0.00%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	.0000	-
4. ESE Support Levels 4 and 5						
Population ³	3	100.00%	18	100.00%	13.5751	100.00%
Sample Size ⁴	3	100.00%	16	88.89%	11.5751	85.27%
Students w/Exceptions	-	-	(6)	(37.50%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(2.4151)	-
5. Career Education 9-12						
Population ³	2	100.00%	9	100.00%	100.8386	100.00%
Sample Size ⁴	1	50.00%	6	66.67%	1.2174	1.21%
Students w/Exceptions	-	-	(0)	(0.00%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(16.2479)	-

All Programs						
Population ³	4	100.00%	2,434	100.00%	2,235.1893	100.00%
Sample Size ⁴	4	100.00%	88	3.62%	69.8755	3.13%
Students w/Exceptions	-	-	(11)	(12.50%)	-	-
Net Audit Adjustments ⁵	-	-	-	-	(.0600)	-

The accompanying notes are an integral part of this schedule.

SCHEDULE A (Continued)

Union 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, 2008

<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	4	100.00%	37	100.00%
Sample Size ⁴	4	100.00%	19	51.35%
Teachers w/Exceptions	-	-	(2)	(10.53%)

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, 2008. 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 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

Union 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, 2008

<u>No. Program</u> ¹	<u>Net Audit Adjustment</u> ²	<u>Cost Factor</u>	<u>Weighted FTE</u> ³
102 Basic 4-8	(.4245)	1.000	(.4245)
103 Basic 9-12	16.2479	1.066	17.3203
111 Grades K-3 with ESE Services	.5000	1.048	.5240
112 Grades 4-8 with ESE Services	1.9245	1.000	1.9245
113 Grades 9-12 with ESE Services	.3551	1.066	.3785
254 ESE Support Level 4	(1.5000)	3.625	(5.4375)
255 ESE Support Level 5	(.9151)	5.062	(4.6322)
300 Career Education 9-12	<u>(16.2479)</u>	1.119	<u>(18.1814)</u>
Total	<u>(.0600)</u>		<u>(8.5283)</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

Union 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, 2008

<u>No. Program</u>	<u>Audit Adjustments¹</u>			<u>Total</u>
	<u>#0021</u>	<u>#0022</u>	<u>#0031</u>	
102 Basic 4-8	.....	(.4245)	.....	(.4245)
103 Basic 9-12	16.2479	.....	.....	16.2479
111 Grades K-3 with ESE Services	.....	.....	.5000	.5000
112 Grades 4-8 with ESE Services	.....	1.9245	.....	1.9245
113 Grades 9-12 with ESE Services	.3551	.....	.....	.3551
254 ESE Support Level 4	(1.0000)	.....	(.5000)	(1.5000)
255 ESE Support Level 5	.5849	(1.5000)	.....	(.9151)
300 Career Education 9-12	<u>(16.2479)</u>	.....	.....	<u>(16.2479)</u>
Total	<u>(.0600)</u>	<u>.0000</u>	<u>.0000</u>	<u>(.0600)</u>

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

The accompanying notes are an integral part of this schedule.

SCHEDULE D

Union 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, 2008

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 students in ESE Support Levels 4 and 5, and the incorrect preparation of a *Matrix of Services* form, the Union 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, 2008. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 11.

Findings

**Net Audit
 Adjustments
(Unweighted FTE)**

Our examination included the July and October 2007 surveys and the February and June 2008 surveys (see NOTE A5). Unless otherwise specifically stated, the findings and audit adjustments presented herein are for the October 2007 survey or the February 2008 survey or both. Accordingly, our findings do not mention specific surveys unless necessary for a complete understanding of the instances of noncompliance being disclosed.

Union County High School (#0021)

1. [Ref. 2101] We noted the following exceptions involving two ESE students:
 - a. One student was not reported in accordance with the student's Matrix of Services form.
 - b. The Matrix of Services form for one student did not include a Special Considerations point for which the student was eligible. The Matrix form showed a total score of 21 points, but should have had a total score of 22 points.

We made the following audit adjustment:

254 ESE Support Level 4	(1.0000)	
255 ESE Support Level 5	<u>1.0000</u>	.0000

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Union 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, 2008

**Net Audit
 Adjustments
 (Unweighted FTE)**

Findings

Union County High School (#0021) (Continued)

2. [Ref. 2102] One part-time student was reported incorrectly in program No. 255 (ESE Support Level 5) for on-campus instruction and homebound instruction in the Hospital and Homebound program. The student was provided only on-campus instruction during the reporting survey and 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	.3551	
255 ESE Support Level 5	<u>(.4151)</u>	(.0600)

3. [Ref. 2170] One teacher was not properly certified and was not approved by the School Board to teach Agriculture out-of-field. The teacher held certification in Social Science. We made the following audit adjustment:

103 Basic 9-12	16.2479	
300 Career Education 9-12	<u>(16.2479)</u>	.0000
		<u>(.0600)</u>

Lake Butler Middle School (#0022)

4. [Ref. 2270] One teacher did not hold a valid Florida teaching certificate. Since the student concerned is adjusted in finding No. 6 (Ref. 2202), we made no audit adjustment here.

.0000

5. [Ref. 2201] A portion of the course schedules for five ESE students was reported incorrectly in Basic education. The course schedules for ESE students should be reported entirely in ESE. We made the following audit adjustment:

The accompanying notes are an integral part of this schedule.

SCHEDULE D (Continued)

Union 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, 2008

<u>Findings</u>		Net Audit Adjustments (Unweighted FTE)
<u>Lake Butler Middle School (#0022)</u> (Continued)		
102 Basic 4-8	(.4245)	
112 Grades 4-8 with ESE Services	<u>.4245</u>	.0000
6. [Ref. 2202] <u>Two ESE students were not reported in accordance with their Matrix of Services forms. We made the following audit adjustment:</u>		
112 Grades 4-8 with ESE Services	1.5000	
255 ESE Support Level 5	<u>(1.5000)</u>	<u>.0000</u>
		<u>.0000</u>
<u>Lake Butler Elementary School (#0031)</u>		
7. [Ref. 3101] <u>One ESE student was not reported in accordance with her Matrix of Services form. We made the following audit adjustment:</u>		
111 Grades K-3 with ESE Services	.5000	
254 ESE Support Level 4	<u>(.5000)</u>	<u>.0000</u>
		<u>.0000</u>
		<u>(.0600)</u>

The accompanying notes are an integral part of this schedule.

SCHEDULE E

Union 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, 2008

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) ESE students are reported in accordance with their *Matrix of Services* forms; (2) ESE students' schedules are reported entirely in ESE; (3) homebound instruction is appropriately documented and reported; (4) all full-time, contracted teachers hold valid Florida teaching certificates, and (5) the School Board approves all out-of-field assignments of certified 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
- 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 2007-2008

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

The accompanying notes are an integral part of this schedule.

SCHEDULE E (Continued)

Union 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, 2008

Regulatory Citations (Continued)

Exceptional Education (Continued)

- 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.

Union County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2008

NOTE A - SUMMARY

A summary discussion of the significant features of the District, FEFP, FTE, and related areas follows:

1. School District of Union County

The District was established pursuant to Section 1001.30, Florida Statutes, to provide public educational services for the residents of Union 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 Union County. For the fiscal year ended June 30, 2008, the District operated four schools, reported 2,235.1893 unweighted FTE, and received approximately \$11.4 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.

Union County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2008

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 2007-2008 school year were conducted during and for the following weeks: survey one was performed for July 9-13, 2007; survey two was performed for October 8-12, 2007; survey three was performed for February 4-8, 2008; and survey four was performed for June 9-13, 2008.

Union County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2008

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:

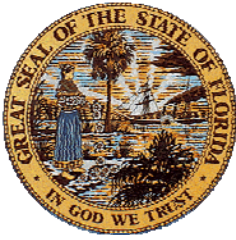
- Chapter 1000, F.S.K-20 General Provisions
- Chapter 1001, F.S.K-20 Governance
- Chapter 1002, F.S.Student and Parental Rights and Educational Choices
- Chapter 1003, F.S.Public K-12 Education
- Chapter 1006, F.S.Support for Learning
- Chapter 1007, F.S.Articulation and Access
- Chapter 1010, F.S.Financial 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

Union County District School Board
Florida Education Finance Program (FEFP)
Full-Time Equivalent (FTE) Students
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2008

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, 2008. 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:

<u>School Name/Description</u>	<u>Finding Number(s)</u>
1. Union County High School	1 through 3
2. Lake Butler Middle School	4 through 6
3. Lake Butler Elementary School	7
4. Union Juvenile Residential Facility	NA



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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 UNION COUNTY DISTRICT SCHOOL BOARD STUDENT TRANSPORTATION

We have examined management's assertion, included in its representation letter dated July 22, 2008, that the Union 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, 2008. 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 Union 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, 2008.

The results of our examination disclosed noncompliance with the State requirements mentioned above. 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 G. The impact of this noncompliance on the District's reported number of transported students is presented in SCHEDULE F and SCHEDULE G.

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 F and SCHEDULE G.

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.*

Pursuant to 11.45(4), Florida Statutes, this report is a public record and its distribution is not limited. Attestation standards established by the AICPA require us to indicate that this report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the State Board of Education, the Department of Education, and applicable District management and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



David W. Martin, CPA
January 8, 2009

SCHEDULE F

Union County District School Board
 Student Transportation
POPULATIONS, SAMPLES, AND TEST RESULTS
 For the Fiscal Year Ended June 30, 2008

<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	38	100.00%	2,380	100.00%
Sample ²	-	-	120	5.04%
<u>Sample Students</u>				
With Exceptions	-	-	10	(8.33%)
Net Audit Adjustments	-	-	(10)	(8.33%)

¹ The population figures for students are the totals of the figures reported for each survey conducted for the fiscal year ended June 30, 2008. The District reported 2,380 students in the following ridership categories: 21 students in IDEA (K-12), Weighted; 28 in IDEA (PK), Unweighted; 4 in Teenage Parents and Infants; and 2,327 in Two Miles or More. The District also reported operating a total of 38 buses. (IDEA stands for Individuals with Disabilities Education Act.)

² See NOTE B.

The accompanying notes are an integral part of this schedule.

SCHEDULE G

Union County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2008

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 Union 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, 2008. All noncompliance disclosed by our examination procedures is discussed below and requires management's attention and action, as recommended on page 23.

**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 October and February 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.

1. [Ref. 51] Five students should not have been reported for State transportation funding: four were marked as non-riders and one was not listed on the supporting bus driver's report for the surveys concerned. We also noted that two of the five students were classified incorrectly as Two Miles or More. They lived less than two miles from school.

We made the following audit adjustments:

October 2007 Survey

90 Days-in-Term

IDEA (PK), Unweighted (1)

Two Miles or More (3)

February 2008 Survey

90 Days-in-Term

Two Miles or More (1)

(5)

The accompanying notes are an integral part of this schedule.

SCHEDULE G (Continued)

Union County District School Board
 Student Transportation
FINDINGS AND AUDIT ADJUSTMENTS
 For the Fiscal Year Ended June 30, 2008

**Students
 Transported
 Net Audit
 Adjustments**

Findings

2. [Ref. 53] Two PK students were reported incorrectly in IDEA (PK), Unweighted. The students were not IDEA and were not enrolled in a Teenage Parents and Infants program; consequently, they were not eligible for State transportation funding. We made the following audit adjustment:

October 2007 Survey

90 Days-in-Term

IDEA (PK), Unweighted (1)

February 2008 Survey

90 Days-in-Term

IDEA (PK), Unweighted (1) (2)

3. [Ref. 54] Three 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 adjustment:

February 2008 Survey

90 Days-in-Term

Two Miles or More (3) (3)

Net Audit Adjustments

(10)

The accompanying notes are an integral part of this schedule.

SCHEDULE H

Union County District School Board
Student Transportation
RECOMMENDATIONS AND REGULATORY CITATIONS
For the Fiscal Year Ended June 30, 2008

Recommendations

We recommend that management exercise more care and take corrective action, as appropriate, to ensure that: (1) only eligible transported students are reported for State transportation funding; (2) only transported PK students who were enrolled in eligible IDEA-related programs or whose parent was enrolled in Teenage Parents and Infants are reported for State transportation funding; and (3) students reported in Two Miles or More live more than two miles from school.

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.

Union County District School Board
 Student Transportation
NOTES TO SCHEDULES
 For the Fiscal Year Ended June 30, 2008

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 ESE 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 Union County

For the fiscal year ended June 30, 2008, the District received approximately \$537,000 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 2007	0	0
October 2007	19	1,151
February 2008	19	1,229
June 2008	<u>0</u>	<u>0</u>
Total	<u>38</u>	<u>2,380</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

Union County District School Board
Student Transportation
NOTES TO SCHEDULES
For the Fiscal Year Ended June 30, 2008

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, 2008. 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.

**EXHIBIT – A
MANAGEMENT’S RESPONSE**

THE SCHOOL BOARD OF UNION COUNTY

Carlton Faulk, Superintendent
55 S.W. Sixth Street
Lake Butler, FL 32054
(386) 496-2045

FAX (386) 496-2580

SUNCOM 823-2045

Board Members: Allen Parrish,
District 1Alvin Griffis,
District 2Marsan Carr,
District 3Sandra Floyd,
District 4George Green, Jr.,
District 5

January 30, 2009

Mr. David W. Martin
Auditor General
State of Florida
G74 Claude Pepper Bldg.
111 West Madison St.
Tallahassee, Fl. 32399-1450

Dear Mr. Martin:

I am writing this letter on behalf of the Union County School Board, as our official response to your Audit of F.T.E. and Student Transportation for the Fiscal Year 2008.

Finding # 1: Two ESE students at the Union County High School were classified erroneously.

This was the result of human error and the employee involved is aware of the issue.

Finding # 2: One part-time ESE student at Union County High School was reported under the wrong program (255) he should have been reported under program 113.

Staff involved in this situation have been made aware of the proper procedure to classify such students and have been trained to make sure returning Homebound students records are changed.

Finding # 3 : One teacher at the Union County High School was not properly certified.

The teacher has been re-classified to match his certification. He is also now certified as an Agriculture teacher.

Finding # 4 : One teacher at Lake Butler Middle School did not hold a valid Florida Teaching Certificate.

This teacher has resigned and will be replaced by a certified teacher..

Finding # 5 : Five ESE students at Lake Butler Middle School had a portion of their Course Schedule reported incorrectly in Basic Education.

Checks and balances have been put in place to prevent this error from re-occurring.

Finding # 6: Two ESE students at Lake Butler Middle School were not reported in accordance with their Matrix of Services Form.

We concur with the action taken by the Auditors.

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Affirmative action/equal opportunity employer

Finding # 6: One ESE student at the Lake Butler Elementary School was not reported in accordance with her Matrix of Services Form

We concur with the actions taken by the Auditor.

Finding regarding the Transportation portion of the Audit

Finding # 1: Five students were reported as eligible for transportation funding , but , were not for various reasons.

Our Transportation Secretary has received additional training to prevent future errors, and P.O. Box addresses have been changed to 911 addresses.

Finding # 2: Two PK students were reported incorrectly in IDEA Pre-K and were found not to be eligible for Transportation funding.

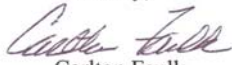
We concur with the Auditors position on this finding.

Finding # 3: Three students were reported as being within the two mile ridership limit in error.

We concur with the Auditors opinion on this finding.

We would like to thank Ms Jennifer Taylor for her guidance and advice during the course of the Audit. You are fortunate to have such a dedicated, hardworking and knowledgeable individual on your staff.

Sincerely,



Carlton Faulk
Superintendent
Union County School Board

Pc: Mike Shockley
Rhonda Harrell