

**Audit of the Driver Education  
Safety Act Interlocal  
Agreement with Orange  
County Public Schools**

**Report by the  
Office of County Comptroller**

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## TABLE OF CONTENTS

Transmittal Letter .....	1
Executive Summary .....	2
Action Plan .....	5
Introduction .....	7
Background .....	8
Scope, Objectives, and Methodology .....	8
Overall Evaluation .....	9
Recommendations for Improvement .....	10
1. Fees Charged for Driver Education Courses at the Technical Centers Should Be Reimbursed to the Dori Slosberg Fund.....	11
2. Efforts to Retain Documentation Supporting Student Pass Rates and Percentage of Time Behind the Wheel Figures Should Be Improved .....	12
3. Accuracy and Presentation of the Driver Education Annual Progress Report Should Be Improved .....	15
4. The County Should Consider Modifying the Interlocal Agreement.....	16
5. Funds Deposited Should Accrue Interest For Program Use.....	18

May 21, 2009

Richard T. Crotty, County Mayor  
And  
Board of County Commissioners

We have conducted an audit of compliance with the interlocal agreement between Orange County Government and Orange County Public Schools for the administration and disbursement of the Florida Driver Safety Education Act Funds, and compliance with provisions of the Act. The period audited was July 1, 2007 through June 30, 2008.

We conducted this audit 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.

Responses to our Recommendations for Improvement were received from the Director of Instructional Technology and Library Media at Orange County Public Schools and the Manager of Orange County Government's Office of Management and Budget for recommendations addressed to each, respectively. All responses are incorporated herein.

We appreciate the cooperation of the personnel of the Orange County School Board and Orange County Government's Office of Management and Budget during the course of the audit.

Martha O. Haynie, CPA  
County Comptroller

c: Ajit Lalchandani, County Administrator  
Randy Singh, Manager, Office of Management and Budget  
Orange County School Board  
George Perreault, Director, Instructional Technology and Library Media, OCPS  
Michael Smith, Internal Audit Director, OCPS

# EXECUTIVE SUMMARY

## Executive Summary

We conducted an audit of the Driver Safety Act Interlocal Agreement with Orange County Public Schools (OCPS). The audit objective was to determine whether OCPS met the requirements agreed to with Orange County in the interlocal agreement and Florida Statute 318.1215, which establishes the collection of these funds.

The audit period was July 1, 2007 to June 30, 2008, although earlier periods were reviewed as necessary. In our opinion, OCPS is materially in compliance with the requirements of the interlocal agreement with Orange County Government, except for the annual reporting requirement. We are unable to determine whether OCPS is in compliance with Florida Statute 318.1215 due to questions, which may need legal clarification, concerning the definition and legislative intent of the phrase “behind the wheel” as used in the Statute. Opportunities for improvement were noted and are included in the Recommendations for Improvement section of this report. These include the following:

The Driver Education courses offered at the OCPS Technical Centers were substantially funded from monies in the Driver Safety Education Act Fund that were received from Orange County. Students taking the course at these centers were charged a fee; however, none of the fees collected were returned to the Fund. Currently each student is charged \$30 by OCPS for the drug and alcohol test portion of the driver exam. During the audit period, students were assessed from \$30 to \$175 for the course.

We were unable to locate adequate documentation to support the 30 to 48 percent of student time shown as spent behind the wheel by OCPS in its annual report to Orange County. Estimates of student time were used although reports tracking student time from the simulators were available. OCPS also did not retain documentation to support the number of students reported to Orange County as passing the written portion of the exam.

The dollar amounts reported by OCPS in the Annual Progress Report were not shown in sufficient detail to be useful to Orange County in fulfilling its monitoring responsibilities. In addition, we were also unable to reconcile all dollar amounts on the Annual Progress Report to OCPS financial records.

We were unable to determine a clear definition of the phrase “behind the wheel” and its affect on OCPS’ use of simulators alone rather than vehicles, or a combination of both, as used in other Florida school districts. As such, Orange County should seek further legal guidance on the definition of behind the wheel as used in Florida Statutes.

Inquiries were also made of OCPS management concerning the collection of interest on the Driver Safety Education Act funds. We were informed that OCPS

does not keep the Driver Safety Education Act funds in an interest bearing account.

Management concurred with five of the seven Recommendations for Improvement. Corrective action for agreed-upon recommendations has been completed or is planned as noted herein.

# ACTION PLAN

**AUDIT OF THE DRIVER EDUCATION SAFETY ACT INTERLOCAL AGREEMENT WITH  
ORANGE COUNTY PUBLIC SCHOOLS  
ACTION PLAN**

NO.	RECOMMENDATIONS	MANAGEMENT RESPONSE			IMPLEMENTATION STATUS	
		CONCUR	PARTIALLY CONCUR	DO NOT CONCUR	UNDERWAY	PLANNED
1.	We recommend OCPS reimburses the Fund for fees collected from charges to students taking the Driver Education course at the technical centers. In the future, any fees collected from courses funded by the Fund should be returned to the fund.	✓				✓
2.	We recommend the OCPS performs the following:					
A.	Obtains and retains reports from simulators reflecting the time students spend on the simulators and use these reports to aid in determining and supporting the percentage of time students are reported behind the wheel;	✓				✓
B.	Retains adequate documentation of reported student pass rates for the written exam; and,	✓				✓
C.	Considers presenting an amendment to the interlocal agreement to the Orange County Board of Commissioners to remove the requirement of reporting the number of students passing the motor exam.	✓				✓
3.	We recommend OCPS ensure future Driver Education Annual Progress Reports provided to Orange County are accurate, supported, and provide a detailed reporting of expenditures, such as salaries, purchased licenses, and supplies.	✓				✓
4.	We recommend Orange County researches the intent of the phrase "behind the wheel" as used in the Florida Statutes and consider whether the interlocal agreement should be modified to require vehicles to be used.	✓			COMPLETED	
5.	We recommend OCPS consider placing Driver Safety Education monies in an interest bearing account with earnings used to fund the driver education program.			✓		



# INTRODUCTION

### Background

In December 2006, Orange County and Orange County Public Schools (OCPS) entered into an interlocal agreement to provide for the administration and distribution of Driver Safety Education Act funds collected under the State of Florida Dori Slosberg Act. This agreement resulted from the adoption of Orange County Ordinance 2004-20, the Driver Education Safety Act, in December 2004. This Ordinance requires the Clerk of the Courts to collect an additional \$3 with each civil traffic penalty to be used for the funding of traffic education programs in OCPS. These funds are transferred from the Clerk of the Courts to Orange County and then to OCPS. The interlocal agreement provides for the transfer of funds to OCPS in April and October of each year.

On an annual basis, OCPS is required by the interlocal agreement to submit a progress report to Orange County including statistical information and program expenditures. Additionally, there is an exhibit attached to the interlocal agreement which provides for more detailed reporting requirements, including providing the percentage of time students spend behind the wheel and driver's license pass rates for the written and road portions of the exam.

The funds are authorized to be collected by Section 318.1215, Florida Statutes, named the Dori Slosberg Driver Education Safety Act. They are to be used for direct educational expenses and are not permitted to be used for administration expenses. Additionally, the Statute requires that a minimum of 30 percent of a student's time in the program be spent behind the wheel in training. The Act was amended in 2006 to allow counties to increase from \$3 to \$5 the amount included in civil traffic penalties.

### Scope, Objectives, and Methodology

The audit scope focused on compliance with the terms of the interlocal agreement. The audit period was July 1, 2007 to June 30, 2008, although earlier periods were reviewed as necessary.

The audit objective was to determine whether OCPS met the requirements agreed to in the interlocal agreement, and

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## INTRODUCTION



Florida Statute 318.1215, which establishes the collection of these funds.

To determine compliance with the interlocal agreement, all instructors shown as current driver education instructors were reviewed to see if they were certified in driver education. Additionally, documentation was requested from instructors to support program performance information provided in the annual report to Orange County. The curriculum used was also reviewed to ensure it met the required program activities and instructors were contacted to determine if they utilized the curriculum.

Expenditures from the fund were reviewed to ensure that they met the requirements provided in the Statute.

The Driver Education Annual Progress Report of March 2008 by OCPS was reviewed for accuracy.

The wording in the interlocal agreement and its exhibit were reviewed for clarity.

## Overall Evaluation

In our opinion, OCPS is materially in compliance with the requirements of the interlocal agreement with Orange County Government, except for the annual reporting requirement. We are unable to determine whether OCPS is in compliance with Florida Statute 318.1215 due to questions, which may need legal clarification, concerning the definition and legislative intent of the phrase “behind the wheel” as used in the Statute.

# RECOMMENDATIONS FOR IMPROVEMENT

**RECOMMENDATIONS  
FOR IMPROVEMENT**



**1. Fees Charged for Driver Education Courses at the Technical Centers Should Be Reimbursed to the Dori Slosberg Fund**

Orange County provides Driver Safety Education monies to OCPS for the enhancement of the driver education program, which OCPS deposits into an account named the Dori Slosberg Fund (Fund). A portion of these monies are used as the primary source of funding for the driver education course at two technical school centers, Winter Park Tech and Westside Tech, which offer the driver education course on a fee basis. The instructor’s salary, the on-site simulators and some materials are paid for directly from the Fund. However, none of the fee amounts collected from the students is returned to the Fund or to the technical centers to specifically support the Driver Education course.

All student fees collected for the various courses offered at the Tech Centers are comingled and sent to the school district, which later returns a portion back to the centers for their operations. For OCPS fiscal year 2006-07, the amount charged for the course was \$175 per student and in fiscal year 2007-08, \$30 for Orange County students and \$125 for all others. Amounts collected are as follow:

Center	FY 2006-07 Fees Collected	FY 2007-08 Fees Collected	Total
Westside Tech	\$3,325	\$2,435	\$5,760
Winter Park Tech	\$4,375*	\$3,300	\$7,675
<b>Grand Total:</b>			<b>\$13,435</b>

\*Reported as being collected. OCPS was not able to verify the amount.

Although the fees charged and forwarded to the OCPS’s general fund are not significant when compared to the entire program budget, doing so circumvents the purpose of the Driver Safety Education Act. In essence, Driver Safety Act funding is transferred to support general operations. Driver education course fee collections should be deposited to the Fund.

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## RECOMMENDATIONS FOR IMPROVEMENT



Audit of the Driver Education  
Safety Act Interlocal Agreement with OCPS

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**We Recommend** OCPS reimburses the Fund for fees collected from charges to students taking the Driver Education course at the technical centers. In the future, any fees collected from courses funded by the Fund should be returned to the Fund.

### **Orange County Public School's Response:**

Orange County Schools concurs with your recommendation. Upon further consultation with the previous administrator for the program, it was revealed that the \$30 fee assessed by technical schools for the Driver's Ed class is a fee for the Drug & Alcohol class (DATE class) which is required to obtain a driver's license. Our teachers are licensed 3rd party instructors for the Department of Motor Vehicles and Highway Safety for this class. Students would otherwise be required to take this course on their own at an average cost of \$45.00. While these fees are being collected, it represents a savings to the student in order to fulfill the requirement.

We agree that the courses at the Technical Centers are primarily funded with Driver Safety Education monies. We will analyze our past expenditures and determine if we funded amounts in excess of the amounts collected. We will refund any amounts collected in excess of expenditures. In the future, we will track monies spent by OCPS and refund any amounts in excess of the amounts spent by us.

## **2. Efforts to Retain Documentation Supporting Student Pass Rates and Percentage of Time Behind the Wheel Figures Should Be Improved**

Section 318.1215, Florida Statutes requires the following:

- Each driver education program receiving funds pursuant to this section shall require that a minimum of 30 percent of a student's time in the program be behind the wheel training.

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## RECOMMENDATIONS FOR IMPROVEMENT



Audit of the Driver Education  
Safety Act Interlocal Agreement with OCPS

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- The funds shall be used for enhancement and not replacement of driver education program funds.
- The funds shall be used for direct educational expenses and shall not be used for administration.

In addition, the interlocal agreement implementing the Driver Education Safety Act requires OCPS to report annually the following:

- All expenditures of new and existing driver education programs.
- The number of schools providing driver education in Orange County.
- The number of students registering for driver education at each site.
- The number of students successfully completing the requirements for driver education to include the number of students passing the written and motor exams.

While reviewing documentation maintained by the OCPS to support these requirements, we had the following concerns:

- A) OCPS does not have documentation to support the requirement that 30 percent of student time be spent behind the wheel (the Agreement allows simulators to be used for behind the wheel training). OCPS reported that students spent 30 to 48 percent of their time behind the wheel. We noted that the only documentation of this percentage amount was an email sent by the vendor in response to a request from OCPS staff. The percentages provided were estimates which were verbally confirmed with the instructors by the administrator of the program for OCPS.

We were informed that the simulators are able to generate reports which show the amount of time that

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## RECOMMENDATIONS FOR IMPROVEMENT



Audit of the Driver Education  
Safety Act Interlocal Agreement with OCPS

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students spend on the simulators along with tasks completed. However, this method was not used.

- B) OCPS did not maintain documentation on file and none could be obtained to adequately support the number of students reported as passing the written exam in the progress report.
- C) The number of students passing the motor portion of the vehicle exam was not reported to the County. From discussions with OCPS staff, we found that previously the instructors had been able to administer the motor portion of the exam when the schools were equipped with vehicles for the driver education course. However, they can no longer administer this portion of the exam since they do not use vehicles at the school sites. This has resulted in OCPS being unable to report the number of students passing the motor portion of the exam.

Driver education program results should be verifiable with adequate supporting documentation. Without adequate documentation, information reported is not verifiable and could be considered unreliable.

**We Recommend** the OCPS perform the following:

- A) Obtains and retains reports from simulators reflecting the time students spend on the simulators and use these reports to aid in determining and supporting the percentage of time students are reported behind the wheel;
- B) Retains adequate documentation of reported student pass rates for the written exam; and,
- C) Considers presenting an amendment to the interlocal agreement to the Orange County Board of Commissioners to remove the requirement of reporting the number of students passing the motor exam.



**RECOMMENDATIONS  
FOR IMPROVEMENT**



**Orange County Public School's Response:**

- A) Orange County Schools concurs with your recommendation. Teachers are required by the Department of Motor Vehicles and Highway Safety to maintain reports from simulators. Currently developing a form to help capture the data.
  
- B, C) Orange County Schools concurs with your recommendation. We will follow through with this suggestion as it is a confidentiality issue and the data is very difficult to extract.

**3. Accuracy and Presentation of the Driver Education Annual Progress Report Should Be Improved**

Dollar amounts reported to Orange County in the Driver Education Annual Progress Report for the period January 2007 to January 2008 were not adequately detailed. The report provided the following information:

Slosberg dollars for driver education 01/07-01/08 Expenditures, Enhancements/New Programs		\$1,235,240
Lease Agreement for 07.08	\$659,851	
Basic Instruction Adult Programs (2)	\$221,444	
Basic Instruction Adult Night School (2)	<u>\$13,534</u>	
Total Monies Spent		<u>\$894,829</u>

The report did not provide sufficient detail to determine the appropriateness of the numbers reported or the specific use of the funds. Although we were able to reconcile the amount reported for the lease agreement to the financial statements, we were unable to reconcile the remaining \$234,978 to the financial statements.

In addition, when reviewing the report we also noted that the funds reported as received were \$1,235,240; however, amounts actually remitted by Orange County to OCPS during the reporting period totaled \$1,557,687 (we were able to reconcile the correct amount to the OCPS financial statements).

The interlocal agreement requires OCPS to provide annual progress reports, including program statistics, expenditures, and curriculum information to the County for monitoring. Reported information should be accurate, adequately supported, and provide sufficient detail to be useful to those fulfilling monitoring responsibilities.

**We Recommend** OCPS ensure future Driver Education Annual Progress Reports provided to Orange County are accurate, supported, and provide a detailed reporting of expenditures, such as salaries, purchased licenses, and supplies.

**Orange County Public School's Response:**

Orange County Schools concurs with your recommendation. We have engaged the Senior Director of finance to assist with the documentation of this process to insure the accuracy of expenditures reported.

**4. The County Should Consider Modifying the Interlocal Agreement**

Exhibit A of the interlocal agreement between the County and OCPS defines the phrase "behind the wheel" as the following:

Each driver education program receiving funds pursuant to 318.121 shall require that a minimum of 30 percent of a student's time in the program be behind the wheel training. The National Highway Traffic Safety Association (*Traffic Safety Education Life Long Learning Process*, page 3, prepared by the Highway Safety Center, Indiana University of PA) defines behind the wheel instruction as that portion of the driver education laboratory instruction where the enrollee is actually seated behind the wheel of a vehicle or simulated vehicle, operating it in real or simulated traffic situations, through the direct

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## RECOMMENDATIONS FOR IMPROVEMENT



guidance of a certified driver education teacher.

While the document *Traffic Safety Education Life Long Learning Process* referenced in the above section does provide in its list of definitions the definition of behind the wheel as noted, it also provides further guidance on the ratios that should be utilized between simulation driving and driving behind the wheel of a vehicle. In the section titled *Program Enhancements*, it states:

If simulation instruction is used to replace a portion of the on-street instruction, a substitution ratio of four hours of simulation instruction to one hour of on-street instruction (4:1) should be used. Simulation instruction may be used to replace a maximum of three (3) hours of on-street instruction.

Additionally, it also notes, "No combination of driving range and/or driving simulation instruction should be substituted for more than three (3) hours of on-street instruction."

We also reviewed the State of Florida Department of Education course description for driver education with a laboratory portion (the same class as shown as taught by OCPS). The course requires that students who successfully complete the course be able to "describe and demonstrate basic control of the vehicle, including ... control of motion and direction, and basic maneuvers." The course requirement specifically requires that students be able to control a vehicle and makes no mention of the use of simulators in fulfilling this requirement.

From information provided by the Dori Slosberg Foundation, and corroborated by our survey of other Florida school districts, it appears that OCPS is the only district in Florida that uses simulators alone for the behind the wheel portion of the Driver Education course. The other Districts use either vehicles, or a combination of vehicles and simulators for behind the wheel driving.

The Board of Orange County Commissioners, as the administrator of these funds, has a responsibility to ensure that the funds are being used appropriately and meet the requirements of the Dori Slosberg Driver Education Safety Act. Since the phrase “behind the wheel training,” as used in Florida Statute 318.1215 may be open to interpretation, and legislative intent must be determined, there appears to be a need for a legal clarification.

**We Recommend** Orange County researches the intent of the phrase “behind the wheel” as used in the Florida Statutes and consider whether the interlocal agreement should be modified to require vehicles to be used.

**Orange County Government’s Response:**

Orange County concurs with your recommendation. Our legal department has researched the intent of the phrase “behind-the-wheel” and has issued the following comments:

Regarding the Dori Slosberg Interlocal Agreement, it appears that “behind-the-wheel” does include simulation. Thus, it is our opinion that the Orange County School Board is implementing the program in the correct manner.

**Orange County Public School’s Response:**

Orange County Schools concurs with your [Orange County Government’s] assessment.

**5. Funds Deposited Should Accrue Interest For Program Use**

As part of our audit, inquiries were made of OCPS staff to determine whether interest was earned on Driver Safety Education monies. We were informed that interest is not earned on the fund’s balance.

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## RECOMMENDATIONS FOR IMPROVEMENT



Audit of the Driver Education  
Safety Act Interlocal Agreement with OCPS

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Earning interest on idle monies is a good business practice. Putting interest earnings back into the fund provides additional monies for the driver education program.

**We Recommend:** OCPS consider placing Driver Safety Education monies in an interest bearing account with earnings used to fund the driver education program.

**Orange County Public School's Response:**

Orange County Schools does not concur with your recommendation. It is impractical to track interest earnings in the manner recommended, and the amount of interest earnings, if any, which might be accrued, is likely of an immaterial amount.