

Special Review of
Student Transportation Full-Time Equivalent (FTE) Survey Procedures

August 20, 2021

Report #2021-08



MISSION STATEMENT

The mission of the School District of Palm Beach County is to educate, affirm, and inspire each student in an equity-embedded school system.

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Superintendent of Schools

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**Special Review of
Student Transportation Full-Time Equivalent (FTE) Survey Procedures
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**Special Review of
Student Transportation Full-Time Equivalent (FTE) Survey Procedures
EXECUTIVE SUMMARY**

In Fiscal Year 2020, the District received \$28.4 million for student transportation as part of the State funding through the *Florida Education Finance Program (FEFP)*. In preparation for an audit of Student Transportation Full-Time Equivalent (FTE) by the Florida Auditor General, the Transportation Services Department (Transportation) discovered some source documents (*FTE Survey Forms*) necessary for supporting approximately \$343,560 in State's Transportation FTE funding were lost.

In response to a referral from School Police, the Office of Inspector General (OIG) reviewed the Student Transportation Full-Time Equivalent Survey Procedures. The primary objective of this review was to assess the adequacy of the District's procedures for documenting student ridership during the Transportation FTE Surveys. This special review produced the following major conclusions:

1. New Procedures Implemented

In response to the lost *FTE Survey Forms (Survey Forms)*, Transportation developed and proposed new procedures including centralized storage and scanning of *Survey Forms*, and an automated FTE Survey process.

Our review of the proposed new procedures produced the following recommendations:

- (a) Routing of Survey Forms to Centralized Storage Not Tracked. *Survey Forms* are moved from originating bus compounds to the East Compound for centralized storage and scanning. However, there is no routing signoff to track the location of forms. To maintain the location of all *Survey Forms*, Transportation should create a Routing/Sign-off Sheet to track transfers between compounds. The responsible Coordinator should document transfer and receipt with signature and date on the Routing/Sign-off Sheet.

- (b) New Procedures Not Yet Codified. We noted that the new procedures were not formalized in a written procedure manual for staff reference. To ensure all steps are properly completed, formal written documentation should be developed to provide guidance on all forms, files, and practices used in the Transportation FTE Survey Process. The formal procedures should include the process to count student ridership and data compilation for the FTE Surveys.

Management's Response: Management concurs. Formal written documentation will be developed to provide guidance on all forms, files, and practices used in the Transportation Survey Process, including transfer of documents from facilities to storage. Target completion date is December 31, 2021. (See page 7.)

2. Automatic Comparison of Electronic FTE Files Needed

Presently, compound coordinators manually enter student ridership information into the Transportation Routing and Survey System based on information from the *Survey Forms* the bus drivers complete. Electronic files from the Transportation Routing and Survey System are sent to FDOE without validating enrollment information. This process can result in receipt of multiple rounds of FDOE *Error Reports* for staff correction and resubmission. Additionally, before submission to the Transportation Routing and Survey System, only *one* Transportation employee manually reviews the data files for errors. These large files can exceed 10,000 records.

To increase efficiency, improve reporting accuracy, and better use the District's limited resources, Transportation and IT should collaborate to develop a secure automated comparison of student ridership data with student enrollment data prior to sending Transportation FTE Survey files to FDOE. Exceptions can be corrected before first submission reducing the need for multiple manual reviews. All developed procedures should be documented in writing for future staff reference.

Management's Response: *Management concurs. Transportation will work with IT to develop the recommended procedures. Targeted completion date is December 31, 2021. (See page 7.)*

Audit Committee's Comment: *During the August 20, 2021, meeting, the Audit Committee recommended to provide staff an additional three months to complete the implementation of all the agreed upon corrective actions.*



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MEMORANDUM

TO: Honorable Chair and Members of the School Board
Michael J. Burke, Superintendent of Schools
Chair and Members of the Audit Committee

FROM: Teresa Michael, Inspector General

DATE: August 20, 2021

SUBJECT: Special Review of Student Transportation Full-Time Equivalent (FTE)
Survey Procedures

PURPOSE AND AUTHORITY

In response to a referral from School Police, the Office of Inspector General (OIG) reviewed the Student Transportation Full-Time Equivalent (FTE) Survey Procedures. The primary objective of this review was to assess the adequacy of the District's procedures for documenting student ridership during the Transportation FTE Surveys.

SCOPE AND METHODOLOGY

This special review covered the Fiscal Year 2020-21 Transportation FTE Survey 3, which occurred in February 2021. The review included interviewing staff and reviewing:

- *Section 1011.68, Florida Statutes - Funds for student transportation*
- *Florida Department of Education's (FDOE) Full-time Equivalent (FTE) General Instructions 2020-21*
- *FDOE, Florida Education Finance Program, 2019-20, Final Calculation, p.5.*
- *SDPBC Record Retention Schedule, September 2019*
- *Bulletin #P 18-088 CFO, - Mandatory FTE Process Student Information System (SIS) Training*
- 2020-21 Transportation FTE Survey 3 Documentation
- Conducting on-site observations at the Transportation Services Department of the:
 - Process for recording student ridership information into the Transportation Routing and FTE Survey System
 - Storage of 2020-21 Transportation FTE Survey 3 Documentation

Draft findings were sent to the Chief Operating Office and Transportation Services Department for review and comments. Management responses are included in the Appendix. We appreciate the courtesy and cooperation extended to us by staff during the review. The final draft report was presented to the Audit Committee at its August 20, 2021, Meeting.

BACKGROUND

Funding for Student Transportation. Florida School Districts receive student transportation funding through the *Florida Education Finance Program (FEFP)* governed specifically by *Sections 1011.60 and 1011.68, Florida Statutes*. The Florida Department of Education (FDOE) administers the FEFP. In Fiscal Year 2020, the District received \$28.4 million¹ for student transportation funded through the FEFP.

Every year, FDOE requires all Florida School Districts to conduct Student Transportation FTE Surveys, which count full-time equivalent (FTE) students who are provided transportation to District and Charter schools. The allocation of the FEFP transportation funding to Florida School Districts is based on student ridership information obtained during the Transportation FTE Surveys. The District received approximately \$409 in FEFP transportation funding per eligible FTE student transported during Fiscal Year 2020-21. Additional funding of approximately \$1,459 for every eligible Exceptional Student Education (ESE) Student is provided for certain types of transportation needs, such as students who require a wheelchair lift or attendant.

Eligibility for Student Transportation Funding. To meet eligibility requirements for Transportation funding, a student must:

1. *Be in membership during survey week;*
2. *Be transported at least once during the five-day survey week or once during the preceding six scheduled school days; and*
3. *Meet one of the eligibility criteria provided in Section 1011.68(1), F.S.*

***Membership** includes all prekindergarten through grade 12 students enrolled in schools during survey week who are assigned to a bus, passenger car, multipurpose passenger vehicle, general-purpose transportation (e.g., city bus, train), or privately owned motor vehicle or boat (for certain students who are isolated or have disabilities).*

***Transported** refers to any student who rides the bus (or other approved transportation vehicle) for the purpose of attending school at least once during the five-day survey week or once during the preceding six scheduled school days.²*

¹ The \$28.4 million included \$1.9 million passed through to charter schools (See FDOE, *Florida Education Finance Program, 2019-20, Final Calculation*, p.5).

² See, in part, FDOE *Full-time Equivalent (FTE) General Instructions 2020-21*, Student Information Database Reporting Requirements for Student Transportation, Appendix G.

FTE Surveys. Every year, the District’s Transportation Services Department (Transportation) conducts three FTE Surveys as required by FDOE. Table 1 shows the Transportation FTE Survey schedules for Fiscal Years 2020-21 and 2021-22.

Table 1
Scheduled Transportation FTE Count Surveys

Fiscal Year	Survey 1	Survey 2	Survey 3
2020-21	July 6-10, 2020	September 5-9, 2020	February 8-12, 2021
2021-22	July 12-16, 2021	October 11-15, 2021	February 7-11, 2022

Source: FDOE, *Full-time Equivalent (FTE) General Instructions 2020-21*, Schedule of State Processing Dates, Appendix A.

FTE Survey Forms. Bus drivers manually complete pre-printed survey forms (*FTE Survey Forms*) by marking attendance of each student-rider on their route. The completed forms are returned to the Transportation Coordinators/Routers. The coordinators/routers then compile the number of FTE students that received transportation to District and Charter schools. As part of the compilation, the coordinators/routers code each FTE student with a membership and vehicle category. All data regarding student ridership are entered into the District’s Transportation Routing and Survey System. Electronic files with student ridership information are forwarded to the District’s Information Technology (IT) Department where data fields are formatted to meet FDOE requirements. According to Transportation personnel, original signed and dated *FTE Survey Forms* are required for FTE audits performed by the Florida Auditor General.

Missing FTE Survey Forms for 14 Buses. In preparation for the FTE audit by the Florida Auditor General’s Office, Transportation discovered some *FTE Survey Forms* were unavailable. Specifically, Survey 3 for Fiscal Year 2019-2020, conducted during February 2020 were lost. The lost documents included the *FTE Survey Forms* for 14 buses that contained the estimated ridership information for 1,680 students. Due to the missing *FTE Survey Forms*, the District could lose an estimated \$343,560³ in Transportation FEFP funds.

Referral from School Police. On January 20, 2021, Transportation requested School Police to investigate the incidence of missing of *FTE Survey Forms* for 14 buses for the 2019-20 Survey 3 conducted during February 2020. School Police’s investigation did not conclude a crime occurred. On February 4, 2021, School Police forwarded its investigative report to the OIG for review.

³ Estimate calculation was based on missing *FTE Survey Forms* for one survey period representing one-half of the approximately \$409 annual transportation funding per student, or 1,680 students x \$409 x 0.5.

CONCLUSIONS

This special review produced the following major conclusions:

1. New Procedures Implemented

In response to the missing *FTE Survey Forms (Survey Forms)*, Transportation developed new procedures including centralized storage and scanning of *Survey Forms*, and an automated FTE Survey Process.

Centralized Storage of Survey Forms. Effective February 2021⁴, all completed *FTE Survey Forms* were sent to the Transportation's East Compound (East Compound) for centralized storage. During our onsite visit, we observed the *Survey Forms* were stored in an unused office.

Scanning of Survey Forms. Transportation plans to scan all *Survey Forms* into a document storage database prior to physical storage. Scanning will be performed at the East Compound. The Transportation Customer Service Coordinator will be responsible for coordinating the scanning process and verifying that all source documents have been received and scanned.

As of April 19, 2021, Information Technology (IT) was in the process of creating the document storage database for Transportation scanning of the *Survey Forms*. Staff indicated the database should be available for scanning and the *Survey Forms* from Survey 3 should be scanned by June 30, 2021. The database will be regularly backed up as part of the District's disaster preparedness plans.

Automating Future FTE Surveys. According to staff, Transportation is working to automate the collection and recording of student ridership information into the Transportation Routing and Survey System. The new method was tested at one pilot school where students scanned their Student ID Cards with a badge reader when boarding a school bus. The scanned information was uploaded into the Transportation Routing and Survey System. This eliminated the need for bus drivers to manually check attendance on the *Survey Forms* and coordinators to manually input the ridership information into the Transportation Routing and Survey System. On February 17, 2021, the School Board approved the purchase of additional badge readers for all school buses.

Our review of the proposed new procedures produced the following recommendations:

- (a) Routing of Survey Forms to Centralized Storage Not Tracked. When the *Survey Forms* are initially moved from their originating compound to the East Compound, the Coordinators do not signoff at each location to indicate transfer and receipt of the documents.

⁴ Coinciding with Transportation FTE Survey 3 conducted during FY 2020-2021

Also, the East Compound Coordinators review each *Survey Form* to ensure the bus drivers signed and date each *Survey Form*. If a signature or date is missing, the *Survey Form* is returned to the originating compound for correction. Upon correction, it is returned to the East Compound for compilation. Again, these transfers of custody are not documented.

Recommendation

To maintain control of the location of all *Survey Forms*, Transportation should create a Routing/Sign-off Sheet to track transfers between compounds. The responsible Coordinator should document transfer and receipt with signature and date on the Routing/Sign-off Sheet.

- (b) New Procedures Not Yet Codified. Currently, Transportation Coordinators use *Checklists*, *Survey Cover Sheets*, and *Summary Pages* during their review of *Survey Forms* to ensure proper completion by bus drivers including a dated signature. We noted that the current procedures, as well as the newly developed procedures of scanning and centralizing the storage of *Survey Forms*, had not been formalized in a written procedure manual for staff reference. Written documentation of the Student Transportation FTE Survey process is necessary to maintain continuity when personnel are absent or change positions. If a key employee in the process is not available, the process may not be completed properly, or at all, due to a lack of written instructions.

Recommendation

To help ensure all steps are properly completed, formal written documentation should be developed to provide guidance on all forms, files, and practices used in the Transportation FTE Survey Process. Formal procedures should include the process to count student ridership and data compilation for the FTE Surveys.

Management's Response: Management concurs. Formal written documentation will be developed to provide guidance on all forms, files, and practices used in the Transportation Survey Process, including transfer of documents from facilities to storage. Target completion date is December 31, 2021. (See page 7.)

2. Automatic Comparison of Electronic FTE Files Needed

For the District to be eligible for State transportation funding, the District must demonstrate both student ridership data and student membership (i.e., enrolled in school) during the survey period. Compound coordinators manually enter student ridership information into the Transportation Routing and Survey System based on the *Survey Forms* completed by the bus drivers.

The Transportation Routing and Survey System sends electronic files of student ridership data to the Student Information System (SIS) where IT staff reformat data fields to meet FDOE system requirements. The reformatted student ridership data file is then sent to FDOE. However, membership information is not validated by staff before the file is sent to FDOE.

Additionally, only one employee in Transportation manually reviews the student ridership data files prior to submission to FDOE. This lone employee performs the manual review to avoid data batch update errors⁵ that could result in a rejected record. These manually reviewed data files can exceed 10,000 records.

Instead, FDOE electronically compares the student ridership data (generated by the District's Transportation Routing and Survey System) to the District's student enrollment data (from the SIS) to ensure that transported students are in membership in the District. If a student ridership record does not have a matching student enrollment file, FDOE's system generates a validation error and rejects the record's eligibility for funding.

FDOE creates an *Error Report* containing both batch update and validation errors and sends it to the District for correction. The District then creates a corrected data file and resubmits it to FDOE. This process of submission and correction is continued until all errors are resolved or the correction time period closes. Staff indicated that this error review and resubmission process is all performed manually.

Recommendations:

To increase efficiency, improve reporting accuracy, and better use the District's limited resources, Transportation and IT should collaborate to develop an automated comparison of Transportation student ridership files with SIS student membership information prior to sending files to FDOE. Exceptions can be corrected before first submission reducing the need for multiple manual reviews. All developed procedures should be documented in writing for future staff reference.

Management's Response: Management concurs. Transportation will work with IT to develop the recommended procedures. Targeted completion date is December 31, 2021. (See page 7.)

Audit Committee's Comment: During the August 20, 2021, meeting, the Audit Committee recommended to provide staff an additional three months to complete the implementation of all the agreed upon corrective actions.

– End of Report –

⁵ Batch update errors include incorrect codes, classifications, categories, year, or other field data used.

Management's Response
Chief Operating Officer



THE SCHOOL DISTRICT OF
PALM BEACH COUNTY, FL

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MEMORANDUM

TO: Teresa Michaels
Inspector General

FROM: Wanda F. Paul, M.Ed., MBA
Chief Operating Officer

DATE: July 27, 2021

SUBJECT: MANAGEMENT RESPONSE – SPECIAL REVIEW OF STUDENT TRANSPORTATION FULL-TIME
EQUIVALENT (FTE) SURVEY PROCEDURES

RECEIVED

JUL 29 2021

INSPECTOR GENERAL

Following is the Management Response to the referenced Special Review.

1. **New Procedures Implemented**
 - a. **Routing of Survey Forms to Centralized Storage Not Tracked**
 - b. **New Procedures Not Yet Codified**

Management concurs.

Formal written documentation will be developed to provide guidance on all forms, files, and practices used in the Transportation Survey Process, including transfer of documents from facilities to storage. Targeted completion date is December 31, 2021.

2. **Automatic Comparison of Electronic FTE Files Needed**

Management concurs.

Transportation will work with IT to develop the recommended procedures. Targeted completion date is December 31, 2021.

WFP/SS/SKS:TB

C: Shane Searchwell, Director, Transportation Services

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