St. Johns County School District

Internal Audit of
Full Time Equivalent
Student Membership

Prepared By:
RSM McGladrey
District Internal Auditors

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December 18, 2009

The Audit Committee of the
St. Johns County School Board, Florida
40 Orange Street
St. Augustine, Florida 32084

Pursuant to the School Board of St. Johns County ("District") risk assessment and approved audit plan for 2008-2009, we hereby submit our internal audit report covering Full Time Equivalent ("FTE") Student Membership. This report was originally presented to District management in June 2009 during a significant re-organization. We have been working with the new function owners and management responses were incorporated into the report during December 2009. We will be presenting this report to the Audit Committee at the next regularly scheduled meeting on January 7, 2010.

Our report is organized in the following sections:

Executive Summary	This provides a summary of the issues related to our review of FTE Student Membership.
Background	This provides an overview of the different categories and the process of FTE Student Membership.
Objectives and Approach	The internal audit objectives and focus are expanded upon in this section as well as a review of the various phases of our approach.
Issues Matrix	This section gives a description of the issues, recommended action and management's response.
Process Map	This section provides a process map depicting the flow of the FTE (ESOL and out of field) processes.

We would like to thank the various departments and all those involved in assisting the Internal Auditors in connection with the audit of FTE Student Membership.

Respectfully Submitted,

INTERNAL AUDITORS

Executive Summary

Executive Summary

For purposes of this audit, we concentrated our efforts on determining and recording FTEs as defined in the background section of this report. The objectives of the audit of FTE focused on Student Membership and not on the FTE forecasting process. Due to the timing of the October survey and the upcoming FEFP Auditor General review for fiscal year ending June 30, 2010, we recommend conducting a thorough follow-up to the issues outlined below in mid September as it could have a direct impact on District funding. During the course of our work, we discussed the control design and operating deficiencies with management. Our observations and recommendations for improving controls and operations are described in detail in the Issues Matrix included in this report. A summary of issues identified and their relative risk rating is provided below.

Each issue is assigned a relative risk factor. Relative risk is an evaluation of the severity of the concern and the potential impact on operations. Items rated as "High" risk are considered to be of immediate concern and could cause significant operational issues if not addressed in a timely manner. Items rated as "Moderate" risk may also cause operational issues and do not require immediate attention, but should be addressed as soon as possible. Items rated as "Low" risk could escalate into operational issues, but can be addressed through the normal course of conducting business. Following is a high level summary of the major issues identified during our review of FTE Student Membership. The details of these issues are included within this report.

Issues	Risk Rating

1. **Auditor General Findings:** During our review of the Auditor General report issued April 11, 2008, we noted the following:
• **Preparation / Direction for the Audit of the Auditor General:** We noted little communication leading up to the Auditor General FTE audit. Based on interviews with the schools, it appears they were not provided with sufficient guidance in how to handle the audit and how to process information communicated by the Auditor General staff.
• **Circulation of the Findings:** The results of the Auditor General Report for June 30, 2007, released on April 11, 2008, have not been completely circulated. This report has been finalized, and the results of the review are particularly relevant to the October and February FTE periods. The issues included:
   o Fourteen of 130 teachers sampled did not meeting State requirements governing certification, School Board approval of out-of-field teacher assignments, or notification of parents regarding out-of-field teachers. (see issue #5)
   o Forty-eight of the 62 students in the ESOL student sample (77 percent); 41 of the 256 students in the Exceptional student sample for ESE Support Levels 4 and 5 (16 percent); and 54 of the 79 OJT students in the Vocational sample (68 percent) had exceptions which involved reporting errors or records that were not properly and accurately prepared or were missing and could not be located. (see issues # 3 & 4)
• **Analysis of the Findings** In other Districts, we have observed instances in which guidance and/or findings from the Auditor General have been incorrect. Without an appropriate level of analysis, the District might forfeit funding, adopt incorrect practice and/or miss opportunities for improvement.
	High

Executive Summary - continued

Issues	Risk Rating
2. **FTE Preparation:** During our review, we noted opportunities for improvement on guidance available and provided to persons involved with the FTE, ESOL, ESE process: • **FTE Manual/Handbook -** There is an FTE manual distributed to school, which entails how to use the system for FTE reporting. We reviewed the manual and discussed it with each school visited. Although the current manual is a valuable tool, it is not complete and regarded as the "first stop" for information by the Schools. • **Timing -** The District closed schools for a teacher workshop on February 13, 2009, which was the last day of the February count period. The District shortened their attendance eligibility from an 11-day window to a 10-day window. Students must have been in attendance at least one of the days of survey week, which was February 9 – 13, 2009, or one of the six scheduled days pre-ceding the survey week when school was in session. • **Distribution -** As noted above, the District distributes a timeline of that year's FTE Survey Dates with the "Survey Week Helpful Hints" to the schools the beginning of each school year. The timeline entails the survey week, due date, state processing, final update/amendment date, eleven day window and date certain for the relating four survey periods. Although the Principals were included on distributions lists, in many instances, the data entry clerks at the schools we visited were not included on distribution lists for instruction letters from the District's Office and did not have the information. In many instances, data entry clerks relied on the Principals' offices to re-forward critical instructions.	**Moderate**
3. **ESE – IEPs and Re-Evaluations:** We noted during out testing that four of the four schools tested had existing overdue IEPs and RE-Evaluations due to the following: • Input forms were not timely updated in the system to reflect the meetings held; and/or • Errors in posting from the input forms to the system to reflect the meeting dates. We also noted that the scripts for the ESE exception reports were incorrectly written and excluded as exceptions the IEPs and Re-evaluations that were overdue	**Moderate**
4. **ESOL Monitoring and Reporting:** During our testing it was noted that students are not timely removed from "LP" status, which is the "holding" status as the student is being evaluated as to whether they should receive ESOL services. We reviewed the LP student listing and noted that 10 students are currently listed as LP students with start dates ranging from November 2006 to January 2009. Of the sample reviewed, none of the students were currently receiving LY services, which are the ESOL services. The students are to be moved to LZ status once it has been determined that ESOL services are not required. Per discussion with District representatives, this process should take no more than 30-60 days.	**Moderate**
5. **Qualified Instructional Personnel Out-of-Field Teachers:** The District's Certification Department is responsible for monitoring and obtaining board approval for out-of-field teachers. The Certification Department notifies each school of their out-of-field teachers. Per discussion with the schools visited, some schools received their out-of-field notification from the District in September 2008 and another school did not receive their notification until November 2008. For the school that noted they did not receive their notification until November 2008, the parent notification letters was not submitted until January 2009. The teacher was instructing as an out-of-field teacher during the 1st semester without the parents being notified. Not all parent notification letters entailed a date, so we were unable to determine and validate the letters were for the 2008-2009 school year.	**Moderate**
6. **Training:** We noted several opportunities for additional training as follows: • **Administrators -** Administrators receive periodic training from the District and Staffing Specialists of the FTE funding and the specifics of the process in which they are held accountable. • **Data Entry Clerks -** Per inquiry with the FTE data entry representatives and clerks, they do not attend periodic training regarding the FTE process. • **ESE Department Staff and Teachers -** Training is held at the District ESE monthly for staffing specialists and guidance counselors. Teachers received formal training for the first time during the 2008-2009 school year and received the ESE handbook. Although the training is not mandatory, attendance is strong.	**Low**

Background

Background

Florida Education Finance Program

Florida school districts receive State Funding through the Florida Education Finance Program ("FEFP"), which was established by the Florida Legislature in 1973. The law's intent is:

> *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.*

In an effort to provide an equalized education opportunity in Florida, the FEFP recognizes varying local property tax bases, varying program cost factors, and district cost differential in per-student cost for equivalent educational programs due to spasity and dispersion of student population.

The FEFP is the primary mechanism for funding the operating costs of public schools. The key feature of the FEFP is that it bases financial support for education upon the number of individual students participating in a particular educational program rather than upon the numbers of teachers or classrooms. FEFP funds are generated primarily by multiplying the number of full-time equivalent ("FTE") students in each of the funded educational programs by cost factors to obtain weighted FTEs. The weighted FTEs are then multiplied by a base student allocation and by a district cost differential in the primary calculation that determines the base funding from the state and local FEFP funds. The Legislature determines the program cost factors and represent relative cost differences amongst the FEFP programs.

State support is provided by legislative appropriations, with the majority of state support being distributed under the provisions of the FEFP. Local support is provided almost entirely from property taxes. Each school board participating in the state allocation of funds must levy the millage set for its "required local effort" from property taxes. Basically, the State sets the amount of the local support required by the participating school district to meet the current operating needs. There is a statutory procedure that is initiated to certify property valuations of each district which is used to calculate the millage rate for each of the districts. Other nuances of the calculations are not discussed in this report.

Focus

For purposes of this audit, we concentrated our efforts on determining and recording FTEs. We did not review the cost factors that weight the FTE's for the 180-day calendar school year.

FTE x Program Cost Factor = Weighted FTE

FTE

An FTE for FEFP funding purposes is one student in membership in one or more FEFP programs for a school year or its equivalent. FTE is determined during program membership surveys ("FTE surveys") of each school, which are compiled by each district by aggregating the FTE student membership of each program by school. This process is conducted state-wide each year in July, October, February and June. It provides a "snapshot" of the student population and is

Background - continued

Program Cost Factor

Program cost factors serve to assure that each program receives its equitable share of funds in relation to its relative costs per student. Through the annual program cost report, districts have reported the expenditures for each FEFP program. The cost per FTE student of each FEFP program has been used to produce an index of relative costs with the cost per FTE of Basic, Grades 4-8 established as the 1.00 base. In order to protect districts from rapid changes in program cost factors, the Legislature has generally adopted a three-year averaging method for computing cost factors.

		Cost Factors	Dollars *
Basic Programs			
101	Kindergarten and Grades 1, 2 and 3	1.066	$4,233.87
102	Grades 4, 5, 6, 7 and 8	1.000	$3,971.74
103	Grades 9, 10, 11 and 12	1.052	$4,178.27
Programs for Exceptional Student Education			
111	Kindergarten and Grades 1, 2 and 3 with ESE Services	1.066	$4,233.87
112	Grades 4, 5, 6, 7 and 8 with ESE Services	1.000	$3,971.74
113	Grades 9, 10, 11 and 12 with ESE Services	1.052	$4,178.27
254	Support Level 4	3.570	$14,179.11
255	Support Level 5	4.970	$19,739.55
130	**English for Speakers of Other Languages (ESOL)**	1.119	$4,444.38
300	**Programs for grades 9-12 Vocational Education**	1.077	$4,277.56

We translated the cost factors to funding dollars using the Basic Student Allocation for 2008-2009 which is $3,971.74. Note that the Basic Student Allocation is adjusted in the final calculation by several different factors which are determined by the state; therefore, actual funding dollars will vary from those shown above.

FTE Survey Process at the District

The survey conducted in October and February is for the 180-day school year. Prior to the survey period, the District prepares for the survey by reviewing their supporting documentation such as Educational Plans, Matrix of Services forms, attendance records, Out-of-Field forms and student schedules. A preliminary count is conducted during the first week of the FTE survey. During this week, the District Office sends the schools detailed reports, which are reviewed for accuracy. Changes are processed at individual schools. During the second week of the FTE count, the District Office re-runs the reports and distributes them to the schools for additional review. During this period, the schools use 'live' files and have the ability to make changes directly to the files. One week after the survey period, the file is 'frozen' and final changes are processed at the District Office; therefore, all changes must be made simultaneously to both the frozen file at the District Office and the live files maintained at the individual schools. The file is sent electronically to the Florida Department of Education ("DOE") at the end of that week. The DOE then runs error reports and sends them back to the District Office, at which time they are distributed to the individual schools. The District Office then makes corrections to the frozen file, and the individual schools make changes to the live files. Any changes discovered subsequent to this period can be made by amendments to the FTE Student Membership surveys and processed up to nine months from the due date of the survey.

Background - continued

FTE Membership

For purposes of calculating the FTE membership, a student is included in membership calculation until he or she withdraws or until the eleventh consecutive school day of absence during the FTE survey period. A student is eligible for FTE membership if both of the following conditions are satisfied:

- The student is in program membership at least one day during the survey period in an approved course of study as defined in the Course Code Directory, and
- The student is in attendance at least one day during the eleven-day survey period.

The District can obtain up to a maximum of .5 unweighted FTEs per student in both October and February. Several factors can cause a student to be classified as less than a .5 FTE. These factors include dual enrollment, early admission programs, 'drive-in' students from home school or private schools, and students attending more than one school, among others. A student's schedule needs to reflect a minimum of 1500 minutes during the FTE survey week (900 hours per 180 day school year) to achieve a .5 FTE.

Electronic Student Information System (eSIS)

eSIS is an enterprise-wide administrative tool that tracks all aspects of a student's K-12 educational career, including, but not limited to: demographics, schedules and grades, attendance, discipline, and special education. The District has been using eSIS for 5 years.

State of Florida Auditor General's Audit of FEFP

The State of Florida Auditor General periodically reviews the FTE submittals of school districts in Florida for compliance with FEFP guidelines and reviews the calculation of the FTE based upon the data submitted by the respective districts. The Auditor General reports on the entire District, which includes Contract Services and Charter Schools sponsored by the District. These audits generally occur after the submittal of the final FTE calculations in February. The Auditor General prepares a report of findings. The ultimate responsibility for determining correctness of FTE funding remains with the Florida Department of Education. The audit, which occurs triennially, includes a detailed review of student records and attendance verification. The most recent Auditor General audit of the District was for the June 30, 2007 reporting period. This report was released April 11, 2008. The Auditor General cited a negative 7.0838 unweighted FTE, which equated to 77.3406 weighted FTE (approximately $307,940). The next Auditor General audit will be for the fiscal year ending June 30, 2010.

We have included the estimated dollar impact to the District, and several peer Districts, of the Auditor General's findings from the prior two audits as follows:

School District	Most Recent Audit Year	Total Estimated Dollar Impact	Previous Audit Year	Total Estimated Dollar Impact
St Johns	**June 30, 2007**	**$307,940**	**June 30, 2004**	**$598,570**
Bay	June 30, 2007	$334,506	June 30, 2004	$450,688
Clay	June 30, 2008	$236,175	June 30, 2005	$191,479
Collier	June 30, 2008	$159,260	June 30, 2005	$226,920
Indian River	June 30, 2008	$139,315	June 30, 2005	$72,687
Leon	June 30, 2008	$190,226	June 30, 2005	$128,432
Manatee	June 30, 2007	$1,071,632	June 30, 2004	$1,852,017
Okaloosa	June 30, 2007	$444,863	June 30, 2004	$499,064
Sarasota	June 30, 2006	$363,213	June 30, 2003	$1,142,868

The District has opportunities to plead its case prior to the DOE's final FTE determination. When the Auditor General identifies a potential issue with the FTE count at a specific school, the Principal is immediately notified and has an opportunity to mitigate the issues noted for his or her school. Next, the District has an opportunity to mitigate more 'global' issues with the Auditor General's Office prior to the issuance of the Audit Report. Once the Audit Report is issued, the District can ask for an informal hearing with the DOE to discuss resolutions. The final option is to request for a Legislative Hearing.

Background - continued

Funding for St. Johns County School District

The following peer group data was extracted from the "2008/2009 FEFP Fourth Calculation" obtained from the School Business Services Office of Funding and Financial Reporting April 2009. The information provided is for illustrative purposes only, as many factors can affect the Net State FEFP Funding for each respective District.

School District	Unweighted FTE	Weighted FTE	Net State FEFP	Net FEFP Per Unweighted FTE*	Net FEFP Per Weighted FTE*
St. Johns	**28,787.48**	**31,094.51**	**$16,866,191**	**$586**	**$542**
Bay	25,232.05	27,770.11	28,396,257	$1,125	$1,023
Clay	35,844.38	38,370.65	128,137,529	$3,575	$3,340
Collier	41,986.70	45,419.71	$18,604,392	$443	$410
Indian River	17,398.58	18,636.59	5,963,527	$343	$320
Leon	32,481.22	35,270.05	81,632,746	$2,513	$2,315
Manatee	42,095.54	45,223.92	50,862,397	$1,208	$1,125
Okaloosa	29,050.33	31,391.21	50,182,437	$1,285	$1,599
Sarasota	41,073.22	44,506.72	12,919,158	$315	$290

*The state takes into consideration the local effort of FTE funding.

Objectives and Approach

Objectives and Approach

Objectives

The objectives of the audit of FTE focused on Student Membership and not on the FTE forecasting process. They include the following:

• Obtain and understand the overall FTE process including available instructions, training and supplemental guidance relating to the District's FTE policies and procedures.

• Determine compliance with reporting and documentation of:
     • Out-of-Field teacher identification, board approval and parent notification
     • ESE records and IEP monitoring
     • ESOL monitoring, documentation and reporting

• Obtain and understand the schools' attendance process.
• Review previous Auditor General reports issued for the District and test mitigating controls.

Approach

Our audit approach consisted of three phases:

Phase I - Understanding and Documentation of the Process

The purpose of this phase was to obtain an understanding of the FEFP funding for School Districts in the State of Florida and the FTE process at the District. We conducted the following procedures to obtain this understanding:

- We researched, interviewed and obtained materials from the DOE, the Office of the Auditor General, Florida Statues and other sources.
- We targeted certain schools for on-site visits based on the experience of principal players in the FTE process to obtain insight of the FTE process and interviewed principals, ESE teachers and counselors as well as attendance and data entry clerks.
- We conducted interviews with key personnel at the District.
- We reviewed the material and training provided by the District.
- We reviewed the Auditor General Report issued for the District for the fiscal year ending June 2007.
- We reviewed the reports issued by the Auditor General's office on FTE for other Districts throughout Florida.
- We had high level discussions with the staff at the District with ownership of this process.

Phase II - Detailed Testing

During the second phase, we made on-site visits to the schools and performed auditing procedures during the FTE survey period in February 2009 and thereafter in Mary 2009. The schools were selected for review based upon the follow the findings in the Auditor General's audit of the 2006-2007 school year, size and mix of exceptional student population and the size and growth of the school. While on-site, we conducted interviews with principals, counselors, staffing specialists, attendance and data entry clerks. We performed high level auditing procedures including review of FTE files, reports and documentation. At each of the schools selected, our audit procedures included the following:

- Review of the overall FTE process including testing of checklists, instructions and training
- Testing of ESE records and IEP monitoring and documentation
- Testing of ESOL students and out-of-field teachers for notification and approval
- Inquired of school attendance process and records

Phase III - Reporting

At the conclusion of our audit, we summarized our findings related to FTE. We conducted an exit conference with the Associate Superintendent of Financial Services; Director of Planning, Budgets and Reporting; Director of Administrative Support Services; Director of Certification and Instructional Professional Development; Certification Specialist and the Senior Internal Auditor of FTE. We have incorporated management's response into our report.

Issues Matrix

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
High	**1.** *Auditor General Findings*		
	Through discussion with the various District and school personnel, we noted the following as it relates to the Auditor General audit:	We recommend the following:	**Response:** Preliminary draft reports provided to the District by AG Staff will be reviewed and challenged by School District Administrators representing School Operations, Finance, Curriculum and Learning, Human Resources, and Instructional Technology, as necessary. As corrections are made by AG Staff in the second draft, a second review will be made by School District Administrators prior to the final report. An analysis of the AG Report will be created and distributed to school and district administration. Any amendments to the audit process will be implemented to run weekly automated error reports in the district student information system (eSIS).
	Preparation / Direction for the Audit of the Auditor General	**Preparation / Direction for the Audit**	
	We noted little communication leading up to the Auditor General FTE audit. Based on interviews with the schools, it appears they were not provided with sufficient guidance in how to handle the audit and how to process information communicated by the Auditor General staff.	The Auditor General conducts an FTE audit every three years. The District Office should designate an 'owner' for the process, and communication should be sent to all District schools with directions and procedures. The communication should include: timing, materials needed by the Auditor General, and directives on how to deal with special situations. For example, if the Auditor General's staff gives directions or interpretation to the schools, these directions should be elevated to the owner and verified with appropriate personnel. If the directions are valid, they should be communicated to all appropriate parties.	
	Circulation of the Findings		
	The results of the Auditor General Report for June 30, 2007, released on April 11, 2008, have not been completely circulated. This report has been finalized, and the results of the review are particularly relevant to the October and February FTE periods. The issues included:		
	• Fourteen of 130 teachers sampled did not meeting State requirements governing certification, School Board approval of out-of-field teacher assignments, or notification of parents regarding out-of-field teachers. (see issue #5)	**Circulation of the Findings**	School Operations will be responsible for communications with the schools before, during and after the AG Audit. The District continues to hold regular meetings with its Principals, Assistant Principals and Computer Operators, which provides an outlet for the dissemination of information and training as needed.
	• Forty-eight of the 62 students in the ESOL student sample (77 percent); 41 of the 256 students in the Exceptional student sample for ESE Support Levels 4 and 5 (16 percent); and 54 of the 79 OJT students in the Vocational sample (68 percent) had exceptions which involved reporting errors or records that were not properly and accurately prepared or were missing and could not be located. (see issues # 3 & 4)	The owner should circulate the findings identified in the audit to appropriate personnel as soon as possible. Due to the nature of the information, it should be circulated in sufficient time for the October and February count, which could mean summarizing the data if the audit report is still in draft form. A timeline should be developed by the owner to facilitate this process.	
	All four schools noted that they have not yet been updated on the District's findings.		**Estimated Completion Date:** This process will occur concurrent with the next FTE Audit scheduled for 2010.
			Person Responsible: School Operations: Nicole Cubbedge, Director for Facilities Planning & Growth Management

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
High	**1** *Auditor General Findings - continued*		
	Analysis of the Findings In other Districts, we have observed instances in which guidance and/or findings from the Auditor General have been incorrect. Without an appropriate level of analysis, the District might forfeit funding, adopt incorrect practice and/or miss opportunities for improvement.	**Analysis of the Findings** We recommend that every finding cited by the Auditor General be aggressively reviewed, researched and if appropriate, challenged. As outlined on page 5 there is a formal appeals process if needed. The Auditor General Report need not be issued in order for the District to challenge findings. Findings can be challenged in the field, when the report is in draft form and/or after the report has been issued. A process should be established and tied to the timeline recommended above. As best practices are identified, errors corrected or interpretations clarified, communication of these items should be made to all affected parties and the FTE Manual should be updated.	

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**2.** *FTE Preparation*		
	During our testing we noted several helpful distributions sent out by the District regarding FTE. For example, each FTE survey period, the District's School Operations Office distributes a one-page "Survey Week Helpful Hints" to all of the schools. This provides general instructions regarding the survey period. Other materials are provided to the data clerks by District during meetings that are held throughout the school year. **FTE Manual/Handbook** There is an FTE manual distributed to school, which entails how to use the system for FTE reporting. We reviewed the manual and discussed it with each school visited. Although the current manual is a valuable tool, it is not complete and regarded as the "first stop" for information by the Schools. **Timing** The District closed schools for a teacher workshop on February 13, 2009, which was the last day of the February count period. The District shortened their attendance eligibility from an 11-day window to a 10-day window. Students must have been in attendance at least one of the days of survey week, which was February 9 – 13, 2009, or one of the six scheduled days preceding the survey week when school was in session. **Distribution** As noted above, the District distributes a timeline of that year's FTE Survey Dates with the "Survey Week Helpful Hints" to the schools the beginning of each school year. The timeline entails the survey week, due date, state processing, final update/amendment date, eleven day window and date certain for the relating four survey periods. Although the Principals were included on distributions lists, in many instances, the data entry clerks at the schools we visited were not included on distribution lists for instruction letters from the District's Office and did not have the information. In many instances, data entry clerks relied on the Principals' offices to re-forward critical instructions.	The existing FTE Manual is a proactive start for the District of implementing a central guide of the FTE process. We recommend that the District take the following steps to further enhance the effectiveness of the manual and making the FTE manual a "one-stop" resource to the schools to assist in ensuring the responsible persons at each school and the District have all access to all relevant documentation that related to the FTE, ESOL, Exceptional Education and out-of-field teachers processes. **FTE Manual/Handbook** We recommend the following: • The District enhance the FTE manual to become an all inclusive FTE Manual/Handbook. • This handbook would cover all facets of the FTE process including ESOL, Exceptional Education and out of field teachers. • The FTE Manual/Handbook should give guidance as to the reports that should utilize to assist in accurate and complete monitoring for all areas of the FTE process. • Send the manual to the ESOL, Exceptional Education and Certification Department for review and inclusion of reference material those departments have available for the schools. For example, the Certification Department has example parent notification letters; this example letter can be made available to the schools via a link in the FTE Manual/Handbook or attached in the appendix. • Attach the FTE Manual/Handbook to the District website, with periodic reminders sent to every person at the school and District that have FTE responsibilities with a link to the online reference materials for FTE.	**Response:** The FTE Manual will be updated and will include an FTE Checklist. School Operations will work collaboratively with representatives from the following departments to ensure an accurate, all-inclusive manual: School Operations Facilities Planning/State Reporting Human Resources Finance Curriculum and Learning ESE Accountability & Intervention Serv. Information Technology Assistant Principals Computer Operators Distribution of essential dates and information regarding survey weeks will be distributed to Principals, Assistant Principals, Computer Operators and appropriate District Staff. This distribution will be aided by regular meetings and trainings held with these groups. While the 2009-2010 School Year calendar does include an Inservice Day during Survey 2 week, a concerted effort is being made by the Calendar committee to avoid this in the future.

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	2. *FTE Preparation - continued*		
		FTE Checklist We recommend the District develop and update annually an FTE checklist. The checklist should be broken into three sections: *Pre-Survey* - Numerous tasks should be performed before the start of the FTE survey period to ensure an efficient and effective count. *Daily* - The Daily functions should include: reconciliations of membership, attendance review procedures, preliminary edit reports and follow up, printing ESE reports, having ESE staff review for accuracy, etc. *End* - Functions performed at the end of the FTE period should include printing and retaining reports for the Auditor General, certifying reports by the principal, communicating with District, etc. The checklist should act as a guide to the FTE Manual/Handbook, and it should be included as the first page of the materials distributed, with references to additional information as appropriate, i.e., "See page x for detailed instruction on how to print x report." Additionally, there is a FTE training manual that includes detailed information. The District developed an FTE Checklist to assist the FTE data clerks at the various schools.	**Completion Date:** January 2011 **Person Responsible:** School Operations: Nicole Cubbedge, Director for Facilities Planning & Growth Management

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**2. *FTE Preparation - continued***		
		Timing The timing of the survey periods and training and distribution of FTE survey materials is critical to the success of the FTE process. We recommend extra consideration be taken for District activities/school closing that are scheduled in February and October to ensure that there are no conflicts with the survey period. **Distribution** It is critical that the instructions from the District for the FTE process are in the proper hands at the schools. A comprehensive distribution list should be created to include all those involved in the FTE process at all levels. This list should include Charter Schools and Contracted Services. Ultimate responsibility resides with the Principal of the school.	

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**3.** *ESE – IEPS and Re-Evaluations*		
	We had the District run reports for the entire population as of June 23, 2009 and the results have drastically improved. There are now only 40 overdue IEPs and 14 overdue re-evaluations. An Individual Educational Plan "IEP" is: • A plan designed to meet the unique educational needs of one child. • A plan needed to obtain an elevated level of funding for students that are considered Exceptional Student Education "ESE". • Required to be reviewed on an annual basis; the re-evaluations should be performed on a three-year basis. • Required for gifted students (EPs), which must be reviewed ever 18 months and written every 3 years. The requirements are important as they relate directly to funding. All four schools tested had existing overdue IEPs and/or Re-Evaluations for the following reasons: • Input forms were not timely updated in the system to reflect the meetings held; and/or • Errors in posting from the input forms to the system to reflect the meeting dates. The following table reflects the number of overdue IEPs and Re-Evaluations as of the site visits: The District has been pro-active in establishing ESE exception reporting from eSIS, which identifies overdue IEPs and Re-evaluations for each school. Per our discussions with the Staffing Specialists, responsible ESE parties at the schools and District reporting, we identified that the scripts for the ESE exception reports were incorrectly written and excluded as exceptions the IEPs and Re-evaluations that were overdue.	We recommend that the processes be enhanced to ensure timeliness and completeness of the IEP process. **District's Responsibility** • The District should continue to focus on the overdue IEP/re-evaluation report to assist the schools in ensuring compliance throughout the year and during the survey periods. • The District should set a goal that 100% of IEPs/re-evaluations are current and establish a monitoring process for each school to follow. For example, the schools should review their IEP exceptions reports weekly and IEP reports monthly, with extra consideration prior to the survey weeks. These guidelines should be included in the FTE Manual/Handbook. • The District should ensure that the eSIS ESE exception reporting is distributed to all responsible parties for the ESE process, including the Data Clerks at each school. • As discussed in issue and recommendation #1, the FTE Manual/Handbook should be updated to include all aspects of the FTE process, including ESE. This section would detail required reporting, timing and documentation required for each ESE student. • Development of an all inclusive ESE checklist to assist in ensuring compliance with ESE documentation, timing and reporting requirements. **School's Responsibility** • Each school should follow the District's established monitoring process to ensure IEPs are updated and completed for the survey period and throughout the year.	**Response:** Assistant Principals (AP) are now designated as the LEAD. In addition, required training sessions for APs have been implemented. Two additional district based compliance officers have also been established to provide support and quarterly school based ESE FTE audits. The District will continue the weekly automated eSIS Audit reports for each school, that include upcoming IEP and Re-evaluation dates that need to be addressed. The incorrect scripts referenced herein have been corrected. **Estimated Completion Date:** Process revisions are complete; Monitoring is on-going. **Person Responsible:** Elaine Edwards, Coordinator for Intervention Services

School	Overdue	
	IEP	**Re-Eval**
Ketterlinus Elementary School	7	2
Mill Creek Elementary School	15	8
Ponte Vedra High School	12	1
St Augustine High School	8	1

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**4. *ESOL Monitoring and Reporting***		
	As noted in issue #1, in the Auditor General Report dated April 11, 2008, exceptions were noted involving 48 of the 62 students in the ESOL student sample (77 percent) and in the July 27, 2005 Auditor General Report 18 of the 48 students in the ESOL student sample (38 percent) had exceptions involving reporting errors or records that were not properly and accurately prepared or were missing and could not be located. As with the other areas of the FTE process, the District has made improvements to the ESOL monitoring and reporting process. During our testing it was noted that students are not timely removed from "LP" status, which is the "holding" status as the student is being evaluated as to whether they should receive ESOL services. We reviewed the LP student listing and noted that 10 students are currently listed as LP students with start dates ranging from November 2006 to January 2009. Of the sample reviewed, none of the students were currently receiving LY services, which are the ESOL services. The students are to be moved to ZZ status once it has been determined that ESOL services are not required. Per discussion with District representatives, this process should take no more than 30-60 days.	We recommend the following: • Performance of an analysis as part of the regular preparation for the school year that compares the codes used for ESOL funding with eligible course numbers designated by the DOE. • Development of an all inclusive ESOL checklist to be included in each ESOL student file that provides guidance to assist the schools to ensure complete and accurate supporting documentation and reporting required in each ESOL student file. • Inclusion of the ESOL checklist in the updated FTE Manual/Handbook as described in issue and recommendation #1. • Guidance in the FTE Manual/Handbook as to the timing of ESOL assessments to prevent premature or overdue assessments. • A listing of LP students should be reviewed each semester for completeness and accuracy.	**Response: S**ince 2006, SJCSD has distributed ESOL folders to be placed in the cumulative file for each student who qualifies for ESOL services. The cover of the folder includes a checklist of all required documentation as defined by the Office of Academic Achievement through Language Acquisition at the DOE. During the summer of 2009, this checklist was revised based upon findings from the Auditor General's office. These documents are available on the District's internal website and have been discussed and distributed at regular meetings with guidance counselors and computer operators. The above referenced documentation for ESOL will be included in the FTE Manual being developed. In the past, schools have been notified of LP students who have been under this code for excessive time periods. The District will now utilize the weekly automated eSIS Audit reports to check for students classified as LP for over 30 days. **Estimated Completion Date:** Process revisions are complete; Monitoring is on-going.

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**4.** *ESOL Monitoring and Reporting-continued*		
			Person Responsible: Curriculum and Learning: Ted Banton, Program Specialist, Instructional Services School Operations: Nicole Cubbedge, Director for Facilities Planning & Growth Management School Operations: Nicole Cubbedge, Director for Facilities Planning & Growth Management

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Moderate	**5. *Qualified Instructional Personnel – Out of Field Teaches***		
	In the Auditor General's report dated April 11, 2008 and July 27, 2005, 14 of the 130 teachers sampled (11 percent) and 24 of the 134 teachers sampled (18 percent) did not meet applicable provisions of Florida Statutes or State Board of Education Rules regarding qualified instructional personnel, School Board approval of out-of-field teacher assignments; notification of parents regarding out-of-field teachers, or the earning of in-service training points in ESOL strategies. This resulted in "material noncompliance" comments in both reports. The District is not alone in receiving this comment from the Auditor General. This comment is fairly common and often results in a significant loss of funds to those Districts. The District was cited by the Auditor General on four primary issues: • Teachers who did not hold a Florida teaching certificate. • No documented approval of the out-of-field teacher by the School Board. • No evidence of written notice to the parents of the students. • No evidence of earning in-service points in ESOL strategies. The District has implemented several initiatives for out-of-field teacher compliance including district oversight. We noted during our testing that there is still an opportunity to formalize and enhance the processes related to monitoring out-of-field teachers.	We recommend that the District develop and distribute a procedure that outlines the overall steps for out-of-field teachers in both ESOL and core content areas. • District's Responsibility: 　o Beginning of each school year, provide each school with the master listing of out-of-field teacher deadlines and track completeness of review accordingly. 　o Submit initial master listing for Board approval by October of each school year. 　o Create ongoing agenda item, and if there are no additions or changes to the master list, communicate this to the Board. 　o Update parent notification template to include date of letter. 　o Obtain copy of parent notification submitted by each school and match to the master listing to ensure compliance. • School's Responsibility 　o Principal certification that the out-of-field master listing is accurate and complete for their individual school. 　o Submit the parent notification in a timely manner, the beginning of each school year.	**Response:** The Human Resources (HR) Department has increased its certification personnel from one to three, which includes a dedicated certification assistant for ESOL, Highly Qualified and Out-of-Field. They have also fine-tuned the process of communication between HR and State Reporting in order to obtain the teacher/course data for verification as soon as possible. HR has also increased communication between Curriculum and Certification. Training has been provided to Principals and Computer Operators regarding this process. Our ePortal system for staff transactions allows for efficient communication between the schools and the Certification Department to determine if new hires or transfers will be considered out-of-field. While the Principal is ultimately responsible for the parent notification, HR is providing assistance and monitoring of this process. The District has increased opportunities for ESOL Training and improved the maintenance of inservice training records. The District also now offers a bonus as an incentive for completion of the ESOL certification.

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

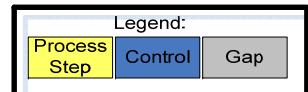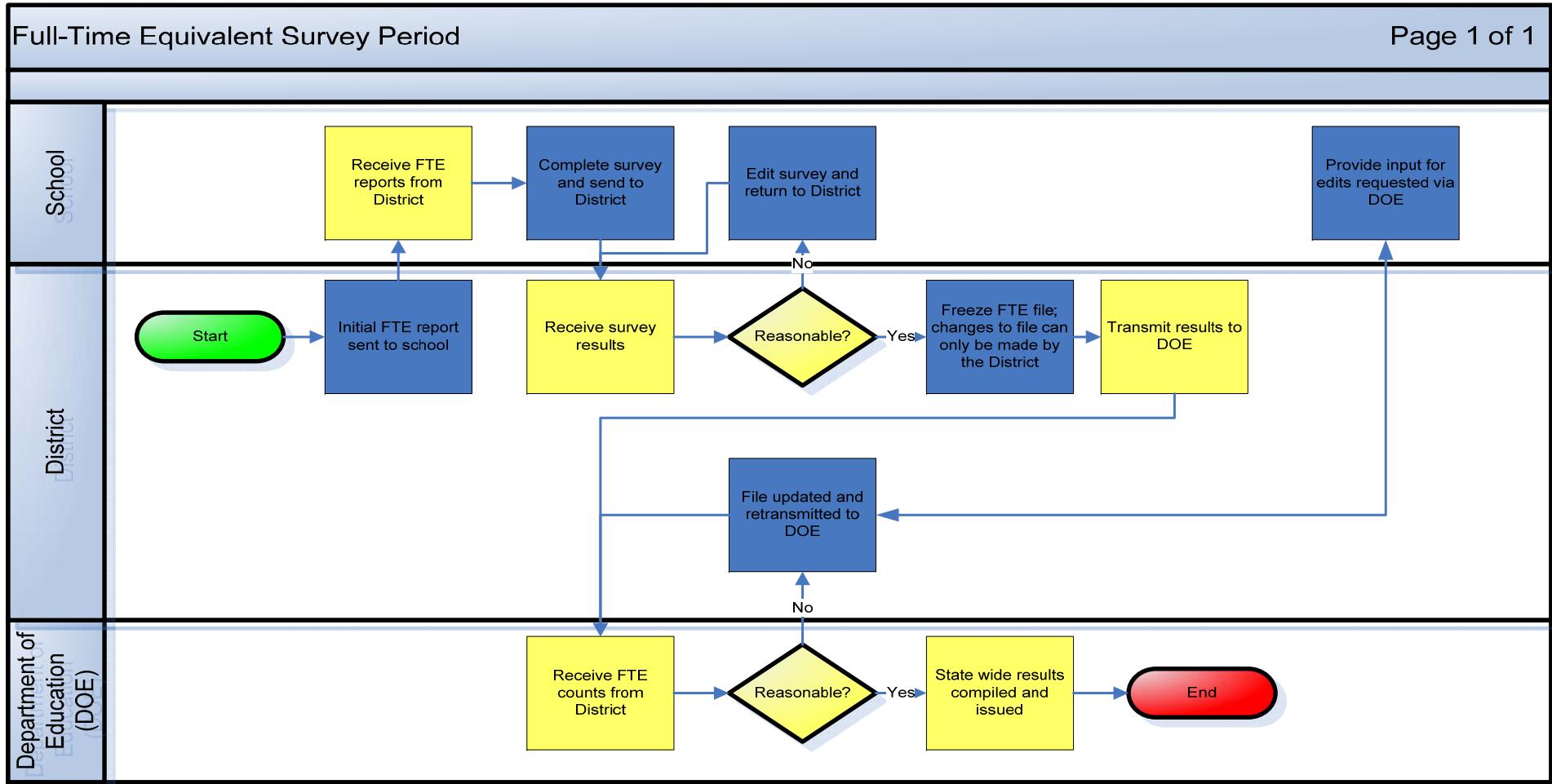| Rating	Issues	Recommendation	Management Response
Moderate	**5.** *Qualified Instructional Personnel – Out of Field Teaches - continued*		
	The District's Certification Department is responsible for monitoring and obtaining board approval for out-of-field teachers. The Certification Department notifies each school of their out-of-field teachers. Per discussion with the schools visited, some schools received their out-of-field notification from the District in September 2008 and another school did not receive their notification until November 2008. For the school that noted they did not receive their notification until November 2008, the parent notification letters was not submitted until January 2009. The teacher was instructing as an out-of-field teacher during the 1st semester without the parents being notified. Not all parent notification letters entailed a date, so we were unable to determine and validate the letters were for the 2008-2009 school year.		**Response - continued:** As a future step, the District is investigating, with the purchase of a new ERP system, the ability to align the course code directory with the certification database and the student database (eSIS). **Estimated Completion Date:** Process revisions are complete with the exception of possible ERP system inclusion which would be at least 24 months away, if included; Monitoring is on-going. **Person Responsible:** Cathy Geiger, Director for Instructional Personnel, Human Resources

ISSUES, OBSERVATIONS AND RECOMMENDATIONS

Rating	Issues	Recommendation	Management Response
Low	6. *Training*		
	Through our interviews we noted several opportunities for additional training. **Administrators** Administrators receive periodic training from the District and Staffing Specialists of the FTE funding and the specifics of the process in which they are held accountable. **Data Entry Clerks** Per inquiry with the FTE data entry representatives and clerks, they do not attend periodic training regarding the FTE process. **ESE Department Staff and Teachers** Training is held at the District ESE monthly for staffing specialists and guidance counselors. Teachers received formal training for the first time during the 2008-2009 school year and received the ESE handbook. Although the training is not mandatory, attendance is strong.	Proper training at all levels of personnel will ensure that accurate data is transmitted to the DOE and will ultimately increase FTE funding. **Administrators** Administrators should be trained annually on FTE funding priorities, understanding of the process, reporting capabilities and FTE accountability standards. **Data Entry Clerks** FTE data entry clerks should have at least one full day of mandatory detailed eSIS training prior to each FTE survey. Due to varying experience levels, there could be a beginners and an advanced class for each. Additionally, we recommend that members of the ESE and FTE departments be present to field questions that are outside the department's expertise. These training sessions should be held the beginning of each school year and before the October and February FTE survey periods. The training sessions should be mandatory. **ESE Department Staff and Teachers** The ESE teachers who complete the IEP's and the Matrix of Services forms currently receive their training from memos and from the staffing specialists. We recommend direct training, especially when there are significant changes in methodology or required forms and for all new teachers. To ensure a consistent message is reaching all of the participants, the District should explore options such as video conferencing and WebEx type sessions. This would enable more flexibility for teachers. It is extremely important that the ESE teachers be trained about the subjectivity of the Matrix and the alternative forms of documentation accepted by the DOE. All ESE Teachers, both District and charter schools, should receive annual ESE refresh training.	**Response:** Principals and Computer Operators do receive updates and reminders at their regular training meetings regarding FTE. As the FTE Manual is developed, it will be shared with both of these groups. School Operations will also be working to provide more detailed training specific to the essential components of the FTE Surveys. The state IEP PEER has been implemented with the 2009-2010 school year. Several preliminary trainings as well as Webinars have taken place. On-going support is also planned at our monthly Support Services Collaborative meetings. **Estimated Completion Date:** Current and On-going. **Person Responsible:** School Operations: Nicole Cubbedge, Director of Facilities Planning & Growth Management Curriculum and Learning: Lisa Bell, Director for ESE

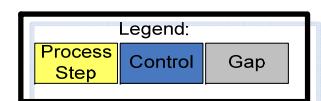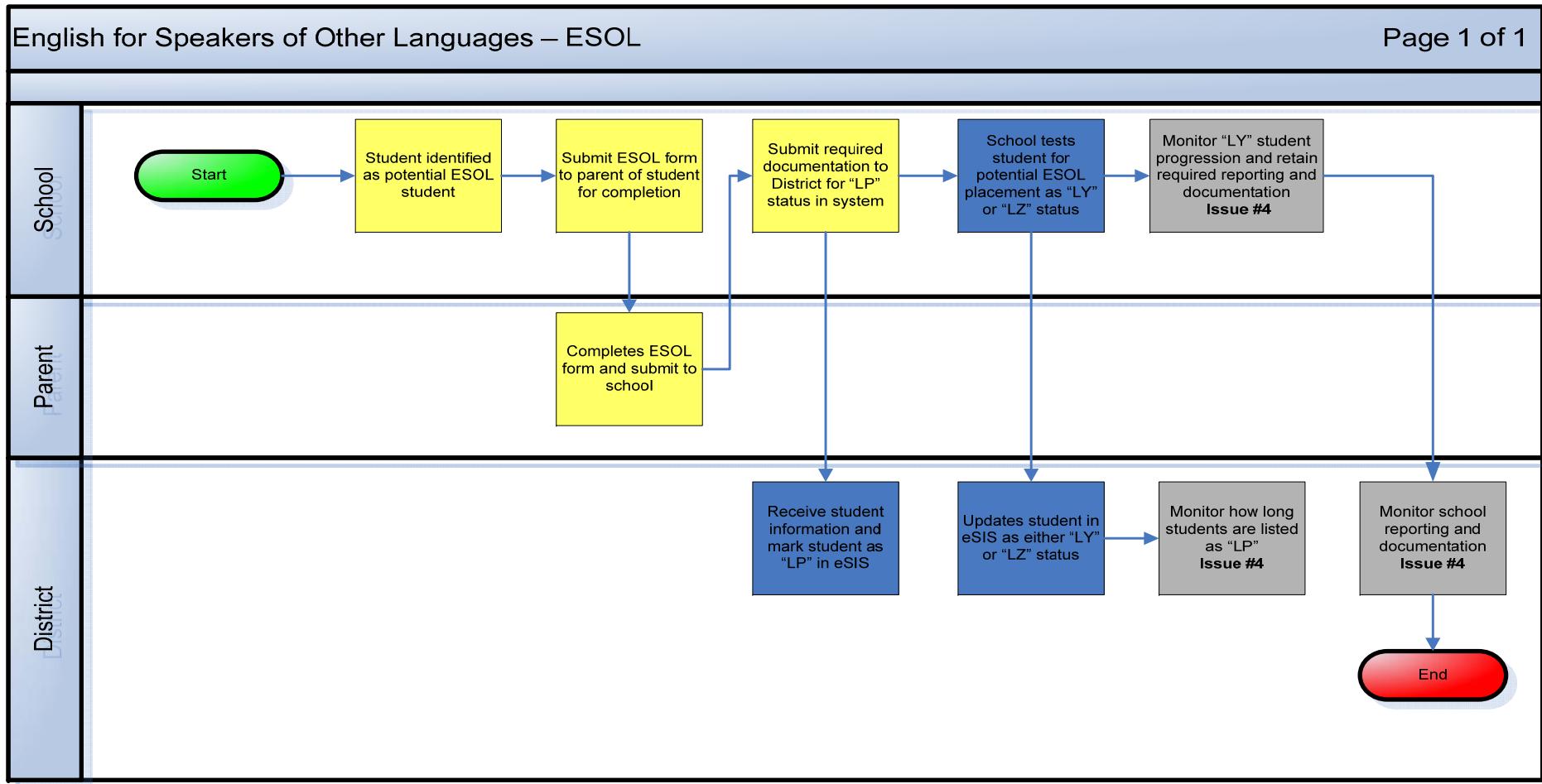**ISSUES, OBSERVATIONS AND RECOMMENDATIONS**

OTHER OBSERVATIONS

Other Observations
During the 2009-2010 school, the District will be changing the ESE process in which Assistant Principals will monitor the ESE process/status at each school, in lieu of staffing specialists. This change makes communication and collaboration between the District and Schools even more important ensuring that District's improvements to the ESE/FTE processes are implemented efficiently and effectively. **Communication** Accountability and responsibility lie with the schools, i.e. the Principals. Based on interviews with the schools and District personnel, we noted instances in which the schools were not made aware of significant issues in a timely manner. Examples include Auditor General findings and how funding was affected for the individual school etc. These failures in communication could cause missed deadlines, frustration, and errors, as noted in issued and recommendations #1. The communication of significant changes is critical to enable the District to react to the effects those changes have on funding, as well as how it could affect the level of support the schools may require. Significant changes should be communicated timely to appropriate departments throughout the District. It is vital to keep the lines of communication open between the District and the schools to ensure resources are allocated properly and appropriate decisions are made by the FTE Team (see below). **Collaboration** The following parties play major roles in the FTE process: *Finance* – This department is responsible for preparing and submitting the forecast to DOE, trouble shooting, analyzing data at a high level and answering questions from the schools. They also coordinate the Auditor General Audit including follow-up and mitigation. *School Operations* – This department is in charge of reviewing the data, distributing the materials, bringing all the data together and working with the DOE to ensure edit reports are run and distributed to schools, etc. They also conduct training on the system and respond to questions from the schools regarding the FTE software and edit reports. This team also is involved in working with the schools to prepare for the FTE survey by ensuring the documentation is up-to-date and the student and teacher data is current. The departments also work with State Reporting to send error/edit reports to the schools for correction prior to FTE. *Schools* – The data entry, matrix and Individual Education Plan ("IEP") preparation, attendance, etc. all occurs at the schools. To further enhance the FTE process, the District should consider creating a formal FTE Team or focus group, with key members from each of the parties that play a major role in the FTE process, which includes persons from the District and Schools. This team should be responsible for coordinating and monitoring the FTE process, acting as a resource to the schools to ensure a smooth successful FTE process. Members of the team should be at an appropriate level to be held accountable for this process. In order for the District to identify out-of-field teachers, they perform a manual reconciliation between eSIS and Oracle. This manual reconciliation is due to the systems not being integrated and report out-of-field teachers based on certification status and class schedule. The lack of integration increases District time, labor and the potential for out-of-field reporting errors. The District should consider investigating integrated system options that give them the ability for reliable reporting.

Process Maps

PROCESS MAPS

Full-Time Equivalent Survey Period — Page 1 of 1

School
- Receive FTE reports from District
- Complete survey and send to District
- Edit survey and return to District
- Provide input for edits requested via DOE

District
- Start
- Initial FTE report sent to school
- Receive survey results
- Reasonable?
- Freeze FTE file; changes to file can only be made by the District
- Transmit results to DOE
- File updated and retransmitted to DOE

Department of Education (DOE)
- Receive FTE counts from District
- Reasonable?
- State wide results compiled and issued
- End

Legend:
| Process Step | Control | Gap |

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PROCESS MAPS

English for Speakers of Other Languages – ESOL	Page 1 of 1

School

Start → Student identified as potential ESOL student → Submit ESOL form to parent of student for completion → Submit required documentation to District for "LP" status in system → School tests student for potential ESOL placement as "LY" or "LZ" status → Monitor "LY" student progression and retain required reporting and documentation **Issue #4**

Parent

Completes ESOL form and submit to school

District

Receive student information and mark student as "LP" in eSIS → Updates student in eSIS as either "LY" or "LZ" status → Monitor how long students are listed as "LP" **Issue #4** → Monitor school reporting and documentation **Issue #4** → End

Legend:
Process Step	Control	Gap

PROCESS MAPS

Out of Field Teachers — Page 1 of 1

Certification Department

- Start
- ESOL – Monthly, identify ESOL teachers and monitor monthly
- DOE website and internal database matched to identify ESOL out of field teachers
- PATS/ PORTAL updated on teacher certification(s)
- Run highly qualified reports to identify out of field teachers
- Update out of field ESOL and regular master listings
- Run regular out-of-field listing
- Send notice to schools regarding identified out of field teacher(s) **Issue #5**
- Out of field teachers submitted to board for approval
- Receive copy of notification to monitor timely submission **Issue #5**
- End

School

- Principals certify to district that master list is complete and accurate for their school **Issue #5**
- School submit parent notification immediately **Issue #5**

School Board

- Approves out of field teachers
- Recurring item on agenda **Issue #5**

Legend:

Process Step	Control	Gap

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