

Triumph Gulf Coast, Inc. Application for Funds

February 2019

***** IMPORTANT *****

Required for ALL Projects in Bay, Franklin, Gulf and Wakulla Counties

Hurricane Michael Application Addendum

For ALL regular project applications not yet approved by the Triumph Gulf Coast Board in Bay, Franklin, Gulf and Wakulla counties:

Please provide documentation of support or continued support for the proposal as a component of the county's post-Hurricane Michael recovery efforts made by the Board of County Commissioners (for each Hurricane Michael impacted county included in the project) on a date after October 10, 2018.

Triumph Gulf Coast, Inc. Trust Fund Application for Funds

Proposal Instructions: The Triumph Gulf Coast, Inc. Trust Fund Grant Application (this document) must be completed by the entity applying for the grant and signed, as applicable, by either the individual applying for funds, an individual authorized to bind the entity applying for funds, a chief elected official, the administrator for the governmental entity or their designee. Please read the Application carefully as some questions may require a separate narrative to be completed. In addition, please complete all Addendums that may be applicable to the proposed project or program.

Triumph Gulf Coast, Inc. will make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. Triumph Gulf Coast, Inc. may make awards for:

- Ad valorem tax rate reduction within disproportionately affected counties;
- Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
- Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
- Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- Grants to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education; encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties;
- Grants to support programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
- Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

Pursuant to Florida Law, Triumph Gulf Coast, Inc. will provide priority consideration to Applications for projects or programs that:

- Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
- Increase household income in the disproportionately affected counties above national average household income.
- Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.
- Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
- Benefit the environment, in addition to the economy.
- Provide outcome measures.
- Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- Are recommended by the board of county commissioners of the county in which the project or program will be located.
- Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

Additionally, the Board of Triumph Gulf Coast, Inc. may provide discretionary priority to consideration of Applications for projects and programs that:

- Are considered transformational for the future of the Northwest Florida region.
- May be consummated quickly and efficiently.
- Promote net-new jobs in the private sector with an income above regional average household income.
- Align with Northwest Florida FORWARD, the regional strategic initiative for Northwest Florida economic transformation.
- Create net-new jobs in targeted industries to include: aerospace and defense, financial services/shared services, water transportation, artificial intelligence, cybersecurity, information technology, manufacturing, and robotics.
- Promote industry cluster impact for unique targeted industries.
- Create net-new jobs with wages above national average wage (*e.g.*, similar to EFI QTI program, measured on graduated scale).
- Are located in Rural Area of Opportunity as defined by the State of Florida (DEO).
- Provide a wider regional impact versus solely local impact.
- Align with other similar programs across the regions for greater regional impact, and not be duplicative of other existing projects or programs.
- Enhance research and innovative technologies in the region.
- Enhance a targeted industry cluster or create a Center of Excellence unique to Northwest Florida.
- Create a unique asset in the region that can be leveraged for regional growth of targeted industries.

- Demonstrate long-term financial sustainability following Triumph Gulf Coast, Inc. funding.
- Leverage funding from other government and private entity sources.
- Provide local investment and spending.
- Are supported by more than one governmental entity and/or private sector companies, in particular proposed projects or programs supported by more than one county in the region.
- Provide clear performance metrics over duration of project or program.
- Include deliverables-based payment system dependent upon achievement of interim performance metrics.
- Provide capacity building support for regional economic growth.
- Are environmentally conscious and business focused.
- Include Applicant and selected partners/vendors located in Northwest Florida.

Applications will be evaluated and scored based on compliance with the statutory requirements of the Triumph Gulf Coast legislation, including but not limited to the priorities identified therein and the geographic region served by the proposed project or program.

Applicant Information

Name of Individual (if applying in individual capacity): Franklin County School Board (FCSB)

Name of Entity/Organization: K-12 Public School System

Background of Applicant Individual/Entity/Organization: _____

(If additional space is needed, please attach a Word document with your entire answer.)

Federal Employer Identification Number: 596000611

Contact Information:

Primary Contact Information: Traci Moses

Title: Superintendent of Schools, Franklin County

Mailing Address: 85 School Road, Eastpoint, FL 32328

Phone: (850)670-2810

Email: tmoses@franklin.k12.fl.us

Website: franklincountyschools.org

Identify any co-applicants, partners, or other entities or organizations that will have a role in the proposed project or program and such partners proposed roles.

Unmanned Safety Institute

(If additional space is needed, please attach a Word document with your entire answer.)

Total amount of funding requested from Triumph Gulf Coast: \$1,215,000

Has the applicant in the past requested or applied for funds for all or part of the proposed project/program?

☐ Yes ☒ No

If yes, please provide detailed information concerning the prior request for funding, including:

- the date the request/application for funding was made;
- the source to which the request/application for funding was made,
- the results of the request/application for funding, and
- projected or realized results and/or outcomes from prior funding.

(If additional space is needed, please attach a Word document with your entire answer.)

Describe the financial status of the applicant and any co-applicants or partners:

FCSB has secure financial status. See attachment #1

(If additional space is needed, please attach a Word document with your entire answer.)

In a separate attachment, please provide financial statements or information that details the financial status of the applicant and any co-applicants or partners.

Has the applicant or any co-applicants, partners or any associated or affiliated entities or individuals filed for bankruptcy in the last ten (10) years?

☐ Yes ☒ No

If yes, please identify the entity or individual that filed for bankruptcy and the date of filing.

(If additional space is needed, please attach a Word document with your entire answer.)

Eligibility

Pursuant to Section 288.8017, Triumph Gulf Coast, Inc. was created to make awards from available funds to projects or programs that meet the priorities for economic recovery, diversification, and enhancement of the disproportionately affected counties. The disproportionately affected counties are: Bay County, Escambia County, Franklin County, Gulf County, Okaloosa County, Santa Rosa County, Walton County, or Wakulla County. *See*, Section 288.08012.

1. From the choices below, please check the box that describes the purpose of the proposed project or program (check all that apply):

- ☐ Ad valorem tax rate reduction within disproportionately affected counties;
- ☐ Local match requirements of s. 288.0655 for projects in the disproportionately affected counties;
- ☐ Public infrastructure projects for construction, expansion, or maintenance which are shown to enhance economic recovery, diversification, and enhancement of the disproportionately affected counties;
- ☐ Grants to local governments in the disproportionately affected counties to establish and maintain equipment and trained personnel for local action plans of response to respond to disasters, such as plans created for the Coastal Impacts Assistance Program;
- ☐ **Grants** to support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties. Eligible programs include those that increase students' technology skills and knowledge; encourage industry certifications; provide rigorous, alternative pathways for students to meet high school graduation requirements; strengthen career readiness initiatives; fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors; and, similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission of Education, encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties;
- ☐ **Grants to support** programs that provide participants in the disproportionately affected counties with transferable, sustainable workforce skills that are not confined to a single employer; and
- ☐ Grants to the tourism entity created under s. 288.1226 for the purpose of advertising and promoting tourism and Fresh From Florida, and grants to promote workforce and infrastructure, on behalf of all of the disproportionately affected counties.

- See attachment #2

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3. Explain how the proposed project or program is considered transformational and how it will effect the disproportionately affected counties in the next ten (10) years.

See attachment #3

(If additional space is needed, please attach a Word document with your entire answer.)

4. Describe data or information available to demonstrate the viability of the proposed project or program.

See attachment #3

(If additional space is needed, please attach a Word document with your entire answer.)

5. Describe how the impacts to the disproportionately affected counties will be measured long term.

See attachment #3

(If additional space is needed, please attach a Word document with your entire answer.)

6. Describe how the proposed project or program is sustainable. (Note: Sustainable means how the proposed project or program will remain financially viable and continue to perform in the long-term after Triumph Gulf Coast, Inc. funding.)

See attachment #4

(If additional space is needed, please attach a Word document with your entire answer.)

7. Describe how the deliverables for the proposed project or program will be measured.

See attachment #4

(If additional space is needed, please attach a Word document with your entire answer.)

Priorities

1. Please check the box if the proposed project or program will meet any of the following priorities (check all that apply):

- ☐ Generate maximum estimated economic benefits, based on tools and models not generally employed by economic input-output analyses, including cost-benefit, return-on-investment, or dynamic scoring techniques to determine how the long-term economic growth potential of the disproportionately affected counties may be enhanced by the investment.
- ☐ **Increase** household income in the disproportionately affected counties above national average household income.
- ☐ **Leverage** or further enhance key regional assets, including educational institutions, research facilities, and military bases.

- ☐ Partner with local governments to provide funds, infrastructure, land, or other assistance for the project.
- ☐ Benefit the environment, in addition to the economy.
- ☐ Provide outcome measures.
- ☐ Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.
- ☐ Are recommended by the board of county commissioners of the county in which the project or program will be located.
- ☐ Partner with convention and visitor bureaus, tourist development councils, or chambers of commerce located within the disproportionately affected counties.

2. Please explain how the proposed project meets the priorities identified above.

See attachment #5

(If additional space is needed, please attach a Word document with your entire answer.)

3. Please explain how the proposed project or program meets the discretionary priorities identified by the Board.

See attachment #8

(If additional space is needed, please attach a Word document with your entire answer.)

4. In which of the eight disproportionately affected county/counties is the proposed project or program located? (Circle all that apply)

Escambia Santa Rosa Okaloosa Walton Bay Gulf Franklin Wakulla

5. Was this proposed project or program on a list of proposed projects and programs submitted to Triumph Gulf Coast, Inc., by one (or more) of the eight disproportionately affected Counties as a project and program located within its county?

☐ Yes ☐ No

If yes, list all Counties that apply: Franklin

6. Does the Board of County Commissioners for each County listed in response to question 5, above, recommend this project or program to Triumph?

☐ Yes ☐ No

****Please attach proof of recommendation(s) from each County identified.**

Approvals and Authority

1. If the Applicant is awarded grant funds based on this proposal, what approvals must be obtained before Applicant can execute an agreement with Triumph Gulf Coast, Inc.?
Franklin County School Board approval
(If additional space is needed, please attach a Word document with your entire answer.)
2. If approval of a board, commission, council or other group is needed prior to execution of an agreement between the entity and Triumph Gulf Coast:
A. Provide the schedule of upcoming meetings for the group for a period of at least six months.
B. State whether that group can hold special meetings, and if so, upon how many days' notice.
FCSB meets on the last Thursday of each month. Special meetings need two days notice.
(If additional space is needed, please attach a Word document with your entire answer.)
3. Describe the timeline for the proposed project or program if an award of funding is approved, including milestones that will be achieved following an award through completion of the proposed project or program.
See attachment #7
(If additional space is needed, please attach a Word document with your entire answer.)
4. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the entity applying for funding. This evidence may take a variety of forms, including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc. In addition, please attach any support letters from partners.

See attachment #8

Funding and Budget:

Pursuant to Section 288.8017, awards may not be used to finance 100 percent of any project or program. An awardee may not receive all of the funds available in any given year.

1. Identify the amount of funding sought from Triumph Gulf Coast, Inc. and the time period over which funding is requested.
\$1,215,000 over 5 years

(If additional space is needed, please attach a Word document with your entire answer.)
2. What percentage of total program or project costs does the requested award from Triumph Gulf Coast, Inc. represent? (Please note that an award of funding will be for a defined monetary amount and will not be based on percentage of projected project costs.)
65%

(If additional space is needed, please attach a Word document with your entire answer.)
3. Please describe the types and number of jobs expected from the proposed project or program and the expected average wage.
See attachment #9

(If additional space is needed, please attach a Word document with your entire answer.)
4. Does the potential award supplement but not supplant existing funding sources? If yes, describe how the potential award supplements existing funding sources.
☐ Yes ☐ No

(If additional space is needed, please attach a Word document with your entire answer.)
5. Please provide a Project/Program Budget. Include all applicable costs and other funding sources available to support the proposal.

A. Project/Program Costs:

Example Costs (Note: Not exhaustive list of possible Cost categories.)

Construction	\$ _____
Reconstruction	\$ _____
Design & Engineering	\$ _____
Land Acquisition	\$ _____
Land Improvement	\$ _____
Equipment	\$ 150,000
Supplies	\$ 135,000
Salaries	\$ 1,502,000

Other (specify) \$ 80,000 (Training, fees/dues)

Total Project Costs: \$ 1,867,000

B. Other Project Funding Sources:

Example Funding Sources (Note: Not an exhaustive list of possible Funding Sources.)

City/County \$ _____

Private Sources \$ _____

Other (e.g., grants, etc.) \$ 652,000

Total Other Funding \$ 652,000

Total Amount Requested: \$ 1,215,000

Note: The total amount requested must equal the difference between the costs in 3A. and the other project funding sources in 3.B.

C. Provide a detailed budget narrative, including the timing and steps necessary to obtain the funding and any other pertinent budget-related information.

See attachment #7

(If additional space is needed, please attach a Word document with your entire answer.)

Applicant understands that the Triumph Gulf Coast, Inc. statute requires that the award contract must include provisions requiring a performance report on the contracted activities, must account for the proper use of funds provided under the contract, and must include provisions for recovery of awards in the event the award was based upon fraudulent information or the awardee is not meeting the performance requirements of the award.

☐ Yes ☐ No

Applicant understands that awardees must regularly report to Triumph Gulf Coast, Inc. the expenditure of funds and the status of the project or program on a schedule determined by Triumph Gulf Coast, Inc.

☐ Yes ☐ No

Applicant acknowledges that Applicant and any co-Applicants will make books and records and other financial data available to Triumph Gulf Coast, Inc. as necessary to measure and confirm performance metrics and deliverables.

☐ Yes ☐ No

Applicant acknowledges that Triumph Gulf Coast, Inc. reserves the right to request additional information from Applicant concerning the proposed project or program.

☐ Yes ☐ No

ADDENDUM FOR INFRASTRUCTURE PROPOSALS:

1. Program Requirements

- A. Is the infrastructure owned by the public?
☐ Yes ☐ No
- B. Is the infrastructure for public use or does it predominately benefit the public?
☐ Yes ☐ No
- C. Will the public infrastructure improvements be for the exclusive benefit of any single company, corporation or business entity?
☐ Yes ☐ No
- D. Provide a detailed explanation of how the public infrastructure improvements will connect to a broader economic development vision for the community and benefit additional current and future businesses.

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Provide a detailed description of, and quantitative evidence demonstrating how the proposed public infrastructure project will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. Is this project an expansion of existing infrastructure project?
☐ Yes ☐ No
- B. Provide the proposed beginning commencement date and number of days required to complete construction of the infrastructure project.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. What is the location of the public infrastructure? (Provide the road number, if applicable.)

(If additional space is needed, please attach a Word document with your entire answer.)

- D. Who is responsible for maintenance and upkeep? (Indicate if more than one are applicable.)

(If additional space is needed, please attach a Word document with your entire answer.)

- E. What permits are necessary for the infrastructure project?

(If additional space is needed, please attach a Word document with your entire answer.)

Detail whether required permits have been secured, and if not, detail the timeline for securing these permits. Additionally, if any required permits are local permits, will these permits be prioritized?

(If additional space is needed, please attach a Word document with your entire answer.)

- F. What is the future land use and zoning designation on the proposed site of the Infrastructure improvement, and will the improvements conform to those uses?

(If additional space is needed, please attach a Word document with your entire answer.)

- G. Will an amendment to the local comprehensive plan or a development order be required on the site of the proposed project or on adjacent property to accommodate the infrastructure and potential current or future job creation opportunities? If yes, please detail the timeline
☐ Yes ☐ No
-

(If additional space is needed, please attach a Word document with your entire answer.)

- H. Does this project have a local match amount? If yes, please describe the entity providing the match and the amount.
☐ Yes ☐ No
-

(If additional space is needed, please attach a Word document with your entire answer.)

- I. Provide any additional information or attachments to be considered for this proposal.
-

(If additional space is needed, please attach a Word document with your entire answer.)

ADDENDUM FOR WORKFORCE TRAINING PROPOSALS

1. Program Requirements

- A. Will this proposal supports programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties? If yes, please identify where the campuses are located and provide details on how the proposed programs will prepare students for future occupations and at which K-20 institutions that programs will be provided.

☐ Yes ☐ No

See attachment #10

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Will the proposed program (check all that apply):

- ☐ Increase students' technology skills and knowledge
- ☐ Encourage industry certifications
- ☐ Provide rigorous, alternative pathways for students to meet high school graduation requirements
- ☐ Strengthen career readiness initiatives
- ☐ Fund high-demand programs of emphasis at the bachelor's and master's level designated by the Board of Governors
- ☐ Encourage students with interest or aptitude for science, technology, engineering, mathematics, and medical disciplines to pursue postsecondary education at a state university or a Florida College System institution within the disproportionately affected counties (similar to or the same as talent retention programs created by the Chancellor of the State University System and the Commission on Education)

For each item checked above, describe how the proposed program will achieve these goals

See attachment #11

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Will this proposal provide participants in the disproportionately affected counties with transferable, sustainable workforce skills but not confined to a single employer? If yes, please provide details.

☐ Yes ☐ No

See attachment #11

(If additional space is needed, please attach a Word document with your entire answer.)

- D. Identify the disproportionately affected counties where the proposed programs will operate or provide participants with workforce skills.

This program will operate in Franklin County, with students having the potential to move to

surrounding counties.

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Provide a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote:

- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.
-

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. Is this an expansion of an existing training program? Is yes, describe how the proposed program will enhance or improve the existing program and how the proposal program will supplements but not supplant existing funding sources.

☐ Yes ☒ No

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Indicate how the training will be delivered (*e.g.*, classroom-based, computer based, other).

If in-person, identify the location(s) (*e.g.*, city, campus, etc.) where the training will be available.

If computer-based, identify the targeted location(s) (e.g., city, county) where the training will be available.
Training will be delivered face-to-face and will include both computer aided instruction

and hands on learning.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Identify the number of anticipated enrolled students and completers.

FCSB is antiipating 100 enrollees and approximately 50 completers each year.

(If additional space is needed, please attach a Word document with your entire answer.)

- D. Indicate the length of the program (e.g, quarters, semesters, weeks, months, etc.) including anticipated beginning and ending dates.

The programs will be run on an annual basis, following the school calendar beginnning in

August and concluding in May.

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Describe the plan to support the sustainability of the proposed program.

Student enrollment numbers will generate FTE funding and the certifications earned will provide

an additional source of funding.

(If additional space is needed, please attach a Word document with your entire answer.)

- F. Identify any certifications, degrees, etc. that will result form the completion of the program.

Completers will earn both the Small UAS Safety certification and the Visual Line of Site System

Operator certification, both of which elevate their earning potential.

(If additional space is needed, please attach a Word document with your entire answer.)

- G. Does this project have a local match amount? If yes, please describe the entity providing the match and the amount.

☐ Yes

☐ No

\$625,000 will be provided through FCSB during the contract period, and the program will have 100% sustainability in the future.

(If additional space is needed, please attach a Word document with your entire answer.)

- H. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

ADDENDUM FOR AD VALOREM TAX RATE REDUCTION:

1. Program Requirements

- A. Describe the property or transaction that will be supported by the ad valorem tax rate reduction.

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Provide a detailed explanation of how the ad valorem tax rate reduction will connect to a broader economic recovery, diversification, enhancement of the disproportionately affected counties and/or enhancement of a targeted industry.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide a detailed description of the quantitative evidence demonstrating how the proposed ad valorem tax reduction will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. What is the location of the property or transaction that will be supported by the ad valorem tax rate reduction?

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Detail the current status of the property or transaction that will be supported by the ad valorem tax rate reduction and provide a detailed description of when and how the ad valorem tax rate reduction will be implemented.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Does this proposed project have a local match amount? If yes, please describe the entity providing the match and the amount.
☐ Yes ☐ No

(If additional space is needed, please attach a Word document with your entire answer.)

- D. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

**ADDENDUM FOR LOCAL MATCH REQUIREMENTS OF SECTION 288.0655,
FLORIDA STATUTES**

1. Program Requirements

- A. Describe the local match requirements of Section 288.0655 and the underlying project, program or transaction that will be funded by the proposed award.

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Provide a detailed explanation of how the local match requirements and the underlying project or program will connect to a broader economic recovery, diversification, enhancement of the disproportionately affected counties and/or enhancement of a targeted industry.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide a detailed description of, and quantitative evidence demonstrating how the proposed local match requirements will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. What is the location of the property or transaction that will be supported by the local match requirements?

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Detail the current status of the property or transaction that will be supported by the local match requirement and provide a detailed description of when and how the local match requirement will be implemented.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

ADDENDUM FOR LOCAL ACTION PLAN

1. Program Requirements

- A. Describe how the proposed award will establish and maintain equipment and trained personnel for local action plans of response to respond to disasters.
- B. Describe the type and amount of equipment and trained personnel that will be established or maintained by the proposed award.
- C. Identify the specific local action plans (*e.g.*, Coastal Impacts Assistance Program) that will benefit from the proposed award.
- D. Provide a detailed explanation of how the proposed award will connect to a broader economic recovery, diversification, enhancement of the disproportionately affected counties and/or enhancement of a targeted industry.

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Provide a detailed description of the quantitative evidence demonstrating how the proposed will promote:
 - Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. What is the location of the local action program that will be supported by the proposed award?

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Detail the current status of the local action plans (*e.g.*, new plans, existing plans, etc.) that will be supported by the proposed award and provide a detailed description of when and how the proposed award will be implemented.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

ADDENDUM FOR ADVERTISING/PROMOTION

1. Program Requirements

- A. Is the applicant a tourism entity created under s. 288.1226, Florida Statutes?
☐ Yes ☐ No
- B. Does the applicant advertise and promote tourism and Fresh From Florida? If yes, provide details on how it advertises and promotes tourism and Fresh From Florida.
☐ Yes ☐ No

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Does the proposed award promote workforce and infrastructure on behalf of the disproportionately affected counties? If yes, describe how workforce and infrastructure is promoted on behalf of the disproportionately affected counties.
☐ Yes ☐ No

(If additional space is needed, please attach a Word document with your entire answer.)

- D. Provide a detailed explanation of how the proposed award will connect to a broader economic recovery, diversification, enhancement of the disproportionately affected counties and/or enhancement of a targeted industry.

(If additional space is needed, please attach a Word document with your entire answer.)

- E. Provide a detailed description of the quantitative evidence demonstrating how the proposed will promote:
- Economic recovery,
 - Economic Diversification,
 - Enhancement of the disproportionately affected counties,
 - Enhancement of a Targeted Industry.

(If additional space is needed, please attach a Word document with your entire answer.)

2. Additional Information

- A. Describe the advertising and promotion mediums and locations where the advertising and promotion will occur.

(If additional space is needed, please attach a Word document with your entire answer.)

- B. Detail the current status of the advertising and promotion (*e.g.*, new plans, existing plans, etc.) that will be supported by the proposed award and provide a detailed description of when and how the proposed award will be implemented.

(If additional space is needed, please attach a Word document with your entire answer.)

- C. Provide any additional information or attachments to be considered for this proposal.

(If additional space is needed, please attach a Word document with your entire answer.)

I, the undersigned, do hereby certify that I have express authority to sign this proposal on my behalf or on behalf of the above-described entity, organization, or governmental entity:

Name of Applicant: Traci Moses

Name and Title of Authorized Representative: Superintendent, Franklin County School Board

Representative Signature: _____

Signature Date: _____

Attachment #2

2. Provide the title and a detailed description of the proposed project or program, including the location of the proposed project or program, a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote economic recovery, diversification, and enhancement of the disproportionately affected counties, a proposed timeline for the proposed project or program, and the disproportionately affected counties that will be impacted by the proposed project or program.

As a representative of FCSB, I have not shied away from admitting our weaknesses and championing our successes. We graduated 60 students this year, 10 of them (16.7%) with an Associate of Arts Degree. While these statistics are phenomenal, our concern lies with the remaining 50 students who needed more opportunity in the area of career preparation. FCSB implemented a Welding program this year, and offered digital tool certificates to our middle school students in an effort to better prepare them for the certification programs which await them once they embark on their career pathway. Phase 2 of our Environmental, Career and Technical Training plan will allow us to offer 4 digital tool certifications to our 4th and 5th grade students. This opportunity for our upper elementary students to participate in career and college pathways will afford them every opportunity for success in their pathway in secondary school.

In order to excel at their studies, and to score at or above proficiency for their grade level, students must to use language and communication skills, make precise computations, and use critical thinking skills to problem solve. These same skills will allow for our students to enter the workforce prepared for the challenges that will face them. As FCSB expands its offering of career and college pathways, we recognize the importance of grabbing the interest of our students at an early age. We are in the business of preparing our students for jobs, many of which do not even exist now. Giving them every opportunity to sharpen their problem solving, communication, and technological skills will only produce a better and more qualified graduate entering our workforce.

All segments of this program will occur during the school day, on school campus, with teachers from multiple career pathways providing instruction. Two years ago our students earned a total of 17 industry certifications. At this point in the 2018-2019 school year, our students have earned approximately 400 certifications. It is the goal of FCSB to become a leader in our area for industry certifications earned, and we are committed to implementing programs and pathways of success for our students which meet their interests and future career needs. Evidence of the success of this program will come through data collection on graduation rates and industry certifications earned in high skill, high wage positions.

It is our hope to implement this program in the 2019-2020 school year and it will run through the 2023-2024 school year. Should this grant not be approved in time, we will have to delay the start and finish dates by one calendar year. This project will impact all students from Franklin County, and will have the ability to impact students from other districts through our open enrollment policy.

Attachment #3

3. Explain how the proposed project or program is considered transformational and how it will effect the disproportionately affected counties in the next 10 years.

Northwest Florida Forward is focused on economic vitality and growth in our Florida Panhandle. This organization serves a 13 county region, one of which is Franklin County. FCSB shares their vision of creating an educational track that not only ensures our students graduate from high school prepared for their post-secondary education, but who are already in possession of certifications verifying their job readiness. By extending our offering of digital tool certificates to our upper elementary students, we are increasing the number of opportunities that our students have to explore potential pathways while challenging them to use higher order thinking while developing their skills in areas such as CyberSecurity, Communication, Computing, and Coding.

The two certifications our students will earn at the secondary level; UAS and Visual Line of Sight, will provide students with a skill set that is very much in demand and surpasses the wages of most of the hospitality related jobs currently found in our community. Monies obtained through this grant will allow us to hire professionals currently employed in this job market to assist our teachers in providing instruction and will also cover all other fees and needs associated with the program.

Over the next ten years, due in part to the approval of the second phase of our project and the connection of skilled laborers to the career they are passionate about, we expect to see an increase in the median household income of Franklin County. Phase 2 of the Franklin Environmental, Career and Technical Training Cernter will be transformational in the following ways:

- Providing an additional pathway for students to access job-ready skills.
- Provide a person dedicated to tracking our students throughout the process of obtaining certifications and progressing towards graduation.
- Increase the district graduation rate.
- Extend our offering of digital tool certifications to our upper elementary students, allowing them to become passionate about earning later certifications to insure their own career readiness.

4. Describe data or information available to demonstrate the viability of the proposed project or program.

This program will allow FCSB to increase the educational opportunities for all students in grades 3 through 12, which in turn creates a more robust and thriving local economy. This is the second phase for completing our vision of expanding to encompass more programs, allowing us to maximize both economic benefits and regional assets. The education system takes in young children and focuses on their development so the end product is a graduate who is well prepared for their college/career choice. As a result of this funding opportunity, we will be able to make this experience a brighter and more productive one for the elementary and secondary student populations of Franklin County.

5. Describe how the impacts to the disproportionately affected counties will be measured long term.

Impacts to Franklin County will be measured long term through the following:

- U.S. Census Bureau with regards to increase in median household income
- Increase in CTE program enrollment for students in grades 3-12
- Increase in industry certification credentials earned
- Increase in the number of students entering either 2-year, 4-year, or post-secondary CTE programs

Attachment #4

6. Describe how the proposed project or program is sustainable. (Note: sustainable means how the proposed project or program will remain financially viable and continue to perform in the long-term after Triumph Gulf Coast, Inc. funding.)

The request for funding is for a 5 year period and will allow students to earn multiple digital tools certifications and/or industry certifications. We currently receive approximately 100 dollars for each digital tool certification and between \$425 and \$4,250 for industry certifications, depending on their weighted value. These funds along with the full-time equivalent (FTE) dollars received by the state will allow the program to sustain itself moving forward.

7. Describe how the deliverables for the proposed project or program will be measured.

- A. Student enrollment numbers
 - Measured by the number of students who participate in a career pathway which includes the UAS and Visual Line of Sight certification.
- B. Digital Tool and Industry Certifications
 - Measured by the number of completed certifications

Priorities

2. Please explain how the proposed project meets the priorities identified.

- *Increase household income in the disproportionately affected counties above the national average household income.*

The U.S. Census Bureau reported that in September 2017 the national median household income was \$59,039 in 2016. In 2015 the median household income for the United States was \$55,775. Franklin County had a median household income of \$40,301. The state of Florida as a whole did not meet the median household income, and Franklin County had one of the lowest household incomes in the state. It is important to recognize that though this project will allow us to begin elevating the median household income, it could take a decade or longer for Franklin County to rise to the income level of the rest of the state and country.

- *Leverage or further enhance key regional assets, including educational institutions, research facilities, and military bases.*

The Unmanned Safety Institute, and through them, Gulf State College are partnering with FCSB on this project to guarantee student success and thereby support the entire population of our county, which is an underserved, disproportionally affected area.

- *Partner with K-20 educational institutions or school districts located within the disproportionately affected counties as of January 1, 2017.*

FCSB is submitting this proposal on behalf of its 1,000 students.

Attachment #6

3. Please explain how the proposed project or program meets the discretionary priorities identified by the Board.

- Transformation for Franklin County will hinge on transforming the students. Education is the gateway to increase the earning potential for residents in Franklin County and in the Northwest Florida region. This project promotes and encourages an increase in education and industry certifications for this area.
- This project will begin immediately after the application is approved.
- We will be able to measure the impact of certifications earned and job skills incorporated into the program, on our average household income through the help of the U.S. Census Bureau.
- Alignment with Northwest Florida Forward regional strategic initiative will come into play with their “implementation Planning Phase” which follows an implementation matrix for carrying out strategies and actions to help implementation of projects and economic restoration (*Northwest Florida Forward, 2017, p2*).
- Phase 2 of the Franklin Environmental, Career and Technical Center will train students for drone operations to support targeted industries such as forestry, real estate, and search and rescue. This will provide job opportunities for our graduates above and beyond any that have ever been available to them.
- Industry cluster impact will be promoted by this multi-program facility due to students receiving industry certifications in all CTE programs housed here.
- Florida’s Rural Areas of Opportunity, include Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Liberty, Wakulla and Washington counties (Florida Department of Economic Opportunity, *Floridajobs.org/business-growth, 2017*).
- The long term financial sustainability after the initial funding from Triumph Gulf Coast will come from student enrollment in the program, industry certification pass rate funding, and the partnership with LTC.
- Metrics will be quantitative. Student enrollment, industry certifications earned and graduation rate of students involved along with post-secondary enrollment or entry into the workforce will be tracked.
- Building on our vision of maintaining our legacy while providing for a better future, we recognize that our most valuable asset, aside from education, is our natural environment. Keeping this as our guiding principle, all CTE programs in Franklin County will be taught with safety and the environment in mind. Specific sections of curriculum will be introduced throughout the standards to help ensure students understand implications in their chosen field to the environment.

Attachment #7

3. Describe the timeline for the proposed project or program if an award of funding is approved, including milestones that will be achieved following an award through the completion of the proposed project or program.

The program will begin after approval with time to prep. It will run funded through Triumph dollars, for 5 years. Then, the program will continue through funding earned from digital tools/industry certification weighted funding received from the state during this time period.

Milestones will be data collected from successful certifications through Survey 5 of Florida Department of Education reporting. The data for Survey 5 is submitted every year and will reflect the success of the program and determine the funding needed for sustainability.

Attachment #8

4. Attach evidence that the undersigned has all necessary authority to execute this proposal on behalf of the entity applying for funding. This evidence may take a variety of forms including but not limited to: a delegation of authority, citation to relevant laws or codes, policy documents, etc. In addition, please attach any support letters from partners.

- Per Florida Statute 1001.42, Powers and Duties of District School Boards, the Wakulla County School Board is responsible for the execution of plans and operation of the school district. This includes career and technical classes, programs and schools.
- Also attached are letters from the Franklin County Board of County Commissioners and the Unmanned Safety Institute

Attachment #9

3. Please describe the types and number of jobs expected from the proposed project or program and the expected average wage.

For students in grades 4 and 5, earning certificates in the areas of internet safety, using the internet for communication, the proper use of computer technology, and coding will broaden their awareness of college and career pathways to be found in their educational futures. The earning potential for these students will be increased due to their awareness and knowledge of current and future job market trends.

Franklin County is unique in that it has potential for the use of drones on land, over the water, and in unrestricted air space. It is the hope of both the FCSB and the Franklin County Board of County Commissioners that this will allow Franklin County to attract a large percent of the 50,000 drone related jobs that are predicted to be located in the Panhandle area of Florida.

While the drone industry is relatively new, it has found firm footing in a large array of industries and is allowing everything from the military to real estate agents to perform their business as never before. FCSB is excited to offer our students the opportunity to be on the ground floor of this exciting industry.

Attachment #10

1. A. Will this proposal support programs that prepare students for future occupations and careers at K-20 institutions that have campuses in the disproportionately affected counties? If yes, please identify where the campuses are located and provide details on how the proposed programs will prepare students for future occupations and at which K-20 institutions that programs will be provided.

Yes, this program prepares students for future occupations in Franklin County and in the surrounding region. FCSB operates a single school, Franklin County School, which serves students in grades K-12.

Students in grades 9-12 will increase their marketability by attaining industry recognized certifications in UAS/VSO. Students in grades 4 and 5 will become proficient in the use of computers and how to stay safe while on the internet. They will continue to add to this set of skills as they move to middle school and will be well prepared for the industry certifications that await them at the secondary level.

Attachment #11

Will this proposal provide participants in the disproportionately affected counties with transferable, sustainable workforce skills but not confined to a single employer?

Yes. Our students will begin attaining skills in technology beginning in upper elementary grades and will continue to add to these skills throughout their middle school years. The aviation aspect allowed by this program will add a new dimension to their employability skills. These skills are being sought out by a variety of employers.

Attachment #12

Provide a detailed description of, and quantitative evidence demonstrating how the proposed project or program will promote:

- Economic recovery
- Economic diversification
- Enhancement of the disproportionately affected counties
- Enhancement of a Targeted Industry

Economic recovery

Completers of this program of study will gain, at no cost, multiple digital tools/industry certifications which will make them a more attractive employee, and potentially attract new employers to our area. Increasing the average household income is a requirement for economic recovery and this program will accomplish this goal by both free career and industry education and the higher wage jobs that will be available as a result of earning the UAS/VSO certifications. These certifications can also lead to a career in the growing industry of Aviation.

Economic diversification

As FCSB expands its offering of career themed pathways to certification, the number of certifications earned as well as the number of jobs obtained in the field(s) of study will exemplify the range of economic diversification generated. FCSB is striving to become one of the leaders in education in our region, and the industry certifications earned by our students will be one of the measures to get us there. The chart below shows the certifications that we anticipate our students earning during the term of this project.

Drone Related Industry Certifications

	UAS	VSO
2018-2019	0	0
2019-2020	10	10
2021-2022	15	15
2023-2024	20	20
2024-2025	20	20

Each time a student completes a certification, they will participate in a career exploration exercise to make sure that the pathway they are on is truly meeting their needs.

Enhancement of the disproportionately affected counties

Through the career pathways put into place, FCSB will provide this area with a highly trained workforce with multiple skills sets that make them job ready for various high wage jobs. It is by increasing the rate of employment and raising the median household income that our county will be most enhanced.

Franklin County is a poverty ridden community much in need of the workforce development programs that FCSB is putting in place. FCSB is very supportive of creative methods to increase the educational success of our students. Through career pathways, we are supporting both more rigor in the classroom and higher expectations for the end result of all of our students.

Enhancement of a Targeted Industry

The strategic report issued by Northwest Florida Forward concentrates on STEM related fields. According to this report, industries of impact include the aerospace industry. As a result of funding from this grant, we will be providing our students with the skills necessary to enter this industry.

This program continues to require the rigorous course work, critical thinking and problem solving skills that we are expecting from all of our programs, while adding skill such as flight skills and equipment maintenance to the student's repertoire.

FRANKLIN COUNTY

REPLY TO: ☐
BOARD OF COUNTY COMMISSIONERS
33 MARKET STREET, SUITE 203
APALACHICOLA, FL 32320
(850) 653-8861, EXT. 100
(850) 653-4795 FAX



REPLY TO: ☒
PLANNING & BUILDING DEPARTMENT
34 FORBES STREET, SUITE 1
APALACHICOLA, FL 32320
(850) 653-9783
(850) 653-9799 FAX

May 21, 2019

Chairman Don Gaetz
TRIUMPH Gulf Coast

Dear Chairman Gaetz:

The Franklin County Board of County Commissioners voted unanimously today to send this letter of support on behalf of the Franklin County School System's application for an unmanned (drone) certification program. The county commission supports the utilization of \$1.215M of TRIUMPH funds for this program.

If you have any questions, please feel free to contact Michael Moron, County Coordinator, at 850-653-5373.

Sincerely,

A handwritten signature in blue ink that reads "Noah Lockley, Jr." with a stylized flourish at the end.

Noah Lockley, Jr.
Chairman

Cc: Franklin County Board of County Commissioners

RICKY D. JONES
DISTRICT ONE

BERT BOLDT
DISTRICT TWO

NOAH LOCKLEY, JR.
DISTRICT THREE

JOSEPH PARRISH
DISTRICT FOUR

WILLIAM MASSEY
DISTRICT FIVE



UNMANNED
SAFETY
INSTITUTE®

May 22, 2019

To Whom It May Concern,

Franklin County School District has developed a plan which creates a relevant pipeline between education and employers. This plan focuses on three primary components:

- 1] Providing an opportunity for all students across the county to have access to technology and science-based learning.
- 2] Creating opportunities for students to leave high school with credentials which can be recognized and utilized by employers in the unmanned industry.
- 3] Enhancing student career awareness with business partners and connectivity to industry standards as careers in unmanned are more than flight.

Unmanned Safety Institute Inc. (USI) is uniquely positioned in the drone industry to specifically commit to assisting with the following goals:

- Students doing work-based learning
- Students doing internships
- Teachers doing externships and professional development
- Program support
- Providing industry speakers virtually and physically

USI is an established standards and certification body for remote pilots in every industry cluster utilizing drone technology; from agriculture to mining to law enforcement to telecommunications the unmanned industry and opportunities that are provided by USI's safety certifications are constantly evolving. As an example, USI recently signed an agreement to collaborate with Textron Systems to create an employment pipeline directly into high skill/high wage career fields ([read more about it here](#)) utilizing USI's Certification programs. USI certifications are sought after by industry to provide a vetted and highly capable standard to student employability based upon aviation standards.

Unmanned Safety Institute intends and commits its support to Franklin County School District. USI will empower Franklin County with drone technology training, credentialing, and professional development for their instructors, implementation of pathway programs for students to industry, technical college, or four-year university, and provide industry expertise for continued growth.

We are proud of and strongly recommend the unmanned program in Franklin County.

Very Respectfully,

Joshua L. Olds
President & Co-Founder
Unmanned Safety Institute, Inc.
Josh.olds@unmannedsafetyinstitute.org
Office: 407-499-2052

STATE OF FLORIDA AUDITOR GENERAL

Operational Audit

Report No. 2018-180
March 2018

FRANKLIN COUNTY DISTRICT SCHOOL BOARD



Sherrill F. Norman, CPA
Auditor General

Board Members and Superintendent

During the 2016-17 fiscal year, Traci Moses served as Superintendent of the Franklin County Schools from 11-22-16, Nina M. Marks served as Superintendent before that date, and the following individuals served as School Board Members.

	<u>District No.</u>
George Thompson, Vice Chair through 11-21-16	1
Pam Marshall	2
Teresa Ann Martin, Vice Chair from 11-22-16	3
Stacy Kirvin, Chair from 11-22-16	4
Carl Whaley from 11-22-16	5
Pam Shiver, Chair through 11-21-16	5

The team leader was Kimberly Phillips, CPA, and the audit was supervised by Shelly G. Curti, CPA.

Please address inquiries regarding this report to Micah E. Rodgers, CPA, Audit Manager, by e-mail at micahrodgers@aud.state.fl.us or by telephone at (850) 412-2905.

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FRANKLIN COUNTY DISTRICT SCHOOL BOARD

SUMMARY

This operational audit of the Franklin County School District (District) focused on selected District processes and administrative activities and included a follow-up on applicable findings noted in our report No. 2016-110. Our operational audit disclosed the following:

Finding 1: Required background screenings were not always performed for applicable contractor workers.

Finding 2: The District had not established procedures to verify that applicants had the required teacher certificates before being hired to teach. As a result, two teachers were incorrectly compensated as certified teachers, instead of non-certified teachers, and were over compensated a total of \$33,791. Additionally, the District did not always comply with the provisions in State law that require parents be notified in writing about out-of-field teaching assignments and out-of-field teachers be reported on the District Web site.

Finding 3: District controls over the management of contractual services agreements need enhancement to ensure that the written agreements contain all the necessary provisions, the agreements are approved by the Board before services are rendered, and services are satisfactorily received prior to payment.

Finding 4: Instructional and administrative personnel performance evaluations were not always performed in accordance with State law.

Finding 5: The District needs to use a competitive selection process, as required by State law, when procuring insurance.

Finding 6: The District needs to strengthen controls to ensure the accurate reporting of instructional contact hours for adult general education classes to the Florida Department of Education. A similar finding was noted in our report No. 2016-110.

Finding 7: The District had not established virtual instruction program comprehensive, written policies and procedures. A similar finding was noted in our report No. 2016-110.

Finding 8: The Board needs to adopt appropriate policies and procedures governing the Prekindergarten Enrichment Program fee collection process.

Finding 9: Some unnecessary information technology (IT) user access privileges existed that increased the risk that unauthorized disclosure of student social security numbers may occur. In addition, the District did not document that periodic reviews of assigned IT user access privileges were conducted to determine whether such privileges were necessary or that any inappropriate or unnecessary access privileges detected were timely removed.

BACKGROUND

The Franklin County School District (District) is part of the State system of public education under the general direction of the Florida Department of Education, and is governed by State law and State Board of Education rules. Geographic boundaries of the District correspond with those of Franklin County. The governing body of the District is the Franklin County District School Board (Board), which is composed of five elected members. The elected Superintendent of Schools is the Executive Officer of the Board. During the 2016-17 fiscal year, the District operated one consolidated K-12 school and two specialized schools, sponsored one charter school, and reported 1,271 unweighted full-time equivalent students.

This operational audit of the District focused on selected processes and administrative activities and included a follow-up on applicable findings noted in our report No. 2016-110. The results of our audit of the District's financial statements and Federal awards for the fiscal year ended June 30, 2017, will be presented in a separate report.

FINDINGS AND RECOMMENDATIONS

Finding 1: Background Screenings – Contractor Workers

State law¹ requires that contractor workers who are permitted access on school grounds when students are present or who have direct contact with students must undergo a level 2 background screening² at least once every 5 years. State law³ provides that noninstructional contractors may be exempt from the background screening requirements if the contractors are under the direct supervision of a school district employee or contractor who has had a criminal history check and meets the statutory background screening requirements. Additionally, for noninstructional contractors, State law⁴ requires the District to verify the results of applicable contractor background screenings using the shared system implemented by the Florida Department of Law Enforcement (FDLE).

To promote compliance with the statutory background screening requirements, District procedures require the Human Resources (HR) Department to ensure contractor workers who have access to school grounds undergo required background screenings every 5 years. The HR Department requires each contractor worker to wear a name badge that expires 5 years after the worker's last screening. Once the badge expires, the contractor workers are prohibited from accessing school grounds unless they undergo the required background screening and obtain a new badge. For previously screened contractor workers, the HR Department relies on notifications from the FDLE shared system that indicate when the screenings are near expiration. For new contractor workers, the HR Department relies on supervisors in the departments that receive contractor services to send the workers to the HR Department to ensure that the background screenings are obtained before services are performed.

¹ Sections 1012.465, and 1012.467, Florida Statutes.

² A level 2 background screening includes fingerprinting for Statewide criminal history records checks through the FDLE and national criminal history records checks through the Federal Bureau of Investigation.

³ Section 1012.468, Florida Statutes.

⁴ Section 1012.467(2)(f) and (7)(a), Florida Statutes.

During the 2016-17 fiscal year, the District contracted with 13 vendors who employed 16 contractor workers who had direct contact with students and were not exempt from the background screening requirements. To determine whether required background screenings had been timely performed, we requested for examination background screening records, as of June 2017, for all 16 contractor workers. We found that District records did not evidence that the required screenings had ever been obtained for 3 contractor workers (a mentor in a nonprofit mentoring program, a school tutoring contractor worker, and a contracted therapist) and had not been performed in the last 5 years for another mentor in the nonprofit mentoring program. The 3 contractor workers without documented screenings had worked for the District from 2 to 7 years prior to our inquiry in June 2017 and they were not listed in the FDLE shared system. As of June 2017, the background screening for the other mentor was 10 months overdue as his last screening was in August 2011.

In response to our inquiries, District personnel indicated that some background screening information had been purged from District records and District department supervisors did not always send workers to the HR Department to receive the screenings. During October and November 2017, the District obtained background screenings for 2 of the contractor workers and noted no inappropriate backgrounds. As of February 2018, according to District personnel, the mentor whose last screening was in August 2011 no longer worked at the District and the remaining contractor worker also worked at another school district and there was uncertainty regarding who should pay for the screening.

Absent effective controls to ensure that required background screenings of contracted workers are timely performed, there is an increased risk that individuals with unsuitable backgrounds may be allowed access to students.

Recommendation: The District should take immediate action to identify contractor workers who have not obtained the required background screenings, ensure the screenings are promptly obtained and evaluated, and make decisions, as necessary, based on evaluations of the screenings. The District should also remind department supervisors of their responsibility for sending contractor workers to the HR Department so that required background screenings can be obtained before contractor services are performed. In addition, the District should prohibit contractor workers who do not obtain the required background screenings from access to school grounds.

Finding 2: Teacher Certificates

State law⁵ requires each educator to hold the certificate required by State law and rules of the State Board of Education for the type of service rendered. To be eligible for a teacher certificate, State law requires applicants to, for example, be at least 18 years of age, document receipt of bachelor's degree or higher from an accredited institution, submit to background screening, and demonstrate mastery of general and subject area knowledge by attaining passing scores on the Florida Teacher Certification Examinations in the applicable areas. In addition, the Board-approved salary schedule establishes the compensation of certified teachers higher than the compensation of non-certified teachers.

Individuals who seek teacher certificates submit applications to the Florida Department of Education (FDOE). The FDOE determines whether the individuals qualify for certificates and, if so, issues official

⁵ Sections 1012.55(1) and 1012.56, Florida Statutes.

eligibility status statements or professional or temporary certificates, which authorize individuals to teach particular subject areas and grade levels. Issued certificates are retroactively effective from the beginning of the fiscal year of issuance. The FDOE Web site displays the certificate status of individuals who apply to the FDOE for teacher certificates; however, the District had not established procedures to refer to the FDOE Web site, or use other means, to verify that applicants have the required teacher certificates before being hired by the Board to teach.

State law⁶ requires, within 30 days before the beginning of each semester, the parents of students in out-of-field teaching assignments to be notified in writing of these assignments and the District must report out-of-field teachers on the District Web site. In response to our inquiries, District personnel indicated that, at the beginning of each semester, they review teacher assignments and teacher certification areas and compile for Board approval a list of teachers assigned to teach out-of-field. District procedures provide that, once approved, District personnel are to send letters to parents notifying them that their children are in a class taught by an out-of-field teacher.

During the period July 1, 2015, through June 30, 2017, the District had 65 teacher positions and the Board hired 39 teachers. We requested for examination District records supporting 10 of the 39 teachers hired to determine whether the selected teachers held the required certificates before they were hired and, for any out-of-field teaching assignments, whether the District notified parents and reported the out-of-field teachers on the District Web site. We also examined District records to determine whether the employees were properly compensated based on their certificate status. We found that:

- During the 2016-17 fiscal year, 2 teachers were hired to provide instruction to District students prior to FDOE issuance of a professional or temporary teaching certificate, or an official statement of status of eligibility indicating that the teachers were eligible to receive a teaching certificate. District personnel indicated that 1 of these individuals was moved to a support position for the 2017-18 fiscal year and the other individual was not rehired for the 2017-18 fiscal year; however, for the 2016-17 fiscal year, the District allowed these individuals to teach without the required certificate. In addition, since these 2 individuals were compensated as certified teachers instead of non-certified teachers, 1 teacher was over compensated \$17,030 and the other was over compensated \$16,761.
- During the 2015-16 fiscal year, 1 teacher, who had a valid temporary teaching certificate, which was received prior to the teacher's start date, was not certified in the area the teacher taught. Although this teacher taught students out-of-field, the District did not notify the students' parents or report the individual as an out-of-field teacher on the District Web site. According to District personnel, this teacher was not included on the list of out-of-field teachers presented to the Board due to a lack of communication. Similar findings were noted in our attestation examination report No. 2017-202, *Franklin County District School Board Florida Education Finance Program Full-Time Equivalent Student Enrollment and Student Transportation for the Fiscal Year Ended June 30, 2016*.

Absent documented verifications that applicants have the required teacher certificates before being hired by the Board to teach, applicable parental notifications of out-of-field teaching assignments, and complete lists of out-of-field teachers on the District Web site, District records do not demonstrate compliance with State law and the risk is increased that non-certified teachers are over compensated. Verification of teacher certificates is necessary to ensure that teachers are qualified to teach District students.

⁶ Section 1012.42, Florida Statutes.

Additionally, timely written parental notification and completed lists of out-of-field teachers reported on the District Web site, provide parents the opportunity to provide input to the Board regarding the out-of-field teaching assignments or to request their children be relocated to other classes.

Recommendation: To promote compliance with State law, the District should establish procedures to verify that applicants have the required teacher certificate before being hired by the Board to teach. The District should also enhance procedures to ensure that parents are timely notified in writing about out-of-field teaching assignments and that all out-of-field teachers are reported on the District Web site. In addition, the District should document the authority for the compensation payments to the 2 non-certificated teachers or seek recovery of the overpayments totaling \$33,791 from the respective teachers.

Finding 3: Contract Management

Effective contract management ensures that contract provisions establish required services and related costs and, prior to payment, the satisfactory receipt of contracted services. State law⁷ provides that the Board is the contracting agent for the District and the Board routinely enters into contracts for services. The District has designed and implemented internal controls to ensure that payments are generally consistent with contract terms and conditions.

For the 2016-17 fiscal year, the District paid a total of \$765,542 for contractual services. To determine the propriety of the payments, we examined District records supporting selected payments and related contracts and found that:

- According to District personnel, the District received the services of one school resource officer (SRO) from the Franklin County Sheriff's Office from February 1, 2017, through the last day of school in May 2017. However, the Board did not contract with the Sheriff's Office for the services until April 27, 2017, almost 3 months after the services were first provided.

The contract identified the SRO duty requirements and established work hours on days that students were required to attend the District-operated school. In addition, the contract required the District to pay a \$19,632 lump sum payment for the contract period and payment was made in May 2017. However, according to District personnel, procedures had not been established to require that school personnel with direct knowledge of the SRO services confirm receipt of the services set forth in the contract and verify that the SRO time worked conformed to the contract.

In response to our inquiries, District personnel indicated that the services were received before the Board approved the contract because contract negotiations were more extensive than expected, which postponed contract approval. In addition, District personnel indicated that they were not aware that documentation of time worked should be maintained, and they relied on the Sheriff's Office to ensure that the SRO properly performed the services.

- In August 2016, the Board entered into a contract for educational services related to a dropout prevention program and, for the 2016-17 fiscal year, the District paid \$29,250 to the educational service provider. For a selected payment for \$5,250, District personnel provided the service provider's invoice, along with a bi-monthly report identifying student names, student credits needed and earned, and student credit balances remaining. However, neither the contract nor other District records established the service deliverables the District would receive or preauthorized the amount that the District would pay for the services. In response to our inquiries, District personnel explained that they were unaware that the contract lacked this information.

⁷ Section 1001.41(4), Florida Statutes.

- In September 2016, the Board entered a memorandum of understanding agreement with a nonprofit organization and a private contractor to operate a school-based mentoring program funded by a State grant. The agreement specified that the District would carry out the responsibilities of the program through the private contractor and District personnel and the contractor monitored program activities through use of a \$13,542 budget for the 2016-17 fiscal year. The budget information included the employee names for four positions, 1,045 total budgeted contractor staff hours, total budgeted salary and benefit expenditures of \$12,188, and other budget expenditures of \$1,354. In addition, the agreement required the contractor to submit quarterly personnel activity reports demonstrating that the contractor staff hours worked corresponded to the level of funding for each position. The District received monthly invoices from the private contractor, paid the contractor based on the invoices, and received reimbursement from the State grant once a quarter.

For selected payments for salaries totaling \$12,188 for the 2016-17 fiscal year, District personnel provided the monthly invoices from the private contractor, which contained brief descriptions of the contractor staff services. However, although we requested, District records, such as personnel activity reports, were not provided to evidence the hours worked by the contractor staff as required in the agreement. In addition, procedures had not been established to require and ensure that school personnel with direct knowledge of the services provided documented receipt of the services. In response to our inquiries, District personnel indicated that they were not aware that the District should monitor the private contractor staff hours worked and maintain records to support such monitoring.

Without effective procedures for ensuring timely Board approval of contracts before services are rendered, ensuring that service deliverables and related costs are included in contracts, and documenting satisfactory receipt of contracted services prior to payment, there is an increased risk that the services may not be received consistent with the Board's expectations and any overpayments that occur may not be timely detected or recovered.

Recommendation: The District should ensure that Board approval is obtained for contracts before contractual services begin, and that service deliverables and related costs are included in contracts. In addition, District contract management procedures should be enhanced to ensure and document, prior to payment, the satisfactory receipt of services.

Finding 4: Performance Evaluations

State law⁸ requires that performance evaluations be conducted for instructional personnel and school administrators at least once a year, and specifies certain evaluation criteria including the criterion that at least one third of the evaluation be based on student performance. State law⁹ also requires the evaluator to submit a written evaluation report to the employee no later than 10 days after the evaluation takes place and discuss the written evaluation report with the employee. Pursuant to State law,¹⁰ the Board is to adopt salary schedules that provide annual salary adjustments for school administrators based on student performance and instructional leadership.

For the 2015-16 fiscal year, the District employed a total of 81 instructional personnel and 2 school administrators. District personnel indicated that the principal at the District-operated school was

⁸ Section 1012.34, Florida Statutes.

⁹ Section 1012.34(3)(c), Florida Statutes.

¹⁰ Section 1012.22(1)(c)5., Florida Statutes.

responsible for the evaluations of the 81 instructional personnel and that the Superintendent was responsible for the evaluations of the 2 school administrators. However, the District had not established procedures to require and ensure that evaluation reports were submitted to the employees no later than 10 days after the evaluations took place, discussed with the employees, and maintained in District personnel files. In addition, District procedures did not provide for an independent documented review of the records supporting the evaluation process to ensure that evaluations were timely and the required evaluation criteria was considered.

To determine whether the District evaluation process complied with the statutory requirements, we requested for examination District records supporting the evaluations of 10 selected instructional personnel and the 2 school administrators for the 2015-16 fiscal year and found that:

- The 10 instructional personnel evaluation reports did not evidence that evaluators submitted the reports to the employees no later than 10 days after the evaluations took place or discussed the reports with the employees. According to District personnel, scheduling conflicts made it difficult to set up meetings with instructional personnel to discuss the evaluation reports.
- Although we requested, District records were not provided to evidence evaluations for the 2 school administrators. In response to our inquiry, District personnel indicated that the evaluations had been performed but could not be located due to staff turnover.

Recommendation: The District should establish procedures to require and ensure evaluations are conducted in accordance with State law. Such procedures should include documented independent review of the records supporting the evaluation process.

Finding 5: Insurance Bids

Pursuant to State law,¹¹ before entering into any contract for life, health, accident, hospitalization, legal expense, or annuity insurance, or all or any kinds of such insurance, for District officers and employees, the District must advertise for competitive bids and such contract must be let upon the basis of such bids. The District is authorized to undertake simultaneous negotiations with qualified bidders during the selection process. During the 2016-17 fiscal year, District-paid premiums and employee-paid premiums for health, life, and dental insurance totaled \$974,726 and \$305,964, respectively. For that same period, employee-paid premiums through payroll deductions for other group insurance plans, such as short-term disability, long-term disability, hospitalization, and cancer, totaled \$140,323.

Although we requested, District records were not provided to evidence the last time that the District advertised for competitive bids for health, life, dental, or other insurance. According to District personnel, the District directly negotiates with the existing providers through their insurance agent. Although District insurance needs and related costs have varied throughout the years, District personnel indicated that the Board decided that direct negotiations with the existing providers were in the best interests of the District.

By periodically seeking competitive bids for insurance and negotiating with qualified bidders, the District could demonstrate compliance with State law and also gain additional assurance that insurance coverage was obtained at the lowest cost consistent with acceptable quality.

¹¹ Section 112.08(2)(a), Florida Statutes.

Recommendation: As required by State law, the District should use competitive bidding procedures when entering into contracts for health, life, dental, or other insurance.

Finding 6: Adult General Education Courses

State law¹² defines adult general education, in part, as comprehensive instructional programs designed to improve the employability of the State's workforce. The District received State funding for adult general education, and General Appropriations Act¹³ proviso language requires each school district to report enrollment for adult general education programs in accordance with the FDOE instructional hours reporting procedures.¹⁴

FDOE procedures stated that fundable instructional contact hours are those scheduled hours that occur between the date of enrollment in a class and the withdrawal date or end-of-class date, whichever is sooner. The procedures require school districts to develop a procedure for withdrawing students for nonattendance and provide that the standard for setting the withdrawal date be six consecutive absences from a class schedule, with the withdrawal date reported as the day after the last date of attendance. There is also a minimum enrollment threshold of 12 hours of attendance for each program that must be met before a student can be counted for funding purposes.

For the 2016-17 fiscal year, the District reported 449 instructional contact hours for seven adult general education classes provided to 14 students. As part of our audit, we examined District records for all 14 students and found that, for 10 of these students, the instructional contact hours were under reported by 211 hours. Additionally, our review of District records disclosed that the District did not report instructional contact hours to the FDOE for 10 other students who attended adult general education classes, resulting in 650 under-reported hours, for a total of 861 under-reported hours.

In response to our inquiry, District personnel indicated that these errors mainly occurred because of staff turnover, and the employees who reported the hours did not understand the process. Since funding is based, in part, on enrollment data reported to the FDOE, it is important that the District report accurate data. A similar finding was noted in our report No. 2016-110.

Recommendation: We recommend that the District strengthen controls to ensure instructional contact hours for adult general education classes are accurately reported to the FDOE. The District should also determine the extent of the adult general education hours misreported for the 2016-17 fiscal year and contact the FDOE for proper resolution.

Finding 7: Virtual Instruction Program Policies and Procedures

State law¹⁵ provides that school districts are to prescribe and adopt standards and policies to provide each student the opportunity to receive a complete education. Education methods to implement such standards and policies may include the delivery of learning courses through traditional school settings, blended courses consisting of both traditional classroom and online instructional techniques, participation

¹² Section 1004.02(3), Florida Statutes.

¹³ Chapter 2016-66, Laws of Florida, Specific Appropriation 122.

¹⁴ FDOE-issued Memorandum No. 06-14, dated May 15, 2006, *Reporting Procedures for Adult General Education Enrollments*.

¹⁵ Section 1001.41(3), Florida Statutes.

in a virtual instruction program (VIP), or other methods. State law¹⁶ establishes VIP requirements and requires school districts to include mandatory provisions in VIP provider contracts; make available optional types of virtual instruction; provide timely, written parental notification of VIP options; ensure the eligibility of students participating in the VIPs; and provide computer equipment, Internet access, and instructional materials to eligible students.

During the 2016-17 fiscal year, the District enrolled ten full-time VIP students. Board policies¹⁷ address various VIP requirements, such as compliance with statutory requirements, student eligibility, and parental notification, that provide a basis for administering the District VIP. However, the policies did not address mandatory provisions in VIP provider contracts, instructional materials, or providing computer equipment and Internet access to eligible students. Comprehensive policies and procedures provide consistent guidance for staff use during personnel changes, ensure sufficient and appropriate training of personnel, and establish a reliable standard to measure the effectiveness and efficiency of operations. A similar finding was noted in our report No. 2016-110.

Recommendation: To promote compliance and enhance the effectiveness of VIP operations and related activities, District VIP policies and procedures should be revised to be more comprehensive.

Finding 8: Prekindergarten Program Fee Collections

The District operates a fee-supported Prekindergarten Enrichment Program (Program), as an optional extended day program for students enrolled in the State's Voluntary Prekindergarten Education Program.¹⁸ State Board of Education (SBE) rules¹⁹ authorize the Board to establish fees for certain programs in amounts that will recover the cost of providing such programs after deducting any State and Federal funding provided for the programs. For the 2016-17 fiscal year, the District recorded \$30,888 for Program fee collections.

To appropriately account for and safeguard Program fee collections, it is important that the Board establish effective controls over the fee collection process. Such controls would require incompatible duties of collecting fees, recording student attendance, and recording fee collections be appropriately separated; properly controlled prenumbered receipts be used to document and account for fee collections; custodial responsibility for fee collections be established; and fee collections be properly secured. If, because of the limited number of staff, the separation of incompatible duties is not practical, compensating controls, such as documented comparisons of historical and current receipts and related collections and evaluations of the reasonableness of the collections performed by independent personnel, would be implemented. Failure to adequately separate duties or provide adequate compensating controls increases the risk that errors or fraud could occur without timely detection.

According to District personnel, Program fees are collected in full on or before the beginning of each week based on a fee rate schedule. The Program Director records student attendance, collects fees,

¹⁶ Section 1002.45, Florida Statutes.

¹⁷ Board Policy No. 2370.14 - *Virtual Instruction*.

¹⁸ Section 1002.53, Florida Statutes.

¹⁹ SBE Rule 6A-1.09983, Florida Administrative Code.

issues prenumbered receipts for each collection, maintains accounts receivable records, and follows up on uncollected accounts. The Program Director also records each collection on a moneys-collected form, signs the form, and transmits the collections along with the form to the District Accounts Payable Clerk. The Clerk, then signs the form and prepares and makes bank deposits and the District Accountant records the fees in the District's accounting system.

As part of our audit, we examined District records and inquired of District personnel regarding the Program fee collection process. Our procedures disclosed that, as of September 2017:

- District personnel responsible for administering the Program had developed a fee schedule to recover the costs associated with the Program. However, the Board had not established Program fees by approving the District-prepared fee schedule or otherwise established fees as prescribed by SBE rules, or adopted policies and procedures for Program operations.
- An inappropriate separation of duties existed as the Program Director was responsible for recording student attendance, collecting fees, issuing prenumbered receipts to parents, maintaining accounts receivable records, following up on delinquent accounts, and preparing the moneys-collected form for transmittal to the District office. Additionally, the District did not have compensating controls to mitigate the inappropriate separation of duties.

We also examined District records supporting Program fees related to ten students' Program participation for 2 weeks and determined that the fees were assessed in accordance with the fee schedule, reconciled to attendance records, and were timely deposited. However, our procedures do not substitute for management's responsibility to implement effective controls.

The lack of Board-adopted Program policies and procedures that establish Program fees; address Program operations; and provide for an appropriate separation of duties for Program collections or, if appropriate, effective compensating controls; increases the risk that fees collected will not recover the cost of providing the Program, the Program may not operate in accordance with Board intent, and errors or fraud, should they occur, may not be timely detected.

Recommendation: The Board should establish Program fees and adopt policies and procedures for Program operations. Such procedures should provide for an appropriate separation of incompatible duties, or if, because of the limited number of staff, the separation of incompatible duties is not practical, specify appropriate compensating controls.

Finding 9: Information Technology User Access Privileges – Student Social Security Numbers

The Legislature has recognized in State law²⁰ that social security numbers (SSNs) can be used to acquire sensitive personal information, the release of which could result in fraud against individuals, or cause other financial or personal harm. Therefore, public entities are required to provide extra care in maintaining the confidential status of such information. Effective controls restrict employees from accessing information unnecessary for their assigned job responsibilities and provide for documented, periodic reviews of employee access privileges to help prevent personnel from accessing sensitive personal information inconsistent with their responsibilities.

²⁰ Section 119.071(5)(a), Florida Statutes.

Pursuant to State law,²¹ the District identified each student using a Florida education identification number obtained from the Florida Department of Education (FDOE). However, student SSNs are maintained in the District MIS to, for example, register newly enrolled students and transmit information to the FDOE through a secure-file procedure and provide student transcripts to colleges, universities, and potential employers based on student-authorized requests. Board policies²² allow designated District school personnel access to student records to perform administrative, supervisory, or instructional responsibilities that serve a legitimate educational purpose in accordance with State law, State Board of Education rules, and Federal laws and District employees are required to certify that they will comply with these requirements.

The Panhandle Area Educational Consortium (PAEC) provides student records data processing services for the District and maintains student information, including SSNs, in the District MIS. As of August 2017, the District MIS maintained the SSNs for 7,880 former and 1,106 current District students and 180 District employees had information technology (IT) user access privileges to student information, including student SSNs. District personnel indicated that periodic reviews of information technology (IT) user access privileges to student information are performed to help monitor these privileges; however, although we requested, District records were not provided to evidence that such reviews had been performed. Subsequent to our inquiry, the District performed and documented a review of IT user access privileges in August 2017.

As part of our audit, we observed various District MIS reports showing District employee access privileges in August 2017 and requested District personnel to confirm that the 180 employees with user access privileges to student SSNs had a demonstrated need to access the SSNs to perform their assigned responsibilities. Our observations and District personnel responses disclosed that 129 of the 180 employees did not need access to student SSNs. The 129 employees with the unnecessary IT user access privileges included teachers, support staff, and administrators such as the Director of Financial Services and the Director of Human Resources. In October 2017, District personnel removed the access privileges for the 129 employees and an additional 31 employees the District determined no longer needed access.

The existence of unnecessary access privileges and the lack of documented, periodic reviews of IT user access privileges increase the risk of unauthorized disclosure of student SSNs and the possibility that sensitive personal information may be used to commit a fraud against District students or others.

Recommendation: The District should continue efforts to ensure that only those employees who have a demonstrated need to access student SSNs have such access. Such efforts should include documented, periodic reviews of assigned IT access privileges to determine whether such privileges are necessary and ensure the timely removal of any inappropriate or unnecessary access privileges detected. The District should also consult with PAEC to ensure that student SSNs are appropriately safeguarded from unnecessary access.

²¹ Section 1008.386, Florida Statutes.

²² Board Policy 8330 - *Student Records*.

PRIOR AUDIT FOLLOW-UP

Except for Findings 6 and 7 that were also noted in our report No. 2016-110, as Findings 2 and 3, the District had taken corrective actions for applicable findings included in our report No. 2016-110.

OBJECTIVES, SCOPE, AND METHODOLOGY

The Auditor General conducts operational audits of governmental entities to provide the Legislature, Florida's citizens, public entity management, and other stakeholders unbiased, timely, and relevant information for use in promoting government accountability and stewardship and improving government operations.

We conducted this operational audit from March 2017 to February 2018 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of this operational audit were to:

- Evaluate management's performance in establishing and maintaining internal controls, including controls designed to prevent and detect fraud, waste, and abuse, and in administering assigned responsibilities in accordance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines.
- Examine internal controls designed and placed in operation to promote and encourage the achievement of management's control objectives in the categories of compliance, economic and efficient operations, reliability of records and reports, and safeguarding of assets, and identify weaknesses in those controls.
- Determine whether management had taken corrective actions for applicable findings included in our report No. 2016-110.
- Identify statutory and fiscal changes that may be recommended to the Legislature pursuant to Section 11.45(7)(h), Florida Statutes.

This audit was designed to identify, for those programs, activities, or functions included within the scope of the audit, weaknesses in management's internal controls, instances of noncompliance with applicable laws, rules, regulations, contracts, grant agreements, and other guidelines; and instances of inefficient or ineffective operational policies, procedures, or practices. The focus of this audit was to identify problems so that they may be corrected in such a way as to improve government accountability and efficiency and the stewardship of management. Professional judgment has been used in determining significance and audit risk and in selecting the particular transactions, legal compliance matters, records, and controls considered.

As described in more detail below, for those programs, activities, and functions included within the scope of our audit, our audit work included, but was not limited to, communicating to management and those charged with governance the scope, objectives, timing, overall methodology, and reporting of our audit; obtaining an understanding of the program, activity, or function; exercising professional judgment in considering significance and audit risk in the design and execution of the research, interviews, tests,

analyses, and other procedures included in the audit methodology; obtaining reasonable assurance of the overall sufficiency and appropriateness of the evidence gathered in support of our audit findings and conclusions; and reporting on the results of the audit as required by governing laws and auditing standards.

Our audit included transactions, as well as events and conditions, occurring during the 2016-17 fiscal year audit period, and selected District actions taken prior and subsequent thereto. Unless otherwise indicated in this report, these records and transactions were not selected with the intent of statistically projecting the results, although we have presented for perspective, where practicable, information concerning relevant population value or size and quantifications relative to the items selected for examination.

An audit by its nature does not include a review of all records and actions of management, staff, and vendors, and as a consequence, cannot be relied upon to identify all instances of noncompliance, fraud, waste, abuse, or inefficiency.

In conducting our audit we:

- Reviewed District procedures for maintaining and reviewing employee access to information technology (IT) resources. From the population of 30 employees who had access to the finance and human resource applications, we examined District records supporting the access privileges of 18 selected employees to determine the appropriateness and necessity of the access based on employees' job duties and user account functions and whether the access prevented the performance of incompatible duties.
- Evaluated committee and advisory board meeting minutes for evidence of compliance with Sunshine Law requirements (i.e., proper notice of meetings and properly maintained meeting minutes).
- Examined District records to determine whether the District had developed an anti-fraud policy and procedures to provide guidance to employees for communicating known or suspected fraud to appropriate individuals.
- Evaluated Board policies related to external organizations to determine whether District procedures documented compliance with the policies.
- Determined whether District controls restricted access to student social security numbers to only individuals who had a demonstrated need for such access.
- Analyzed the District's General Fund total unassigned and assigned fund balances at June 30, 2017, to determine whether the total was less than 3 percent of the fund's projected revenues as specified in Section 1011.051, Florida Statutes. We also performed analytical procedures to determine the ability of the District to make its future debt service payments.
- Evaluated the sufficiency of District procedures to determine whether the District charter school was required to be subjected to an expedited review pursuant to Section 1002.345, Florida Statutes.
- Examined the District Web site to determine whether the 2016-17 fiscal year proposed, tentative, and official budgets were prominently posted pursuant to Section 1011.035(2), Florida Statutes.
- Examined District records to determine whether required internal funds audits for the 2016-17, 2015-16, and 2014-15 fiscal years were timely performed pursuant to SBE Rule 6A-1.087, Florida Administrative Code, and Chapter 8 – School Internal Funds, *Financial and Program Cost Accounting and Reporting for Florida Schools (Red Book)*, and whether the audit reports were presented to the Board.

- From the population of \$943,184 total expenditures and \$1.9 million total transfers made during the audit period from nonvoted capital outlay levy proceeds, Public Education Capital Outlay funds, and other restricted capital project funds, examined documentation supporting selected expenditures and transfers totaling \$622,062 and \$1.5 million, respectively, to determine compliance with the restrictions imposed on the use of these resources.
- From the population of \$63,902 total workforce development fund expenditures for the 2016-17 fiscal year, examined supporting documentation for 30 selected salary, benefit, and other expenditures totaling \$59,375 to determine whether the District used the funds for authorized purposes (i.e., not used to support K-12 programs or District K-12 administrative costs).
- Evaluated the effectiveness of the District Prekindergarten Enrichment Program fee collection procedures and whether the Board authorized the program fees.
- From the population of 14 adult general education instructional students reported for 449 contact hours during the Spring 2017 Semester, examined District records supporting all reported contact hours for all students to determine whether the District reported the instructional contact hours in accordance with Florida Department of Education (FDOE) requirements.
- From the population of compensation payments totaling \$4 million to 246 employees during the period July 1, 2016, through February 28, 2017, examined District records supporting compensation payments totaling \$44,671 to 28 selected employees to determine the accuracy of the rate of pay and whether supervisory personnel reviewed and approved employee reports of time worked.
- From the population of 89 noninstructional and administrative employees compensated a total of \$1.4 million during the period July 1, 2016, through February 28, 2017, examined District records supporting compensation payments totaling \$53,693 to 25 selected employees to determine whether supervisory personnel reviewed and approved employee reports of time worked and leave taken and whether leave records had been properly updated, if applicable.
- Examined documentation to determine whether the District had developed adequate performance evaluation procedures for instructional personnel and school administrators based on student performance and other criteria in accordance with Section 1012.34(3), Florida Statutes.
- Reviewed the Board-approved salary schedule for the audit period and determined whether it provided annual salary adjustments for instructional personnel and school administrators based on performance in accordance with Section 1021.22(1)(c)5., Florida Statutes, and determined whether a portion of each selected instructional employee's compensation was based on performance in accordance with Section 1012.22(1)(c)4., Florida Statutes.
- Examined District records to determine whether the Board adopted a salary schedule with differentiated pay for both instructional personnel and school administrators based on District-determined factors, including, but not limited to, additional responsibilities, school demographics, critical shortage areas, and level of job performance difficulties in compliance with Section 1012.22(1)(c)4.b., Florida Statutes.
- For 10 of the 39 teachers hired by the Board during the 2015-16 and 2016-17 fiscal years, examined District records to determine whether the selected teachers held the required certificates before they were hired and, for any out-of-field teaching assignments, whether the District notified parents and reported the out-of-field teachers on the District Web site. We also examined District records to determine whether the 10 employees were properly compensated based on their certificate status.
- Examined District records for contracted workers and employees to assess whether individuals who had access on school grounds were subjected to the required fingerprinting and background screenings.

- Examined Board policies, District procedures, and related records for volunteers for the audit period to determine whether the District-operated school and the District charter school searched prospective volunteers' names against the Dru Sjodin National Sexual Offender Public Web site maintained by the United States Department of Justice, as required by Section 943.04351, Florida Statutes.
- Examined District records supporting the eligibility of all four charter school teacher recipients of Florida Best and Brightest Teacher Scholarship Program awards totaling \$27,268 during the audit period.
- From the population of 1,093 non-payroll expenditures totaling \$4.2 million during the period July 1, 2016, through February 28, 2017, examined documentation relating to 30 selected transactions totaling \$35,126 to determine whether the non-payroll expenditures were reasonable, correctly recorded, adequately documented, for valid District purposes, properly authorized and approved, and in compliance with applicable State laws, rules, contract terms, and Board policies.
- From the population of 67 contracts totaling \$765,542 in effect during the audit period, examined supporting documentation, including the contract documents, for 43 selected payments totaling \$175,464 relating to 15 contracts to determine whether:
 - The District complied with competitive selection requirements for applicable vendors.
 - Contracts clearly specified deliverables, time frames, documentation requirements, and compensation.
 - District records documented satisfactory receipt of deliverables before payments were made.
 - Payments complied with contract provisions.
 - Any of the vendors or consultants were also District employees to evaluate whether the District complied with Section 112.313, Florida Statutes, and had not contracted with its employees for services provided beyond those in their salary contract.
- Determined whether District's records evidenced that the District complied with the competitive bid process related to commercial insurance as set forth by Section 112.082(2)a, Florida Statutes.
- Determined whether the District had developed and maintained comprehensive, written virtual instruction program (VIP) policies and procedures and properly informed parents and students about students' rights to participate in a VIP and the VIP enrollment periods as required by Section 1002.45(1)(b) and (10), Florida Statutes.
- Communicated on an interim basis with applicable officials to ensure the timely resolution of issues involving controls and noncompliance.
- Performed various other auditing procedures, including analytical procedures, as necessary, to accomplish the objectives of the audit.
- Prepared and submitted for management response the findings and recommendations that are included in this report and which describe the matters requiring corrective actions. Management's response is included in this report under the heading **MANAGEMENT'S RESPONSE**.

AUTHORITY

Pursuant to the provisions of Section 11.45, Florida Statutes, I have directed that this report be prepared to present the results of our operational audit.

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is fluid and cursive, with the first name "Sherrill" and last name "Norman" clearly legible, and "F." as a middle initial.

Sherrill F. Norman, CPA
Auditor General

MANAGEMENT'S RESPONSE



Superintendent Traci Moses
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Franklin County District Schools

85 School Rd., Suite 1
Eastpoint, FL 32328

March 13, 2018

Sherrill F. Norman, CPA
Auditor General - State of Florida
Claude Denson Pepper Building, Suite G74
111 West Madison Street
Tallahassee, Florida 32399-1450

Dear Ms. Norman:

Please find below the responses to the Preliminary and Tentative Audit Findings and Recommendations for the Fiscal Year Ended June 30, 2017, for the Franklin County District School Board.

Finding 1: Background Screenings – Contractor Workers

The District has reviewed all contracted service providers to ensure background screenings have been conducted and are on file. Supervisors have been directed to ensure any new contractors report to the Human Resources Department for proper screening and issuance of badges. Contract vendors who have been cleared by the Human Resources Department are added to the School Check In system. Staff have been directed to deny access to school grounds for any individuals who are not listed in this system or whom do not have an id badge properly displayed.

Finding 2: Teacher Certificates

The District established a Director of Human Resources position who verifies teacher certification prior to being hired. District procedures require the Principal to send quarterly letters to the parents of all students who are being taught by out-of-field teachers, and documentation of these letters is maintained at the school. The procedures further require the District website be updated quarterly with the names of all out-of-field teachers following Board approval.



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Finding 3: Contract Management

The District has improved contracted services agreements to include that service deliverables and related costs are included in contracts. District staff has been trained to obtain proper documentation for receipt of satisfactory services prior to submitting an invoice payment request to the Finance Department. District Finance staff will review documentation to confirm services are satisfactorily received prior to the payment of invoices.

Finding 4: Performance Evaluations

District procedures require the newly established Director of Human Resources to review the documented evidence of the evaluation process.

Finding 5: Insurance Bids

The District will utilize competitive bidding procedures when entering into contracts for health, life, dental, or other insurance.

Finding 6: Adult General Education Courses

The District established a Coordinator of Assessment and MIS position who verifies and reports instructional contact hours for adult general education classes to the FDOE. The District will also determine to what extent the adult general education hours were misreported for the 2016-17 fiscal year and contact the FDOE for proper resolution.

Finding 7: Virtual Instruction Program Policies and Procedures

The District revised its policies, including virtual school policies, in June 2016 under the guidance of NEOLA, a policy and procedure consulting firm. An update to the policies and procedures is currently in the review process with NEOLA's assistance.

Finding 8: Prekindergarten Program Fee Collections

The District has established appropriate compensating controls which include District staff verification of fees collected based on a review of student attendance and registration forms.



Franklin County District Schools

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Finding 9: Information Technology User Access Privileges – Student Social Security Numbers

The District has established procedures to include completing an access privilege form for all new hires, transfers and terminations. The Coordinator of Assessment and MIS updates access which is documented on the access form. The District has consulted with PAEC to confirm that student SSNs are appropriately safeguarded from unnecessary access.

Please contact my office if I may provide further information or assistance.

Sincerely,

Traci Moses
Superintendent