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## **Fiscal Services State Reporting**

**April 29, 2015**

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## **BACKGROUND**

Florida school districts receive State funding to serve prekindergarten through twelfth grade students through the Florida Education Finance Program (FEFP). The FEFP was established by the Florida Legislature in 1973 to guarantee to each student in the Florida public school system the availability of programs and services appropriate to the student's educational needs which are substantially equal to those available to any similar student notwithstanding geographic differences and varying local economic factors. The funding provided by FEFP is based upon the numbers of individual students participating in particular educational programs. FEFP provides funding to ten specific programs that are grouped under the following four general program titles: Basic, ESOL, ESE, and Career Education 9-12 (OJT). 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 unweighted FTE (full-time equivalent) student. Therefore it is vitally important that a school district accurately account for each student, his attendance, and his program of instruction in order to ensure that the correct amount of FEFP funding is received.

Orange County Public Schools established its State Reporting Department in 2008 with one employee to oversee the district's Florida Education Finance Program (FEFP). During the 2011 through 2014 period, additional technical staff was added. State Reporting is currently staffed with six employees: a Principal-on-Assignment, a Senior Business Process Specialist and four Senior Help Desk representatives.

State Reporting manages the ongoing coordination between all schools and multiple OCPS departments to ensure the accuracy of the Full Time Equivalent (FTE) student count and class size data reported through the Information Communication and Technology Services Department (ICTS) to the Florida Department of Education (FDOE). This information is transmitted to FDOE in nine surveys during a school year. Student attendance data at the district is primarily entered in Progress Book and the Student Management System (SMS). An application known as Certify is used to extract errors from SMS before data is transmitted in the State Reporting System (SRS) to FDOE during FTE survey periods. An effective State Reporting process requires each school to maintain accurate, complete and current student attendance and education records.

Planning and training is currently ongoing for the District to implement a new Student Information System known as FOCUS in 2016.

The Florida Auditor General's FEFP FTE and Student Transportation audit report for 2012/2013 was issued in May 2014. The report disclosed 188 FTE findings and 14 student transportation findings.

## **OBJECTIVE**

The objectives of this audit were to review the operational processes and procedures associated with State Reporting for efficiency and effectiveness and to determine whether the Districts' corrective actions to the Auditor General's report have been implemented.

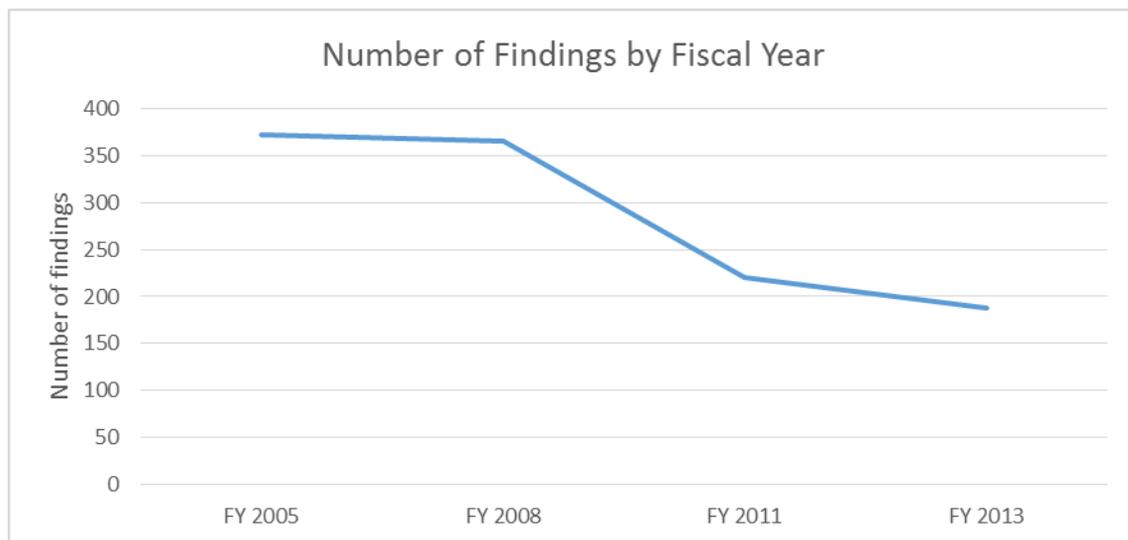
## **SCOPE AND METHODOLOGY**

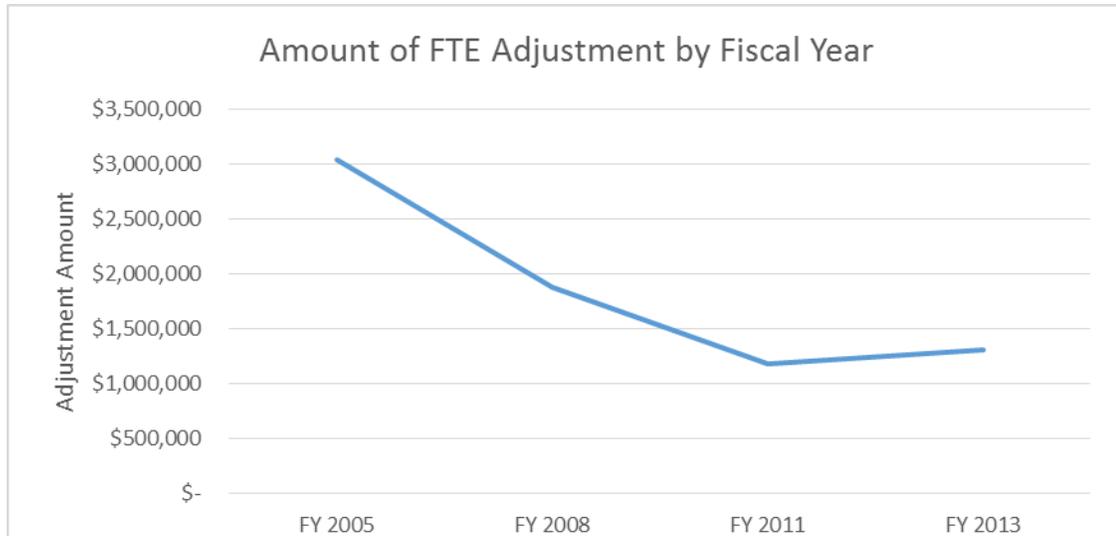
Our audit covered processes and activities during the July 1, 2014, through January 31, 2015 period. Our scope did not include the review of student cumulative folders. Charter schools were not included in our scope. We reviewed work related to the state reporting process at various district-level departments involved including State Reporting, ICTS, ESE, ELL, Human Resources, Transportation, and CTE. We also conducted site visits to 10 schools to observe state reporting practices at the school level.

Our audit was conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* of the Institute of Internal Auditors and included such procedures as deemed necessary to achieve the objectives. Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. We are required to note any material deficiencies in accordance with Florida Statutes, School Board Policy and sound business practices. We also offer suggestions to improve controls or operational efficiency and effectiveness.

## **COMMENDATION**

As noted in the charts below, total non-compliance findings have decreased from 372 to 188, and the financial amount of audit adjustments has decreased from \$3,038,249 to \$1,314,997 during fiscal periods 2005 through 2013.





Source: State of Florida Auditor General Summaries of Attestation Examinations for Report Numbers 2006-179, 2010-006, 2012-187, and 2014-191.

State Reporting coordinates and participates in various facilitated meetings and training sessions. We noted regular e-mail communication, monitoring and training evidence from all of the departments involved in the process.

During our school visits, we heard several positive comments regarding the assistance provided by the personnel in the State Reporting Department.

The results of our review revealed no significant issues. However, we do have several findings and recommendations that we believe will further improve processes.

## **FINDINGS AND RECOMMENDATIONS**

### **Department Documentation:**

The State Reporting Department, as part of its monitoring and oversight role, obtains documentation from schools which had findings in the Auditor General's FEFP audits. During our audit we noted that required supporting documentation was not available for 11 of the 32 schools that had findings in the Auditor General's most recent report. Subsequent to our audit fieldwork and prior to issuance of this report, the department recreated this documentation from information at the schools and elsewhere.

We recommend that all files and documents be stored on the server. The State Reporting Department should also consider acquiring an external hard drive for additional backup security and storage.

### **District Certification Out-of-Field:**

The Districts' response to the Auditor General's report stated that the Certification Department would initiate a weekly process to monitor teachers who have been assigned to teach subjects for which they are not certified after their initial hiring and certification approval.

The process, as we understand it, is as follows:

- schools enter data such as course code, job title and other data into the Master schedule on SMS;
- this SMS data is downloaded to the SAP business system each day;
- an SAP report is generated to identify out-of-field teachers;
- district Certification (part of the Human Resources Department) reviews the report and notifies the school(s) to complete out-of-field paperwork which includes teacher intent to complete additional in-service hours or college course work and a parent notification letter; and,
- out-of-field teachers are approved by the School Board on the personnel agenda.

We learned that this monitoring process is occurring monthly rather than weekly as reported in response to the audit. We were informed that this is due to the amount of effort involved in generating and reviewing the report, notifying the schools, completing paperwork and preparing personnel agendas for School Board approval.

During our review of the out-of-field process, we also noted:

- Two data entry exceptions where schools did not enter SMS course codes timely or accurately. These data-entry issues could result in out-of-field errors.
- Two situations where the District Certification office did not timely inform schools of teachers who were identified as non-highly qualified.
- Seven of ten schools that we visited had out-of-field letters on file dated during or after the FTE Survey 2 week of October 13-17, 2014. According to the State Reporting Department's training materials, parent notification letters should be dated prior to FTE week.

We recommend that the District carefully evaluate its responses to audits and follow-through with implementation of those processes. We also recommend that the District and schools continue to work together to minimize errors and improve the out-of-field process.

**Exceptional Student Education (ESE) Monthly Area Superintendents' Compliance Report:**

The Districts' response to the Auditor General stated that increased district monitoring would alleviate the issues with ESE. The ESE Department implemented a site visit monitoring process at the beginning of the 2014/2015 school year to detect and correct errors to ensure correct FEFP reporting. The Department is staffed with 25 Compliance Specialists who monitor schools for ESE compliance each month. Information obtained during site visits by ESE and English Language Learner (ELL) Compliance Specialists is entered in a SharePoint collaboration site. At the end of the month, data is migrated from the SharePoint site to an Access database and then to an Excel spreadsheet. The final report (Area Superintendents' Compliance Report) is a summary of the total number of non-compliance issues noted at each school for each learning community.

Every time data is entered, transferred, copied, downloaded or otherwise moved from one system to another, the risk of errors and omissions increases and the reports generated become less reliable.

Our review of the October and November 2014 reports found several errors that resulted from manual entries to the Excel spreadsheet for ELL information and Career Technical Education (CTE) timecard data.

We also noted an instance where the November Report did not agree with information on the ESE monitoring report from the site visit.

We recommend a verification step be performed during the data entry, data migration and reporting process to help ensure all data is accounted for and accurate.

The ESE Department has made revisions to the report to correct some of the errors we noted. However, the potential for errors would be further reduced if the number of times data is exported and modified were limited. We recommend that the ESE Department continue to evaluate and improve its data accuracy and reporting methods so management will have accurate and reliable information.

**Multilingual Services Monitoring:**

The Districts' response to the Auditor General stated that English for Speakers of Other Languages (ESOL) would increase district monitoring and school visits to ensure that ESOL student data is complete. However, the Multilingual Department is unable to visit all schools for ESOL and ELL compliance each month because it has only five District Compliance Specialists. ESOL and ELL errors accounted for the highest percentage of findings in the Auditor General's report. We were informed that five new Compliance Specialist positions have been approved for the 2015/2016 school year which should help with this challenge.

We recommend that the District continue to examine the costs and benefits of addressing this staff resource challenge and/or explore alternative methods for monitoring ESOL and ELL compliance. It may be that the monetary value of reduced findings "pays" for the cost of the monitoring positions.

The Multilingual Department implemented a monitoring process at the beginning of the 2014/2015 school year to detect and correct ELL FTE errors. The information on the Monitoring Tool form is derived from the SMS system and a review of a sample of student folders during school visits. We reviewed 2 completed forms for December 2014 and were unable to completely trace all information from the Monitoring Tool form to the Monthly Area Superintendents' Compliance Report. We were told that a summary table will be included to improve the data entry and data verification process.

**ICTS Systems Access:**

Our review of SMS, Certify and SRS access lists obtained from the ICTS Department found inactive employees, inactive consultants and employees who have transferred to another work location who still have access rights to these systems. Each work location supervisor should notify ICTS when an employee becomes inactive or transfers to another work location so that access rights can be removed.

We recommend that a periodic security access review be conducted to ensure access is limited to current and authorized individuals. ICTS personnel stated that they are in the process of cleaning-up the lists as the District migrates from SMS to a new Student Information System (SIS).

**District Attendance Training:**

The Districts' response to the Auditor General stated that additional mandatory attendance training would be provided to ensure that procedures are followed. According to training records maintained by the District Attendance office, 120 schools did not send representatives to attend training at the beginning of the 2014/2015 school year. Additional training sessions were offered in February and March 2015.

We recommend that the importance of attending training prior to the critical FTE weeks in October and February be stressed to all schools and that, if the training is mandatory, consequences be established for schools that do not comply.

**School Site Visits:**

We visited 10 schools to obtain an understanding of the schools' processes and observed the following:

Finding	No. of occurrences
The registrar's desk was in an open area	3
Substitute teacher documentation was not maintained	1
Daily reports to monitor teacher attendance-taking were not retained	1
Student sign-in logs were not maintained	3
Attendance verification certificate documentation was not available	2
School personnel were not aware of State Reporting training presentation	5
School personnel were not aware of or did not use the DMC	5
School personnel were not aware of the district's Attendance policies and/ or the State Reporting intranet site	9
Audit documentation (of the specific type) was not available -	
• Teacher Actual reports	1
• ELL student schedules	2
• OJT documentation (in teachers' classrooms instead of school office)	3
• Master schedule	1

Additionally, one school stated that there should be more Web-based training so personnel do not have to leave the school to attend training and so that employees who are in supervisory or backup roles, can also attend/view the training.

We also noted that the School Data Management Calendar (DMC) contains outdated information. We noted that the Edusoft application is no longer used yet there are steps on the DMC related to that application.

With regard to student sign-in logs, we noted one school that uses the Plasco system for tracking when a student is tardy. Information from this system is printed and entered in SMS each day, but the supporting documentation is not retained. We also learned that data from prior periods is retrievable by individuals (students) but not by date.

We recommend that the Department and the Schools continue to collaborate to ensure consistent practices among the schools and adherence with State Reporting procedures. The State Reporting Department could consider performing similar site visits as part of its ongoing monitoring procedures.

We wish to thank the staffs of the State Reporting, Certification, Attendance, Exceptional Student Education, Multilingual Services, Career Technical Education, Transportation Departments and the selected Schools for their cooperation and assistance during the audit.

Vince Roberts, CIA, Auditor

AUDIT RESPONSE MATRIX

FISCAL PERIOD: 2014-15

DEPARTMENT/SCHOOL:  
 ADMINISTRATOR/PRINCIPAL:  
 DEPARTMENT HEAD/AREA SUPERINTENDENT:

State Reporting
Dr. Karen S. Wilson
Richard Collins

Exception Noted What is? What should be?	Management Response What needs to be done?	Responsible Person Who needs to do it?	Outcome Timeline When will the action be completed? What is the evidence of completion?
<p>State Reporting Department Documentation for 11 schools not located.</p> <p>District Certification Out of Field Audit Findings exceptions identified and monitoring of OOF teachers occurring monthly.</p> <p>Exceptional Student Education Compliance Monthly Reports had several errors due to manual entries and data did not agree with information on the ESE site visit monitoring report.</p>	<p>Locate supporting documentation for 11 schools</p> <p>Certification to initiate weekly process to monitor teachers who have been identified as OOF</p> <p>ESE Department will continue to evaluate and improve data accuracy and reporting methods.</p>	<p>State Reporting POA</p> <p>Senior Manager, Certification</p> <p>Senior Director, Exceptional Student Education Department</p>	<p><u>Documentation provided to auditor on 05/05/2015.</u>          External hard drive ordered 05/08/2015 to store files.          School checks to be conducted at high frequency schools and/or prior to an audit.</p> <p>Monitoring process is occurring monthly due to the amount of effort involved in generating and reviewing the report, notifying schools, completing paperwork and preparing paperwork for Board agenda. Follow through of the weekly monitoring to begin by October.</p> <p>Based on the auditor's recommendation, a SharePoint was created to provide more accurate data. Verification by a district person is not possible as the DCS would be the person completing the verification.</p>

<p><b>Multilingual Services Monitoring Tool was implemented to detect and correct ELL FTE errors. Auditor was unable to trace all information from the Monitoring Tool form to the Monthly Area Superintendent's Compliance Report. The Multilingual Department is unable to visit all schools monthly to monitor.</b></p>	<p><b>Multilingual Services will continue to monitor schools and evaluate and improve data reporting.</b></p>	<p><b>Director, Multilingual Services</b></p>	<p><b>A SharePoint was created that automatically generates the monthly reports-then exports the reports to Excel which will improve data quality. While monthly school visits may not always be possible, five additional CCTs (Curriculum Compliance Teachers) have been added for 2015-16.</b></p>
<p><b>ICTS Systems Access had inactive employees, inactive consultants and employees who transferred to another work location listed with access rights to SMS, Certify, and SRS systems.</b></p>	<p><b>Work location supervisors should notify ICTS when employees become inactive or transfer. Periodic security access review should be conducted to identify persons who should no longer have access.</b></p>	<p><b>Assistant Director, ICTS Infrastructure</b></p>	<p><b>ICTS is in the process of cleaning-up systems access lists in preparation for the district migration from SMS to a new Student Information System.</b></p>
<p><b>Attendance procedures not followed with fidelity at all schools visited. Mandatory District-wide Attendance Training is conducted but is not well attended.</b></p>	<p><b>Training records indicated that 120 schools did not send representatives to attend training; consequences should be established for schools that do not comply.</b></p>	<p><b>Senior Administrator, School Choice Services</b></p>	<p><b>Recommendation has been made to conduct Attendance training in August and January in preparation for Surveys 2 and 3 FTE Week. Follow up communication with Associate Superintendent of School Choice Services regarding recommendation for consequences for nonattendance on May 6, 2015.</b></p>