

José F. Montes de Oca, Chief Auditor
Office of Management and Compliance Audits

**SUBJECT: MIAMI-DADE COUNTY DISTRICT SCHOOL BOARD FLORIDA
EDUCATION FINANCE PROGRAM FULL-TIME EQUIVALENT
STUDENTS AND STUDENT TRANSPORTATION FOR THE FYE
JUNE 30, 2013 – REPORT NO. 2015-003**

COMMITTEE: INNOVATION, EFFICIENCY & GOVERNMENTAL RELATIONS

**LINK TO STRATEGIC
FRAMEWORK: FINANCIAL EFFICIENCY/STABILITY**

The Auditor General (AG) reported that the Miami-Dade County District School Board generally complied with State requirements regarding the determination and reporting of full-time equivalent (FTE) students under the Florida Education Finance Program (FEFP) and the number of students transported for the fiscal year ended June 30, 2013; except for material non-compliance regarding teacher certification requirements, reporting errors or records related to students in ESOL and Career Education 9-12, and errors in the reporting of student ridership data (transportation).

The estimated gross dollar effect of the audit adjustments is a negative \$2,123,224, of which \$1,565,448 is applicable to charter schools, \$351,663 to District schools, and \$206,113 to a Districtwide reporting error related to certain students attending Pre-Kindergarten. For the 2012-13 fiscal year, the District received approximately \$647 million in State funding through FEFP. From these funds, the District distributed approximately \$88 million to charter schools.

Compared to the previous audit adjustment of \$399,236 for similar findings at District schools, the disallowance noted at the District schools in this audit continues to show an improvement and a reversal in the trend of adjustments received by the District in previous years. The disallowance at charter schools was substantial due in part to the unavailability of certain key records at one school that had closed and discrepancies between another school's hours of instruction and the reported FTE student enrollment for funding. The latter charter school disagreed with the AG's finding and its management stated they plan to appeal.

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In the response to the AG's audit, District management firmly stated their concern for the disallowances that stemmed from charter schools, and contends that the District should not be assessed with this portion of the disallowance, because according to §1002.33(8)(f), Florida Statutes, debts of charter schools are not the District's responsibility but that of the charter schools' governing board. Consequently, District management plans to contact the Department of Education to appeal this portion of the disallowance if assessed to the District.

In response to the rest of the audit results, the District generally agrees with the findings and continues to take action to improve FTE related business practices. These actions, include the performance of internal audits at the school sites in the FTE area, which for the past seven years have provided management with recommendations for improvement. As demonstrated by the results of this audit, the implementation of these recommendations continues to yield positive results.

The School Board Audit and Budget Advisory Committee reviewed this report at its September 16, 2014, meeting and recommended transmitting it to the School Board.

Copies of this report were previously distributed and placed on file in the Office of the Recording Secretary to the School Board and in the Citizen Information Center. Additional copies will be provided upon request.

RECOMMENDED: That The School Board of Miami-Dade County, Florida receive and file the Miami-Dade County District School Board Florida Education Finance Program (FEFP) Full-Time Equivalent (FTE) Students and Student Transportation For the FYE June 30, 2013 – Report No. 2015-003.

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