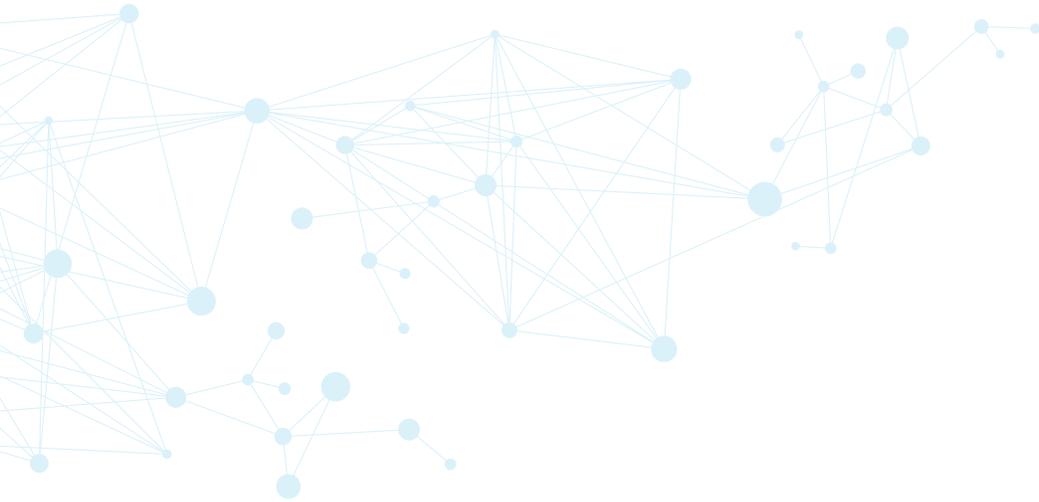


# Florida Virtual School® Legislative Report 2014-15



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# Introduction

The ability for schools to provide students with the knowledge and skills they will need to succeed in the information age of the 21st century will be one of the most important measures of effective educational reform. Our most important duty, as parents and educators, is to teach our students critical thinking and reasoning skills. The desire to help our students become successful 21st century citizens is the driving force behind the existence of Florida Virtual School® (FLVS®). Through initiatives such as Florida Virtual School, time, distance, and availability of rigorous courses are no longer obstacles to students and schools.

A recent quote by Governor Rick Scott speaks to the efforts that FLVS is making in expanding opportunities for students:

*“As a state, we must find new and innovative ways to improve the quality and delivery of services to Floridians. With its mastery-based, one-on-one delivery of instruction model and performance-based funding approach, Florida Virtual School is a prime example of how outside of the box thinking can produce immense success in how we educate our students.”* – Rick Scott, Governor

Since the inception of Florida Virtual School in 1997, success has been our expectation. It is an expectation equally shared by our students, parents, partners, and political supporters. The belief that student-centered education really works has made the past 18 years an exciting and productive adventure. Florida Virtual School is a place where students are at the center of learning. We recognize that learning is an ongoing activity not confined solely to classrooms and class schedules. Of equal importance is our understanding that students must be given the opportunity to be active and willing participants in the learning process. Learning starts with the learner. That understanding is at the core of “reinventing education.”

# Executive Summary

Florida Virtual School (FLVS) is a statewide public school district, chartered by the state of Florida to provide digital solutions to public, private, charter, and homeschool Kindergarten–12th grade students and charged with being entrepreneurs to support our mission. We are dedicated to providing innovative educational solutions that ensure each student's unique educational needs are met.

Our experience has shown the value of online learning in providing increased opportunities, improving educational outcomes, and setting students up for future success across Florida and around the world. As a result of the hard work of our dedicated students, instructors, and support staff, our students continue to outperform state averages on End-of-Course Assessments and state overall averages on Advanced Placement®\* (AP®) Exams.

Over the last year, FLVS successfully served more than 206,000 students collectively through FLVS Full Time and FLVS Part Time while saving Florida taxpayers approximately \$2,400 per student compared to traditional public schools. In addition, our in-state district franchises grew by more than 60 percent.

FLVS Full Time had a stellar 2014-15 school year, with 475 students earning their diplomas and several making special achievements. We had our first student graduate with an Associate of Arts degree, a student appointed to the United States Military Academy at West Point, one admitted to John Cabot University in Rome on a Presidential Scholarship, and another admitted to the Chicago College of Performing Arts on a full scholarship. We are proud to report that FLVS Full Time Kindergarten-8 earned a baseline grade of "B" and FLVS Full Time 9-12 earned a baseline grade of "A" under the Florida Accountability system.

FLVS continues to be recognized as an industry leader by winning more than 10 awards covering instructional practices, technology, staff development, and communications.

FLVS Global provides more choices and opportunities for success to students in all 50 states and more than 65 countries by bringing online education products to market that otherwise may not be available. In 2014-15, FLVS Global School served 2,340 students and offered more than 114 courses. Keeping the students at the center of every decision we make, all proceeds go directly back into curriculum and course development.

The evidence above is presented in a broader facet within this report, which also showcases our strategic and marketing plans and customer satisfaction surveys. The 2014-15 school year was another successful year for the students and districts using FLVS and we look forward to even greater results in the months and years to come.

Our customers, our students, and their parents deserve educational excellence, and it is our goal to ensure each student is treated as an individual with unique educational needs. It is a privilege to be a champion of so many remarkable students.

Sincerely,

Ronald Blocker

President and CEO

# Operations of Florida Virtual School

As an online school, FLVS is unique from other schools in that it does not have physical facilities in the traditional manner. FLVS is virtual in the sense that there is no FLVS school building; its students can be anywhere in the state or the world. Although the administrative and technical functions of FLVS are primarily based in Orange County, all teachers and some support staff are home-based throughout the state. In 2014-15, the total staff was 1,906. The FLVS online educational delivery system transcends traditional education programs and offers an unprecedented degree of access and flexibility in serving the unique needs of elementary and secondary school students throughout the state of Florida and beyond.

As a public school, all FLVS instructors possess state certification. FLVS provides online instruction to students in all 67 Florida public school districts, has affiliations with numerous private schools, and provides instruction to homeschooled students throughout the state.

Since it began serving students on a statewide basis in the fall of 1997 with approximately 77 student enrollments, FLVS has continued to develop into a dynamic organization. In the 2014-15 school year, 394,712 student enrollments in more than 140 courses (including Advanced Placement® [AP®\*]) were successfully completed through FLVS Part Time. *(Please note that enrollment is defined as number of course seats that students have taken. The enrollment number is consistently larger than the student count number. This is because many students sign up for more than one course. It is not uncommon for one student to be enrolled in three courses, thus the student count would be one but the enrollment count would be three. In the 2014-15 school term, the average number of online classes taken was 1.97 enrollments per student).*

\*AP and Advanced Placement Program are registered trademarks of the College Board, which was not involved in the production of and does not endorse this product.

# Performance Data

	2014-15	2013-14	2012-13	2011-12	2010-11
<b>Semester Completions*</b>					
Part Time Semester Completions	394,712	377,508	410,962	314,593	259,941
Full Time Semester Completions	61,782	56,814	50,969	28,897	
District Total Semester Completions	456,494	434,322	461,931	343,490	
<b>Students Served</b>					
Part Time Students Served	200,844	192,820	206,730	149,036	122,702
Full Time Students Served	5,595	5,104	5,366	2,468	
<b>Student Semester Completions* by School Type</b>					
Public & Charter	73%	73%	75%	70%	69%
Homeschool	22%	21%	20%	23%	25%
Private	5%	6%	5%	7%	6%
<b>Student Semester Completions* by Race**</b>					
Caucasian	73%	72%	70%	53%	57%
Minority	27%	28%	30%	47%	43%
<b>Student Semester Completions* by Gender</b>					
Female	57%	57%	57%	58%	57%
Male	43%	43%	43%	42%	43%
<b>Semester Completions* in Priority Schools (FLVS Part Time only)</b>					
Rural	6%	6%	7%	7%	7%
Low-Performing	17%	15%	16%	15%	16%
High-Minority	24%	23%	25%	23%	20%
<b>Advanced Placement Course Semester Completions* (FLVS Part Time only)</b>					
Total AP Semester Completions	6,351	6,028	5,493	4,829	4,368
Minority Student Semester Completions**	48%	52%	33%	49%	46%
<b>AP Semester Completions* in Priority Schools (FLVS Part Time only)</b>					
Rural	3%	3%	3%	5%	3%
Low-Performing	12%	13%	12%	14%	13%
High-Minority	18%	21%	24%	25%	22%

## Top 10 Core Courses by Semester Completions\* 2014-15

1.	Algebra 2	3%
2.	World History	3%
3.	Geometry	3%
4.	English 3	2%
5.	U.S. History	2%
6.	Economics with Financial Literacy	2%
7.	English 2	2%
8.	Algebra 1	2%
9.	U.S. Government	2%
10.	Biology 1	2%

## Top 10 Elective Courses by Semester Completions\* 2014-15

1.	Driver's Education/Traffic Safety	12%
2.	Health Opportunities through Physical Education (HOPE)	8%
3.	Spanish 1	5%
4.	Spanish 2	4%
5.	Parenting Skills	3%
6.	Personal Fitness	2%
7.	Peer Counseling 1	2%
8.	Leadership Skills Development	2%
9.	Creative Photography 1	1%
10.	Computing for College and Careers	1%

\*A semester completion equals a successful completion (passing grade) of one semester of a course. Students who fail or withdraw from a semester of a course are not included in this number.

\*\*2012-13 data reflects new race definitions provided by the Florida Department of Education.

## Performance Data continued

	2014-15	2013-14	2012-13	2011-12	2010-11
<b>Total Number of Courses</b>	140	120	120	120	110
<b>Top District Participation by Semester Completions*</b>					
Miami-Dade	16%	15%	15%	14%	8%
Hillsborough	9%	8%	8%	9%	11%
Broward	8%	9%	12%	9%	10%
Palm Beach	8%	9%	7%	7%	7%
Orange	7%	7%	7%	7%	7%
<b>Number of Semester Completions* through FLVS Franchises</b>	127,363	78,106	42,623	33,243	28,368
<b>Staff Demographics</b>					
Total Number of Staff	1,906	1,945	2,584	2,006	1,463
Support Staff	411	346	488	359	341
Full Time Teachers	1,347	1,263	1,412	1,155	1,027
Adjunct Teachers	148	336	684	492	95

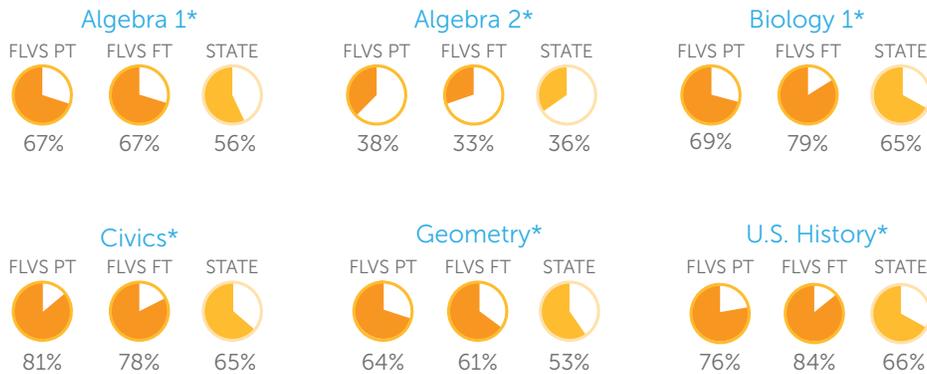
\*A semester completion equals a successful completion (passing grade) of one semester of a course. Students who fail or withdraw from a semester of a course are not included in this number.

# FLVS Awards and Accomplishments

## 2014-15

- FLVS received the Learning 100 Award from Elearning! Media Group for its Transformations Orientation Program
- Named a winner of the 2014 Blackboard Catalyst Award for Student Impact (FLVS Middle School Social Studies Team)
- Awarded the 2014 Platinum Learning Impact Award for Content Automation Tool from the IMS Global Learning Consortium
- Florida Virtual School was named a finalist in the 2014 SIIA CODiE Awards for three categories: Best Instructional Solution in Other Curriculum Areas for both the Social Media and Outdoor Education courses and Best Collaboration Solution for Students for Grom Social Education Groups
- Received the 2014 Learning and Performance Excellence Award from the Central Florida Chapter of the American Society of Training and Development for Staff Development
- FLVS Marketing & Communications team received 10 Orlando Addy Awards – one Best of, two Gold, and seven Silver – for the Go Ahead chalkboard marketing campaign.
- Dr. Dhyana Ziegler, FLVS board member and Florida A&M University (FAMU) professor, was named the Garth C. Reeves Eminent Scholar Chair in the School of Journalism & Graphic Communication at FAMU

## End-of-Course Assessments Spring 2015



Data represents first-time test takers.  
 \*Percentage of Students Scoring Level 3 or Above (Proficient)

## Advanced Placement Results 2015

FLVS AP Course	FLVS	State	National	FLVS AP Course	FLVS	State	National
AP Computer Science A	78.6%	45.5%	63.8%	AP Statistics	55.4%	44.0%	57.3%
AP Biology	74.2%	59.2%	64.0%	AP Environmental Science	54.2%	40.4%	46.8%
AP Calculus BC	72.0%	77.9%	80.1%	AP Macroeconomics	54.2%	37.9%	53.0%
AP Human Geography	66.0%	45.5%	53.6%	AP Microeconomics	52.2%	47.9%	65.9%
AP Psychology	64.8%	58.9%	66.1%	AP Art History	46.1%	49.9%	57.4%
AP English Literature	59.6%	53.2%	56.0%	AP Calculus AB	39.4%	55.2%	56.9%
AP English Language	56.0%	52.3%	55.4%	AP U.S. Gov. & Politics	37.1%	34.3%	48.0%
<b>Overall Averages</b>					<b>57.4%</b>	<b>50.4%</b>	<b>57.5%</b>

The above chart reflects the percent of tests with a qualifying score (a test score of 3, 4, or 5) taken by FLVS students.

# Assets and Liabilities

## Reconciliation of the Governmental Funds – Balance Sheet to the Statement of Net Position

For the fiscal year ended June 30, 2015, please see page 61 in the Audited Financial Report attached in Appendix C.

# Audited Financial Report

The audit for the fiscal year ending June 30, 2015, has been completed. The audit firm of Carr, Riggs and Ingram, LLC has conducted the process of completing the audit as of the date of this response. The audited financial statements are attached in **Appendix C**. The audited report will be forwarded upon acceptance by the FLVS Board of Trustees.

# Unit Cost Recommendations

## Background

The FLVS authorizing legislation requires the Board of Trustees to provide the unit cost of providing services to students as part of the annual legislative report.

### Recommendations Regarding the Unit Cost of Providing Services to Students

*In order to most effectively develop public policy regarding any future funding of Florida Virtual School, it is imperative that the cost of the program is accurately identified. The identified cost of the program must be based on reliable data.*

The inclusion of FLVS in the FEFP in 2003 had a direct and dramatic effect on the growth of FLVS. So much so, in 2013 the FEFP formula was modified such that while students may earn more than one FTE per scholastic year, the providers of the services (school districts, lab schools, and FLVS) are limited to one FTE on a shared basis. The effect on FLVS has been two fold. The rate of increase in student completions has slowed considerably to single digits. More important, FLVS is only funded for 86.31 percent of students who successfully complete a course.

## FLVS Cost Per FTE Projections and Funding Per FTE

### Operating Cost Only

Fiscal Year	Credit Completions	FTE Enrollment	Cost Per FTE
2007–08	58,119.12	9,686.52	\$6,467.92
2008–09	77,447.52	12,907.92	\$6,296.75
2009–10	107,785.74	17,964.29	\$5,623.94
2010–11	135,933.60	22,655.60	\$5,186.42
2011–12	169,535.82	28,255.97	\$4,819.72
2012–13	299,634.88	38,272.48	\$5,182.22
2013–14	203,307.54	33,884.59	\$4,482.04
2014–15	K–12 (Florida System-wide Funding per FTE**)	2,711,409.35	\$6,910.36
2014-15 Served*	214,562.82	35,760.47	\$4,502.18
2014-15 Funded	184,979.64	30,829.94	\$5,222.20
<b>Total Operation Savings per Virtual Student in 2014-15</b>			<b>\$2,408.18</b>

### Fixed Capital Outlay Cost

2014–15	Capital Dollars Per FTE for FLVS	Cost Per FTE
2014–15	K–12 System-wide Capital Dollars per FTE	\$861.32
<b>Total Savings per Virtual Student in 2014-15</b>		<b>\$3,269.50</b>

\*Served reflects the actual number of FTE successfully completed before the 1.0 FTE re-calibration is calculated, reflecting per FTE funding based on 2012-13 funding rules for comparison purposes.

\*\*Does not include FLVS FTE or Funding

# Accountability

Florida Virtual School contracted with InMoment, for the 2014-15 school year to conduct a Student Survey, Parent Survey, School Survey, and a District Survey to assess the quality of service that FLVS provides.

The survey was used to assess three major components of the FLVS organization:

- 1. Quality of the instructional staff and instructional delivery model**
- 2. Course quality and rigor**
- 3. Overall quality of FLVS**

An Executive Summary of this accountability report appears as **Appendix D** and is available at [FLVS.net](http://FLVS.net). A copy of the full evaluation results can be provided upon request.

# FLVS Strategic Plan 2015–18 and Marketing Plan 2014-15





# Table of Contents: Appendix A

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# Environment

## Who We Are

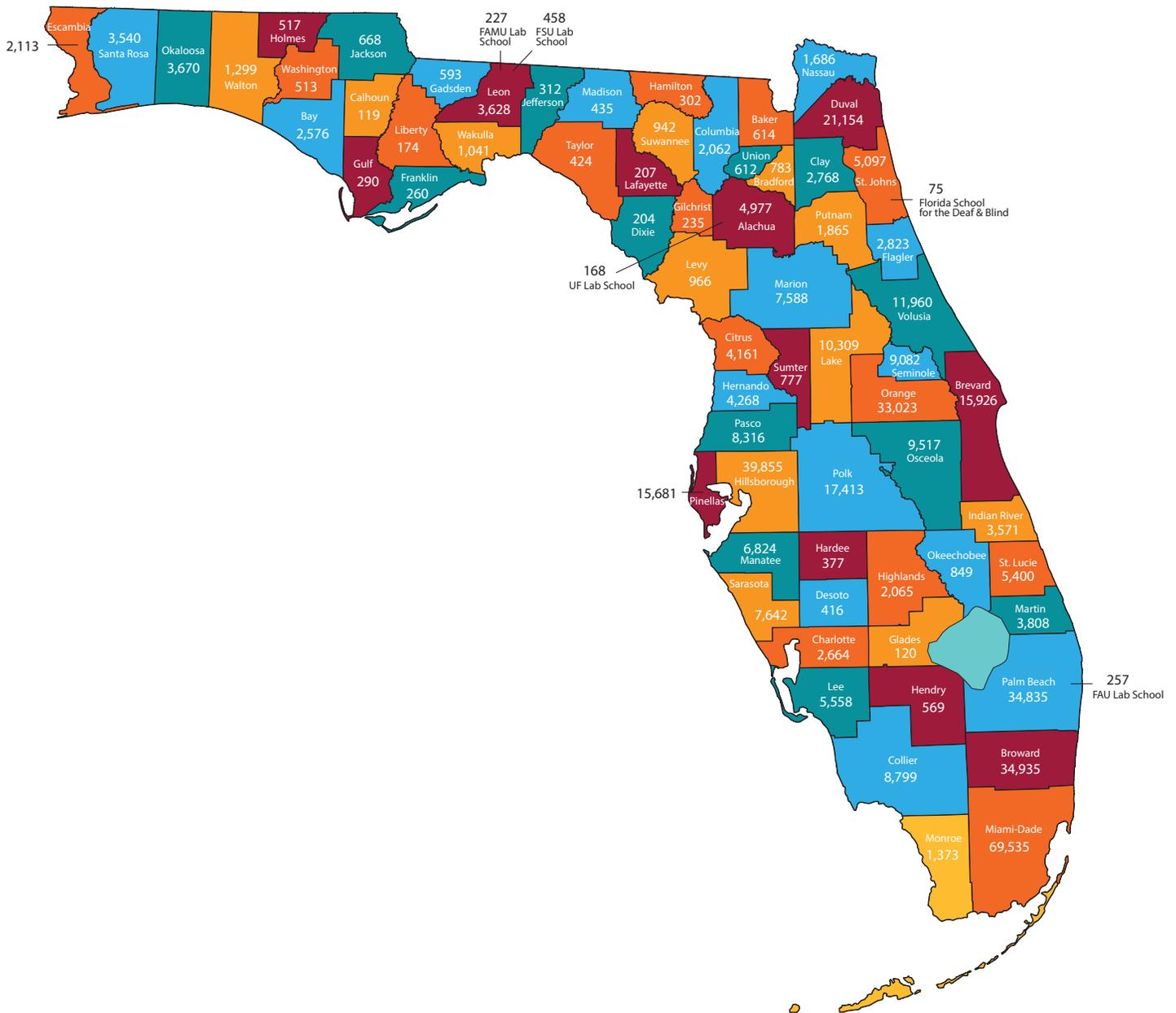
Florida Virtual School (FLVS) is a fully accredited public school district providing education solutions to districts, students, and families. Within the state of Florida, FLVS offers more than 140 free courses to Kindergarten–12th grade public, private, charter, and homeschool students. Since 1997, FLVS students have successfully completed more than 2.4 million semester enrollments. FLVS also offers blended learning solutions to districts and schools. One-to-one personalized instruction coupled with engaging content, has positioned FLVS as an international leader and pioneer for quality online learning and education reform.

FLVS Global was established in 2000 as the national and international arm of Florida Virtual School. FLVS Global has proudly served students and provided courseware, training, and expertise to a variety of online and blended learning programs in all 50 states and more than 65 countries. Services include Global School, professional development, course licensing, and custom development for schools, districts, states, and international agencies. Profits from sales are reinvested into FLVS for marketing, research, and development. FLVS Global is self-sufficient, meaning all expenses are covered by the revenue generated by the Global sales team. No taxpayer funds are used for this endeavor.

As an award-winning innovator in global virtual learning, FLVS has developed into a highly productive, technology-driven organization that adheres to the strongest performance measurement standards for instructional staff, support staff, and students. Moving forward, the organization will strategically focus its efforts on personalized and blended learning education solutions for districts and schools.

FLVS remains strongly committed to providing a student-centric, innovative learning environment that places students at the center, providing them the tools and knowledge they need to succeed in today's technological world.

# Mapping the Student Reach of Florida Virtual School: 2014-15 FLVS Semester Completions by District



# Mission, Vision, and Values

The distinctive environment at FLVS is a blended enterprise model of education, industry, and technology. Our success requires leadership who leverages best practices in each of these areas to innovatively develop, deliver, and support curriculum and products and to provide instruction, resulting in students who are prepared for success in future education and employment. With our unique environment in mind, the leadership team, in conjunction with the Board of Trustees, has defined the following Mission, Vision, and Values as drivers in all that we do.

## Mission

To deliver a high quality, technology-based education that provides the skills and knowledge students need for success.

## Vision

To transform education worldwide—one student at a time.

## Values

The following four core values ensure that every Florida Virtual School student is at the center of every decision we make: Student Focus, Innovation, Quality, Integrity.

# Strategic Goals

Florida Virtual School has established three goals for the organization to drive student success and global growth and to ensure that everything we do links back to our Mission, Vision, and Values. Each of the goals will be measured through defined metrics, and progress will be documented through the performance indicators included in this Strategic Plan.

- **Develop innovative learning solutions to increase Kindergarten–12 Student success**
- **Seek targeted Kindergarten–12 opportunities to generate revenue**
- **Drive quality, efficiency, and financial stewardship**

The goals will be supported by the priorities identified by the FLVS Leadership Team, as approved by its Board of Trustees.

# Strategies and Indicators

## Assessment

The plan develops a framework for assessing progress that emphasizes the importance of (a) multiple measures for a given objective or priority, (b) combining quantitative metrics and qualitative indicators, and (c) minimizing the staff time devoted to such measurements. This plan specifies a core set of metrics for assessing institutional progress toward key goals and strategies.

## Strategies and Action Steps

In order to monitor the progress toward achieving the goals and objectives of the Strategic Plan, Florida Virtual School will report results to the Board.

## Performance Indicators

The following performance indicators will be used to measure the progress toward attaining each of the four goals of Florida Virtual School. The goals and performance indicators are not static and will continue to evolve as the Strategic Plan is reviewed and refined.

# Strategic Charts

## Curriculum/Innovation

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Develop innovative learning solutions to dramatically increase K-12 student success	Increase the percentage of projects focused on new products vs. sustaining	10% of projects focused on new product development	Calculation: (Annual) # of projects designated new in flight this year / total that were in flight this year	EVP, Business and School Solutions
	Prepare targeted courses for use in the personalized learning initiative	40% of targeted courses prepared	Calculation: (Annual) # of courses prepared / total number of targeted courses	
	Develop the curriculum product team's knowledge and ability to use innovative methodologies in the creation of curriculum products	Train 30% of the curriculum product team in innovative methodologies	Calculation: (Annual) # of team members trained / total team members eligible to be trained	
	Develop crowdsourcing platform and participation plan	25 completed and reviewed crowdsourced assets	Calculation: (Annual) Tracking of number of assets created	
	Increase prototype development	16 prototypes completed and analyzed per year	Calculation: (Annual) Tracking of number of prototypes created	

# Strategic Charts continued

## Instruction

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Develop innovative learning solutions to dramatically increase K-12 student success	Intense focus on Part Time Student Achievement (End-of-Course Exam)	Increase % of first time takers with a passing score in each course by 1%	Calculation: (Annual) Identify students with level 3 or above on End-of-Course Exam and compare to prior year	EVP, Business and School Solutions
		Increase % of re takers with a passing score in each course by 3%	Calculation: (Annual) Identify students with level 3 or above on End-of-Course Exam and compare to prior year	
		Meet or exceed state average for overall End-of-Course Exam Performance annually	Calculation: (Annual) Identify students with level 3 or above on End-of-Course Exam and compare to State	
	Intense focus on Part Time Student Achievement (Advanced Placement Exam)	For courses where we currently exceed the state, increase our % with a qualifying score by 1%	Calculation: (Annual) Identify students with level 3 or above on Advanced Placement Exam and compare to prior year	
		For courses where we currently do not exceed the state, increase our % with a qualifying score by 2%		
		Meet or exceed state average percent passing Advanced Placement Exam	Calculation: (Annual) Identify students with level 3 or above on Advanced Placement Exam and compare to State	
	Reduce attrition rate of Part Time students	1% increase in conversions from Classroom Assigned to complete	Calculation: (Annual) Measure the percentage of Classroom Assigned students who successfully complete courses	
	Intense focus on Full Time Student Achievement (End-of-Course Exam)	Increase % of first time takers with a passing score in each course by 1%	Calculation: (Annual) Identify students with level 3 or above on End-of-Course Exam and compare to prior year	
		Increase % of re takers with a passing score in each course by 3%	Calculation: (Annual) Identify students with level 3 or above on End-of-Course Exam and compare to prior year	
		Meet or exceed state average for overall End-of-Course Exam Performance annually	Calculation: (Annual) Identify students with level 3 or above on End-of-Course Exam and compare to State	
	Intense focus on Full Time Student Achievement (Advanced Placement Exam)	For courses where we currently exceed the state, increase our % with a qualifying score by 1%	Calculation: (Annual) Identify students with level 3 or above on Advanced Placement Exam and compare to prior year	
		For courses where we currently do not exceed the state, increase our % with a qualifying score by 2%		
		Meet or exceed state average percent passing Advanced Placement Exam	Calculation: (Annual) Identify students with level 3 or above on Advanced Placement Exam and compare to State	

# Strategic Charts continued

## Teacher Development

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Develop innovative learning solutions to dramatically increase K-12 student success	Align instructional performance to student achievement	Improve Discussion-based Assessment concerns by 25%	Calculation: (Annual) # Discussion-based Assessment concerns / # audits and checks	EVP, Business and School Solutions
		Improve failed final exam concerns by 25%	Calculation: (Annual) # failed final exam concerns / # failed final exam reviews	
	Align support staff employee performance to organizational strategic goals	98% connectivity between individual goals and organizational strategies  85% of employees trained	Calculation: (Annual) # employees who completed goals / total employees # employees trained / total employees	
	Implement an expanded and continuous Professional Learning Community model that focuses on all areas of student achievement and provide creative professional development instructional leadership opportunities	80% of Professional Learning Communities meeting on a monthly basis sharing best practices, disaggregating student data, and integrating expanded focus areas	Calculation: (Annual) # of Professional Learning Communities who met at least once a month / total # of Professional Learning Communities	

## Business Development

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Seek targeted K-12 opportunities to generate revenue	Support franchise growth	175,000 billable franchise enrollments	Calculation: (Annual) Billable enrollment = franchise enrollment more than 30 days active or more than 20% complete.	EVP, Business and School Solutions
	Grow Content Licensing	Increase sales from course licensing product line with a focus on recurring sales (6.8M Total Content Licensing)	YTD targets calculated by adding the monthly target(s)	
	Build and maintain positive relationships with physical school and district personnel	Annual survey results are meeting 85% or above	Calculation: (Annual) Survey results	

# Strategic Charts continued

## Marketing and Communications

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Seek targeted K-12 opportunities to generate revenue	Execute ROI-focused enrollment campaigns to support Course Requests in the FLVS Part Time program	898,893 estimated	Calculation: (Annual) Monthly targets will be identified by increasing 2014-15 monthly CRs by 4%. Will be able to finalize targets and actuals once we receive data. Will compare target vs. actual each month; annually, will take sum of all totals compared to KPI to determine success.	EVP, Business and School Solutions
	Gain insights into needed customer experience improvements through a customer listening plan	Create a comprehensive customer listening plan by target audience	Calculation: (Annual) Roadmap used to monitor development of plan	
	Drive operational improvements in customer experience	Execute 5 customer experience improvements	Calculation: (Annual) Tracking number of projects completed	

## Technology

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Drive quality, efficiency, and financial stewardship	Drive a digital organization culture through optimized utilization of current technologies	Formalize the Inventory of all FLVS applications (100%) and assess their status on the progress ladder	Calculation: (Annual) % completion on Inventory & assessment (L,M,H) portion to the progress ladder	Chief Operations Officer
		Market to and educate managers (25%) on using and developing analytical skills with tools to manage their departments.	Calculation: (Annual) Tracking spreadsheet for formal and meeting events with FLVS management for training on analytical skills and tools.	
		Identify 35% of the data in FLVS that should be stored within the Data Warehouse.	Calculation: (Annual) % of applications analyzed on the BUS Matrix by tier. (Enterprise Bus Matrix is a data Warehouse planning tool and model)	

# Strategic Charts continued

## Project Management

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Drive quality, efficiency, and financial stewardship	Optimize project vetting tool process to increase project success	90% of all projects run through the vetting process and approved will finish successfully	Calculation: (Annual) # of vetted projects completed this year or on track to complete successfully / # of projects that went through the vetting tool and are active or closed this year	Chief Operations Officer
	Improve the organization's ability to interpret the effectiveness of projects	90% or more of projects that pass tri-annual evaluation will complete successfully	Calculation: (Annual) # of evaluated projects completed or on track to complete successfully / total # of projects that pass tri-annual evaluations	

# Strategic Charts continued

## Government Affairs and Strategic Solutions

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Develop innovative learning solutions to dramatically increase K-12 student success	Plan and Implement Florida legislative strategy both short-term and long-term to support increasing FLVS student access and success.	20% of supported policy positions related to student access and success improved at the state level	Calculation: (Annual) # of FLVS supported policy positions actually improved / total # of FLVS supported policy positions related to student access & success	Chief Operations Officer
	Plan and Implement National legislative strategy both short-term and long-term to support increasing access to FLVS solutions.	5% of supported policy positions improved in other states and/or federal level to increase access to FLVS solutions.	Calculation: (Annual) # of supported policy position improved in other states or nationally related to increasing access to FLVS solutions / total # of supported policies improved in other states or nationally related to increasing access to FLVS solutions	
	Grow and Strengthen relationships with key Florida and National policy makers to support increasing access to FLVS solutions	5% increase of relationships formed or strengthened relating to increasing access to FLVS solutions	Calculation: (Annual) # of new/stronger relationships with key Florida and National policy makers / Total # of formed relationships in 14-15 with key Florida and National policy makers related to increasing access to FLVS solutions	
Seek targeted K-12 opportunities to generate revenue	Plan and Implement Florida legislative strategy both short-term and long-term to support opportunities to generate revenue	20% of supported policy positions related to opportunities to generate revenue improved at the state level	Calculation: (Annual) # of FLVS supported policy positions actually improved / total # of FLVS supported policy positions related to revenue generating opportunities	
	Plan and Implement National legislative strategy both short-term and long-term to support opportunities to generate revenue	5% of supported policy positions improved in other states and/or federal level relating to revenue generating opportunities.	Calculation: (Annual) # of supported policy position improved in other states or nationally related to increasing access to FLVS solutions / total # of supported policies improved in other states or nationally related to generating revenue	
	Grow and Strengthen relationships with key Florida and National policy makers to support opportunities to generate revenue	5% increase of relationships formed or strengthened relating to revenue generating opportunities	Calculation: (Annual) # of new/stronger relationships with key Florida and National policy makers / Total # of formed relationships in 14-15 with key Florida and National policy makers related to revenue generating opportunities	
	Grow Thought Leadership nationwide to position FLVS as a virtual education policy expert	5% increase of thought leadership opportunities	Calculation: (Annual) # of thought leadership opportunities / Total number of thought leadership opportunities in 14-15	
	Increase access to underserved populations	0% increase over baseline in access to targeted underserved populations - baseline data will be determined in this same school year; Create and implement plan by August, 2016	Calculation: (Annual) Plan is on-track for August, 2016 implementation July - October: % of activities completed to create the plan Nov. - Dec.: % of planned project activities completed per plan timeline	

# Strategic Charts continued

## Talent Management

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Drive quality, efficiency, and financial stewardship	Attract, recruit and retain high performing talent	Reduce ethnicity diversity gap between FLVS students and faculty by 10%	Calculation: (Annual) % = non-white student % at 2015 Survey 3 - current non-white employee % Baseline = 31.8-20.2=11.6	Chief Operations Officer
		FT Teacher Negative Turnover below 12% for the Year - Full 12 Month Look; Maintain turnover gains from 2014-15; 2011-2014 was 18-25%,	Calculation: (Annual) # of negative turnover full-time teachers current / total full-time teachers current; Cumulative turnover month to month divided by current month headcount	
	Correlate instructional performance to student achievement and organizational strategic goals	Reduce # of Discussion-based Assessment concerns by 25%	Calculation: (Annual) # Discussion-based Assessment concerns / # audits and checks	
	Correlate employee performance to student achievement and organizational strategic goals	Increase connectivity between individual goals and strategy	Calculation: (Annual) # employees who completed goals / total employees # employees trained / total support staff employees	

## Purchasing

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Drive quality, efficiency, and financial stewardship	Improve the efficiency of Procurement service to the district – savings/cost avoidance	10% overall reduction in district spend	Calculation: (Annual) Total savings/cost avoidance from solicitations &/ or negotiations + Total savings from quotes or secondary quote competition / Total New PO Spend	Chief Operations Officer
	Improve the efficiency of Procurement service to the district – ER to PO	< 2.5 days for ER to PO	Calculation: (Annual) Days between entering requisition and PO generation	
	Improve the efficiency of Procurement service to the district and community through financial stewardship	>80% of all eligible solicitations that are competitive	Calculation: (Annual) # competitive solicitations / total # of eligible solicitations	

## Finance

STRATEGIC GOAL	OBJECTIVE	KEY PERFORMANCE INDICATOR 2015-16	DATA MEASUREMENT METHODOLOGY	OWNER
Drive quality, efficiency, and financial stewardship	Provide the funding necessary to implement personalized learning initiative	A need for an additional \$1,300,000 million to be set aside for the following year's budget	Calculation: (Annual) FLVS budget and periodic budget to actual reports	Chief Financial Officer
	Maintain an 8% fund balance reserve	Maintain an 8% fund balance reserve	Calculation: (Annual) The BOT General Fund monthly financial	
	Implementation and oversight of a balanced budget	Meet requirements of F.S. 1001.51	Calculation: (Annual) The BOT monthly General Fund financial report and other periodic financial reports	

# History

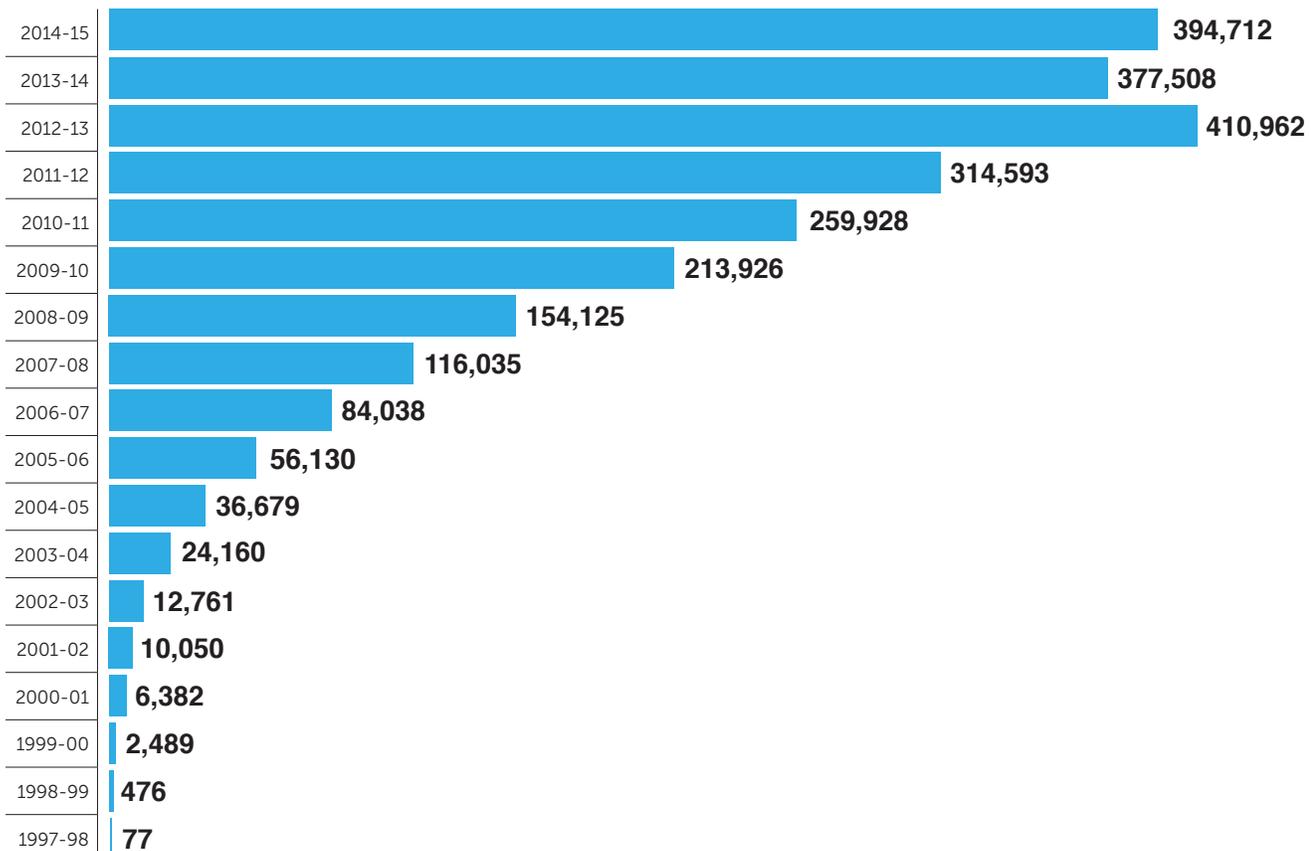
During the 1996 school year, Orange County, Florida, piloted a “Web School” with five online courses. The Florida Department of Education (FLDOE) acted as the catalyst in initially encouraging a partnership between Orange and Alachua Counties. In November 1996, the FLDOE provided the two districts with a \$200,000 “Break the Mold” school grant to develop the Florida High School (FHS) project. Following an intensive six-month period of planning and development, FHS officially launched with seven staff members in August of 1997.

Following the original grant, FLVS operated from a recurring line-item in Florida’s legislative budget until the school year 2003-04, when FLVS became fully funded as a statewide virtual school and became part of the Florida Education Finance Program (FEFP). From the \$200,000 grant in 1996, FLVS continues to grow and has become a statewide school district with five schools, serving both full-time and part-time students. In 2013, FLVS celebrated the first graduating class of FLVS Full Time students. FLVS is affiliated with all 67 Florida school districts and has become the model for distance learning initiatives across the globe, as evident by the 2005 feature as a model of success in the National Education Technology Plan.

The graphs below show the exponential growth FLVS enrollments have experienced over the last 18 years. For the 2014-15 school year, FLVS Part Time students completed 394,712 half credits and FLVS Full Time students completed 61,782 half credits. Enrollments began to level off during the 2013-14 school year as a result of the shared FTE funding formula implemented by the legislature.

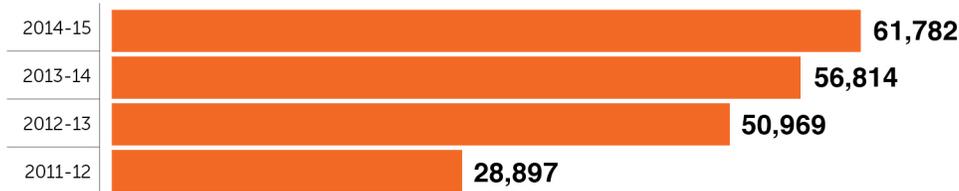
## FLVS Part Time Completion History

Total number of successful semester completions as of June 30, 2015: 2,475,031



## FLVS Full Time Completion History

Total number of successful semester completions as of June 30, 2015: 198,462



In the 2003-04 school year, FLVS initiated partnerships with Florida school districts in order to increase the capacity of students who could be served online through an in-state franchise program. This program operates as an extension of FLVS. Each franchise uses all of the FLVS systems, and the franchise staff is trained in FLVS policies and procedures, instructional pedagogy and best practices, and virtual leadership models. In 2014-15, 32 districts participated in the FLVS franchise program.

This continual growth pattern in student enrollments directly with FLVS and with the in-state franchises is evidence of both the program's success in providing an educational choice to students and the need for e-learning. Furthering that evidence in 2011, The Florida Legislature mandated The Digital Learning Act, requiring that all students entering the ninth grade in 2011-12 and after complete at least one online course to meet graduation requirements.

FLVS now delivers more than 140 courses, including middle school, both regular and honors high school courses, and Advanced Placement courses. During the 2013-14 school year, FLVS announced more than 20 new Career and Technical Education courses. The FLVS district provides scholarships, clubs, activities, and virtual events to students throughout the State.

# Milestone Dates in Our History

## 1996

- A \$200,000 Break the Mold Grant was awarded for Orange and Alachua counties to jointly develop an online learning program. The first year was funded for planning.

## 1997

- Program began with just 77 enrollments.

## 1997–2003

- The Florida Legislature funded FLVS as a line item. It was treated as a research and development program, and gave FLVS the time to develop courses and experiment with course development, policies, and instructional strategies.

## 2000

- Recognition of Florida’s program began to filter to other states. FLVS created a separate division—Florida Virtual Global Services—to serve needs outside of Florida, with revenues to be reinvested into course and program development.

## 2001

- FLVS received full accreditation by the Southern Association of Schools and Colleges and by The Commission on International and Trans-Regional Education.

## 2003

- Funding changed to be contingent on student success, and to follow the student across geographical boundaries. The performance-based funding model was a first not only for online education, but for Kindergarten–12 education in general, where the emphasis was placed totally on student learning results.

## 2004

- The Florida Legislature required that FLVS create a full suite of middle school courses. As with all FLVS courses, the classes were developed to meet state and national standards.

## 2005

- FLVS was featured in the National Education Technology Plan as a model of success for other states to follow.

## 2007

- The Global School was launched to provide instruction on a tuition basis to students across the nation.

## 2011

- The Florida Legislature mandated The Digital Learning Act, requiring that all students entering the ninth grade in 2011-12 and after complete at least one online course to meet graduation requirements and that all statewide end-of-course assessments be administered online by the 2014-2015 school year.

## 2012

- Received the highest accreditation rating possible awarded by AdvancED in every category.
- Celebrated our first FLVS FT graduating kindergarten class of 177 students.

## 2013

- Celebrated the first graduating class of FLVS FT, providing high school diplomas to 275 students.
- FLVS FT high school received its first ever grade from the Florida Department of Education, earning a “B” for the 2012-13 school year. Our FLVS FT Kindergarten-8 earned a “C” for the 2012-13 school year.
- Our 2013 Advanced Placement results revealed that FLVS students outperformed the state of Florida in overall averages by 13 percent and exceeded the national overall averages by 3 percent when comparing the 16 courses offered by FLVS. In addition, the Spring End-of-Course exam results indicated that FLVS Part Time students performed higher than the state average on the Algebra 1 EOC assessment by 20 percent, on the Geometry EOC assessment by 24 percent, on the Biology EOC assessment by 3 percent, and on the U.S. History EOC assessment by 17 percent.

## 2014

- Since 1997, FLVS students have successfully completed more than 2 million semester enrollments.
- FLVS FT class of 2014 celebrated graduation with 378 students receiving their high school diplomas.

## 2015

- Initiated as a Kindergarten-1st grade elementary program pilot, FLVS expanded the successful program into a part time Kindergarten-5th grade option. Comprehensive curriculum is utilized in a flexible learning model setting which helps to develop close teacher and classmate relationships in a virtual environment.

# Marketing Plan 2014-15

## Organizational Goal

FLVS will continue to be recognized as a leader in online education and across all of Kindergarten–12th grade education.

## Educational Community: Goal 1

**Seek opportunities to share best practices through all levels of the organization.**

Florida Virtual School developed a cross-organizational marketing plan to communicate what we have learned, as well as best practices, to national, state, and regional stakeholders. The tactical communication initiatives that were executed in the 2014-15 school year are outlined below.

## National Level

### 1. Teaching and Professional Development Best Practices

- Virtual Leadership Training: Two-day workshop that addresses:
  - Hiring and staffing
  - Funding and budget
  - Data and performance management
  - Student recruiting and retention
  - Marketing your program
- Professional Learning Course Catalog: Live webinar sessions and book talks for teachers/administrators everywhere
- National Reading and Literacy outreach

### 2. Emerging Technology Opportunities

- Course tours
- Mobile learning demonstrations

### 3. Thought Leadership: National Conference Presence

- United States Distance Learning Association (USDLA)
- EdTECH
- Consortium of School Networking (COSN)
- EdVoice Symposium
- Southeast Regional Education Board (SREB)
- Sloan Consortium
- Learning Impact
- Specialist Schools and Academic Trust (SSAT)
- Program of Education Policy and Governance (PEPG)
- Australasian Association of Distance Education Schools (AADES)
- International Association for K–12 Online Learning (iNACOL) Blended and Online Learning Symposium
- National Association of Independent Schools (NAIS)
- Excel in Education National Summit
- League of Innovative Schools
- ASU + GSV Summit

### 4. Community Relations

- Press releases to share student and program success

## State Level

### 1. Thought Leadership: State and Regional Conference Presence

- Florida Parent Educators Association (FPEA) Conference
- Florida School Board Association (FSBA) Conferences
- DCF Summit
- The State University System Tour
- The Association for Independent Schools in Florida (AISF) Conference
- Florida Carter School Conference
- Florida Press Association Conference
- South Florida Home School Convention
- Florida Emerging Technology Conference
- Florida Educational Technology Conference (FETC)
- Florida Distance Learning Association

### 2. Statewide Conferences

- Florida Parent Educators Association (FPEA) Conference
- Home Education Resources and Information (HERI) Conference
- South Florida Home School Convention
- Florida Emerging Technology Conference
- Florida District Virtual Instruction Program Network 2014 Symposium (FLDVIP)

### 3. District Relations Manager Visits

### 4. School Counselor Presentations

- Regional level
- District and school level

### 5. Franchise Leadership and Teacher Training

# Marketing Plan 2014-15 continued

## Educational Community: Goal 2

### **Partner with Florida districts and schools to provide virtual education solutions to students.**

In the spirit of innovation, Florida Virtual School built online solutions, communication vehicles, and strategies for passing our knowledge on to our district and school stakeholders in the 2014-15 school year. With our customized solutions, education was enhanced for students through the following initiatives.

#### Districts

- 1. Yearly visits with all of the districts to assess needs and provide solutions**
- 2. Monthly communications to district contacts**
- 2. Present at District Guidance meetings**

#### Schools

- 1. Provide facilitator training for Virtual Learning Labs and conduct follow up visits**
- 2. District Relations Managers provide customized and frequent School Counselor customer service based on specific school needs**
- 3. Summer Options**
- 4. Virtual Events**
- 5. Private conferences held around the state to teach schools about FLVS**

# Marketing Plan 2014-15 continued

## Learner Community: Goal 1

### **Reach out to the learner community and inform them of virtual education.**

In order to reach organizational goals, strategies were developed to reach our target markets, which were identified as learners of all ages, students, and the general public. The tactical communication initiatives that were executed in the 2014-15 school year are outlined below.

### Of All Ages

#### **1. Community Organization Outreach: District Relations Managers encourage the community to share virtual education success by keeping the public informed through presentations at:**

- Treatment Centers
- Children's Hospitals
- Teen Mothers Organization
- Targeted Sports Leagues
- Boys & Girls Clubs
- Homeschool Organizations

#### **2. Community Event Outreach**

- Community festivals
- Community back-to-school events
- Library staff education visits

#### **3. Marketing & Communications**

- Press releases to share student and district success
- Print advertising in community programs and publications
- Radio and television interviews
- Social media channels

#### **4. Virtual Library: A vast library of resources open to the public.**

### Kindergarten–Grade 12 Students

#### **1. Student Activities**

- Student ambassador opportunities
- Literacy Week celebrations
- Student History Fair
- Hispanic Heritage Festival
- Shakespeare Festival
- Virtual Open House
- WorldFest
- Student Literacy Magazine

#### **2. Student Clubs**

- Newspaper Club
- Future Business Leaders of America
- History Club
- International Club
- Latin Club
- Science Club
- National English Honors Society
- Model UN Club
- Beta Delta Sigma Math Club
- Creative Writing Club
- Fine Arts Club
- FLVS Peer Tutors
- FLVS Yearbook
- Spanish Honor Society

#### **3. Student Success Outreach**

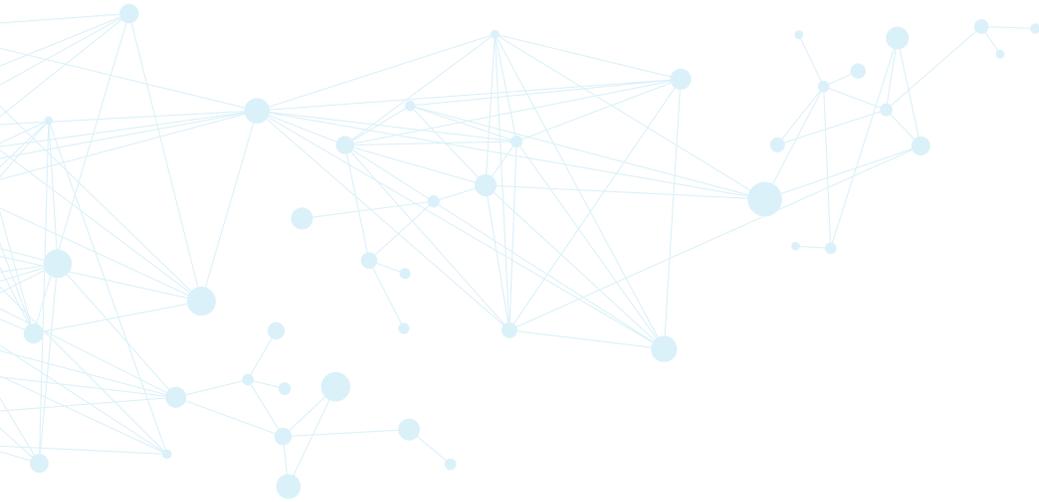
- Student-focused website initiatives
- Tips geared towards student success
- Homeschool Hub: information and resources
- myFLVS site
- Student career webinars
- New Student Orientation

#### **4. Student Conferences**

- Key Club
- Future Business Leaders of America



# FLVS Global 2014-15





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## FLVS Global 2014-15

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# FLVS Global History

In the 2000 legislative session, in Florida statute 1002.37,2c, the government mandated that Florida Virtual School create a Global Services division, commonly referred to as FLVS Global and a sub segment of the Business Development department as of FY15, stipulating that revenues would be reinvested into research and development to maintain the highest quality courses available for students both inside and outside the state of Florida.

Over the last 16 years, FLVS Global has licensed content, provided training, and shared expertise that has led to the implementation of some of the most successful online and blended programs currently in operation at the school, district, and state levels.

The products and services of FLVS Global reach every state outside of Florida and 65 other countries. FLVS Global's products and services were, and continue to be, developed using insights gleaned from the many inquiries received from those interested in implementing an online or blended program. The following products currently offered are a reflection of the worldwide thought leadership generated by FLVS:

- Global School - Florida Virtual Global School engages students throughout the United States and across the world. Clients gain access to our entire catalog with no minimum enrollment purchase required, have access to our trained teachers, and participate in student programs.
- Course Licensing - A variety of licensing options are available in multiple models. Additionally, course content may be delivered to the client's Learning Management System (LMS) or the client may access content on the FLVS Global hosted platform.
- Virtual Leadership Training - This two-day intensive training provides administrators and online leaders an opportunity to learn from a veteran and experienced team at FLVS. The training fosters international collaboration that assists clients in developing high quality, effective blended and online programs.
- Professional Development - FLVS Global offers an assortment of professional development opportunities for teachers including basic "teaching online" facilitated courses, customized training programs, webinars, and individual course guides. We also provide custom training for administrators and staff.

# FLVS Global History continued

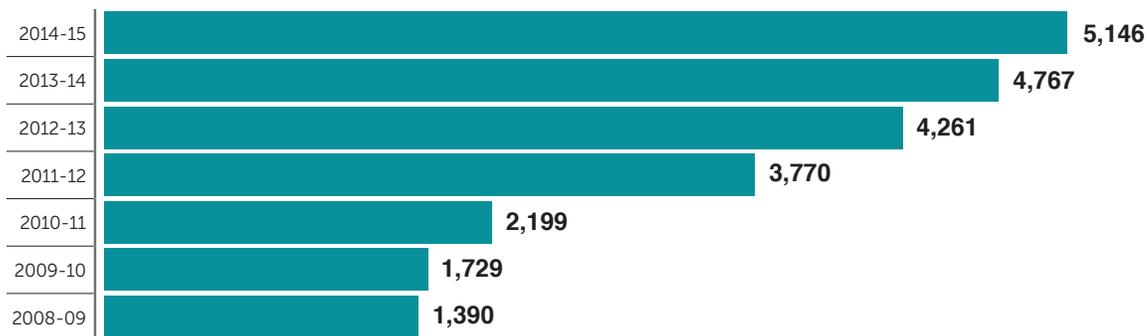
## FLVS Global School

In the 2014-15 school year, FLVS Global School served 2,340 students. More than 114 courses offered included AP titles, NCAA-approved core courses, and electives for middle and high school students. Students from 50 states and 65 countries, the District of Columbia and U.S. territories were active in Global School and are reflected in our more than 5,146 successful completions.

As part of the FLVS accredited public school, FLVS Global School employs instructors who possess state certifications and are teaching in the field for which they are certified. While limited state certification reciprocity exists, many states also have requirements which are under constant review by FLVS Global staff to ensure we meet the state's requirements prior to accepting a client's students for enrollment in Global School..

## FLVS Global Completion History

Total number of successful half-credit completions: 23,262



# Operations of FLVS Global

FLVS Global is committed to the FLVS mission: to deliver a high quality, technology-based education that provides the skills and knowledge that students need for success. We are also committed to the FLVS vision-to transform education worldwide, one student at a time-by providing opportunities for online education and courses that may not be readily available to students around the world. FLVS Global regularly exposes the FLVS brand, culture, and product line to educators, students, and businesses who might not otherwise encounter online education options.

The driving mission of FLVS Global is to provide the best virtual and blended education solutions and services with a focus on high customer satisfaction. Evidenced in course development, professional training, technology deployment, and student and parent outreach, FLVS Global products and services are just one of many ways that FLVS continues to be a thought leader world-wide.

## Senior Director of Business Development

The Senior Director of Business Development is the highest ranking member of the FLVS Global Team. The Senior Director is in charge of the overall strategy of the department and serves as the liaison between the Executive team and the Sales team.

## Director, National and State Sales

The Director of National and State Sales works with the Senior Director of Business Development to develop and implement sales strategies to maximize revenue growth. In this capacity the Director of National and State Sales oversees the daily operations related to FLVS Global sales, sales support functions, and assigned staff.

## Account Managers

The role of the Account Manager is to create and execute the strategic sales plan for his/her assigned territory while maintaining current business within that territory. The Account Manager is supported by the Business Development Specialist and eSolutions Specialist teams.

## Business Development Specialists

Business Development Specialists are responsible for lead generation within assigned territories.

## eSolutions Specialists

The eSolutions Specialists support designated sales regions throughout the country. They focus on implementation, professional development, curriculum support, and LMS support.

## Product Manager

The Product Manager oversees the planning, release, and marketing of products and manages the product throughout the product lifecycle. The Product Manager gathers and prioritizes product and customer requirements, defines the product vision, and works closely with the Curriculum team to deliver winning products.

## Sales Operations Team

The Sales Operations team, formerly the Business Operations team, handles daily sales operations, CRM development, management and maintenance, sales/CRM reporting, renewal services, asset management, accounts receivable, contracts processing and management, sales and revenue forecasting, budget management, commission tracking and reporting, and vendor and customer auditing.

# Operations of FLVS Global continued

## Client Technical Support Team

Global's Client Technical Support team now reports directly to the Executive Vice President, Business and School Solutions in order to increase efficiencies and synergies between it and the Curriculum Department.

## Client Operations Team

The Client Operations team is charged with providing the best customer service possible to all Global School clients and students. This team strives for short enrollment processing times and high satisfaction from clients that have additional reporting needs or specific instructor requirements.

All back office functions are performed in our main facilities in Orlando, to include accounting, finance, human resources, legal, operations, logistics, and planning. This is the same operating model we use for FLVS for school operations.

# FLVS Global Awards and Accomplishments

## 2015

- Blackboard and FLVS Global join forces through a Joint Marketing agreement to offer “Award-winning FLVS Global content at the click of a button with xpLOr”
- The Lampo Group and FLVS Global execute a Course Distribution agreement for Dave Ramsey’s Foundations of Personal Finance
- FLVS Global launches “Unlock”, a course delivery method that provides customers with more flexibility and additional usability features

## 2014

- IMS Learning Impact Award - Platinum

## 2013

- Lynnice Hockaday is named FLVS Global School Teacher of the Year for her non-stop commitment and dedication in helping students around the world.

## 2012

- IMS Learning Impact Award - Silver

## 2011

- Ucompass.com and Florida Virtual School receive Platinum IMS Learning Impact Award

## 2010

- Gold Award for Learning Impact from the IMS Global Learning Consortium

## 2007

- The Global School is launched to provide instruction on a tuition basis to students across the nation.

## 2000

- Recognition of Florida’s program began to filter to other states. FLVS creates a separate division - Florida Virtual Global Services to serve needs outside of Florida with revenues to be reinvested into course and program development.

# Assets and Liabilities

## Reconciliation of the FLVS Global Funds – Balance Sheet to the Statement of Net Position

For the Fiscal Year Ended June 30, 2015

<b>Total Fund Balances – FLVS Global Funds</b>	<b>\$4,425,962</b>
Amounts reported for FLVS Global activities in the statement of net position are different because:	
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds Net pension liability	(1,252,412)
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.	
Deferred outflows of resources related to pensions (from pension schedule)	278,504
Deferred inflows of resources related to pensions (from pension schedule)	(754,251)
Compensated Absences are not due and payable in the current period and, therefore, are not reported as liabilities in the enterprise funds.	(462,507)
Capital assets, net of depreciation, used in enterprise activities are not financial resources and, therefore, are not reported as assets in the enterprise funds.	12,949
<b>Net Position – FLVS Global Activities</b>	<b>\$2,248,255</b>

# Unit Cost Recommendations

## Background

The FLVS authorizing legislation requires the Board of Trustees to provide the unit cost of providing services to out-of-state students as part of the annual legislative report.

## Recommendations Regarding the Unit Cost of Providing Services to Out-of-State Students

In order to meet departmental profit goals, it is imperative to accurately identify the cost of the program. The identified cost of the program must be based on reliable data.

FLVS Global must balance its profit objectives with the costs inherent in providing a high quality, high touch product such as Global School while also taking into account competitor pricing and what the market will bear. FLVS Global continuously reviews its per unit pricing and costs to determine whether it is meeting profit objectives and returning that profit to FLVS.

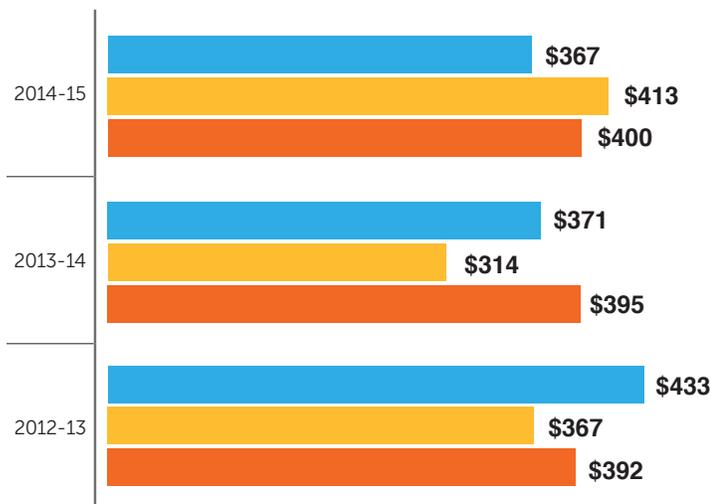
As seen in the following table, FLVS Global was successful in its endeavor to provide a profit back to FLVS.

## FLVS Global Cost Per FTE Enrollments

Fiscal Year*	Billable Enrollments (.5)	FTE Enrollment (Billable Enrollments/12)	Cost Per FTE (Cost per .5 enrollment*12)
2014-15	6,807	567.25	\$4,290.83
		Average Price per Enrollment	
		\$400.00	\$4,782.60
<b>Total Profit per FTE in 2014-15</b>			<b>\$491.77</b>

## FLVS Global Tuition Rate Comparisons

■ Average FLVS Paid per Completion    
 ■ Average FLVS Paid per Enrollment  
■ Average Global School Tuition Rate Paid per Enrollment



# FLVS Global Marketing Plan 2014-15

FLVS Global serves both national and international customers. Primary customers include public schools and districts, private schools, parochial schools, and state departments of education. Secondary customers include international students and homeschooled students.

Customers are targeted through multiple channels including national and regional conferences, marketing campaigns, customer and partner referrals, and direct contact by the sales and business development teams. FLVS Global emphasizes customer service and strives for high customer satisfaction, which brings both repeat business and new clients to the door.

The FLVS Global major target market has shifted from the statewide virtual program to the local school district. In order to better penetrate this local level market, marketing highlights the specific benefits and positive effects school districts realize from using the products and services of FLVS Global. For example, school districts can:

- Use high quality products in virtual and blended environments
- Offer a high quality American education
- Maintain school budgets
- Expand curriculum, including AP/Honors and electives
- Run hospital homebound programs
- Increase graduation rates, decrease drop-out rates, and provide acceleration
- Garner parent support by providing creative solutions to schedule conflicts
- Replace a teacher who leaves unexpectedly

The FLVS marketing team supports the B2B sales team in growing the FLVS Global presence in the digital and blended learning marketplace. Marketing works to drive revenue and profit through a multi-dimensional effort that emphasizes the key differentiators that set FLVS apart from the competition.

The following strategic goals guide the marketing spend for conference and event marketing, print and multimedia advertising, client testimonial creation, case studies, national and regional B2B-specific print collateral, targeted digital marketing, and strategic joint marketing campaigns with key learning platform partners.

- Create a cohesive FLVS brand that capitalizes on existing brand equity and positions the organization for long-term B2B sales growth.
- Create a unique market space based around initial credits and student-teacher engagement.
- Promote student success by emphasizing the rigor of FLVS digital curriculum and robust assessments that are designed to provide college and career readiness in a way that encourages schools and districts to select FLVS courses over less thorough options.

## FLVS Global Marketing Plan 2014-15 continued

Reflecting the tighter integration between Global and the rest of FLVS the marketing team reimagined the FLVS Global brand to build on the brand equity of FLVS as an organization while simultaneously de-emphasizing “Florida,” which was undesirable and confusing to prospects outside of Florida. The marketing team also worked to re-platform and redesign the Web presence of FLVS to optimize search engine performance, strengthen the B2B product offering components and improve user experience. The standalone FLVS Global website is being transitioned to the main FLVS.net, which will prominently feature a dedicated section for schools and districts seeking digital curriculum and education technology solutions.

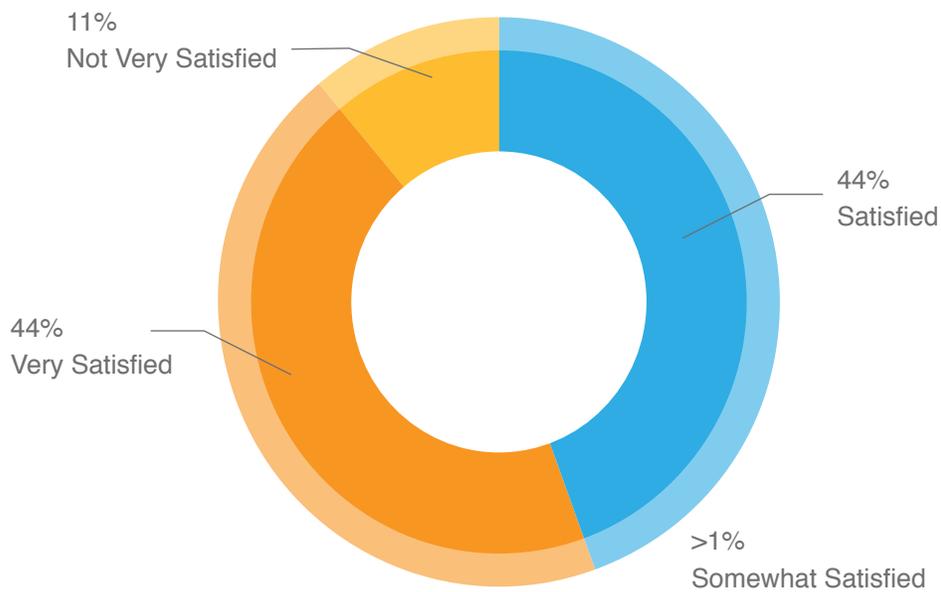
To support the sales team’s focus on recurring sales models, marketing created a set of standardized key messages that speak to the strength of FLVS curriculum. It also developed a core sales presentation that enables the sales team to better explain the value proposition of FLVS and enhance engagement with prospects. All messaging reflects that FLVS is structured and operated primarily as a school and that the organization seeks to empower, not replace, teachers with technology. We will continue to focus on the messaging that FLVS places the “student at the center of every decision we make” and use student data from Florida operations to support our claims of offering a superior curriculum product.

The marketing team continues to develop content that reinforces our LMS agnostic strategy, which is designed to maximize client investment and generate productive partnerships with learning platform companies. The FLVS marketing team assesses opportunities to engage in strategic joint marketing campaigns with key LMS partners to provide mutually beneficial returns.

# Survey Highlights

## Global Customer Satisfaction Survey Results 2014-15

The Global department of Florida Virtual School sends out customer satisfaction surveys on a monthly basis to any customers that recently purchased products or services. The survey gauges the customer's satisfaction with the delivery of the product as well as the quality of the product as a whole. The survey requests additional information such as the type of support the customer used during the implementation of the product and elicits feedback about what Global can do differently to improve the entire process from purchase to delivery to on-going customer support.



# FLVS Annual Financial Report 2014-15

for the Fiscal Year Ended June 30, 2015





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## FLVS Annual Financial Report 2014-15

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# Management Discussion and Analysis

For the Fiscal Year Ended June 30, 2015

The management of The Florida Virtual School (the “School”) has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues; (b) provide an overview and analysis of the School’s financial activities; (c) identify changes in the School’s financial position; (d) identify material deviations from the approved budget; and (e) highlight significant issues in individual funds for the fiscal year ended June 30, 2015.

Because the information contained in the Management’s Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the School’s financial statements.

## Financial Highlights

Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27 was implemented during fiscal year 2015. GASB 68 requires reporting entities to recognize their proportionate share of the net pension liability on financial statements. Since the School’s employees participate in the State of Florida Retirement System, the School is now required to include its proportionate share of the retirement system’s liabilities in its financial statements. The beginning net position as of July 1, 2014 for the School’s governmental activities and business-type activities were restated by (\$57,453,527) and (\$3,667,246), respectively, to retroactively report the net pension liability as of June 30, 2013 and deferred outflows of resources related to contributions made after June 30, 2013 but prior to July 1, 2014. Fiscal year 2013 and 2014 financial statement amounts for net pension liabilities, pension expense, deferred outflows of resources and deferred inflows of resources were not restated because the information was not available. Prior to this change, pension expense was limited to the amount of the annual employer contribution.

A prior period adjustment of (\$4,710,212) was made to the General Fund beginning fund balance. This adjustment was due to a decrease in the June 30, 2014 Florida Education Funding Program (FEFP) revenue. Under the new FEFP funding model implemented by legislative action, a student FTE (full-time equivalent) for funding is determined on a state-wide basis and not on a district by district basis. The 1.0 FTE sharing formula revenue calculations were provided after the June 30, 2014 financial statements had been presented with the final revenue calculations under the sharing formula being less than what had been estimated at the time the statements were prepared.

During the current year, General Fund revenues increased \$7,235,577. This increase is due to increased FTE of 2,443 in the FLVS part-time and full-time programs.

The unassigned fund balance in the General Fund, representing the net current financial resources available for general appropriation by the Board, totals \$37,205,181 at June 30, 2015, or 21 percent of total General Fund revenues.

# Management Discussion and Analysis continued

For the Fiscal Year Ended June 30, 2015

## Overview of the Financial Statements

The School's basic financial statements are comprised of three components:

- Government-wide financial statements,
- Fund financial statements, and
- Notes to the financial statements.

In addition, this report also contains other supplementary information which includes management's discussion and analysis.

## Government-Wide Financial Statements

The government-wide financial statements (or school-wide financial statements) provide both short-term and long-term information about the School's overall financial condition in a manner similar to a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the activities of the primary government presented on the accrual basis of accounting. The statement of net position presents information about the School's financial position, its assets and liabilities and deferred inflows and outflows of resources, using an economic resources measurement focus. The difference between the assets, deferred outflows, liabilities, and deferred inflows is the net position, which is a measure of the financial health of the School. The statement of activities presents information about the change in the School's net position, the results of operations during the fiscal year.

The government-wide statements present the School's activities in two categories:

- **Governmental activities** – This represents most of the School's services including its educational programs. Support functions such as curriculum, technology and administration are also included. The State's education finance program provides most of the resources that support these activities.
- **Business-type activities** – This consists of the School's FLVS global division and the Florida franchises, which includes functions that are intended to recover all of their costs through user fees and charges for services and provide for curriculum development.

## Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The School uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Fund financial statements provide more detailed information about the School's financial activities, focusing on its most significant or "major" funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide statements.

# Management Discussion and Analysis continued

For the Fiscal Year Ended June 30, 2015

All of the funds of the School can be divided into two categories:

- **Governmental Funds** – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. The financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund statements provide a detailed short-term view that may be used to evaluate the School's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental funds to governmental activities.

The School adopts an annual appropriations budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

- **Proprietary Funds** – Proprietary funds may be established to account for activities in which a fee is charged for services. The School uses the proprietary fund to account for its FLVS global, Florida franchises, and self-insurance.

# Management Discussion and Analysis continued

For the Fiscal Year Ended June 30, 2015

## Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. The following is a summary of the School's net position as of June 30, 2014 and June 30, 2015:

	Net Position, End of Year					
	Governmental Activities		Business-Type Activities		Total	
	6-30-15	6-30-14	6-30-15	6-30-14	6-30-15	6-30-14
Current Assets	\$ 79,261,861	\$ 72,024,708	\$ 11,930,454	\$ 9,470,135	\$ 91,192,315	\$ 81,494,843
Capital Assets	3,919,934	6,588,404	2,073,115	418,579	5,993,049	7,006,983
<b>Total Assets</b>	<b>83,181,795</b>	<b>78,613,112</b>	<b>14,003,569</b>	<b>9,888,714</b>	<b>97,185,364</b>	<b>88,501,826</b>
Pension related deferred outflows	8,726,453	-	557,008	-	9,283,461	-
Other Liabilities	25,565,354	25,090,855	1,582,464	960,948	27,147,818	26,051,803
Long-Term Liabilities	58,283,095	18,096,566	3,321,579	564,022	61,604,674	18,660,588
<b>Total Liabilities</b>	<b>83,848,449</b>	<b>43,187,421</b>	<b>4,904,043</b>	<b>1,524,970</b>	<b>88,752,492</b>	<b>44,712,391</b>
Pension related deferred inflows	23,632,909	-	1,508,483	-	25,141,392	-
<b>Net Position:</b>						
Invested in Capital Assets	3,919,934	6,588,404	2,073,115	418,579	5,993,049	7,006,983
Restricted for State Categoricals	3,657,733	4,054,914	-	-	3,657,733	4,054,914
Unrestricted	(23,150,777)	24,782,373	6,074,936	7,945,165	(17,075,841)	32,727,538
<b>Total Net Position</b>	<b>\$ (15,573,110)</b>	<b>\$ 35,425,691</b>	<b>\$ 8,148,051</b>	<b>\$ 8,363,744</b>	<b>\$ (7,425,059)</b>	<b>\$ 43,789,435</b>

In the case of the School's total governmental and business-type activities, liabilities and deferred inflows exceed assets and deferred outflows by \$7,425,059 at the end of the fiscal year.

The deficit unrestricted net position of (\$17,075,841) is a direct result of the new long term pension liability in the amount of \$41,747,079. The pension liability represents the School's proportionate share of the net pension liability of the Florida Retirement System (FRS) plan and the Retiree Health Insurance Subsidy (HIS) plan. Though this long term liability is now required to be reported on the School's financial statements due to the new GASB requirement, it is important to note that the School pays the full amount of its State required retirement contribution each year, which includes an assessment to fund the State's actuarially unfunded liability.

# Management Discussion and Analysis continued

For the Fiscal Year Ended June 30, 2015

The following is a summary of the School's changes in net position for the fiscal years ended June 30, 2014 and June 30, 2015, as follows:

	Governmental Activities		Business-Type Activities		Total	
	6-30-15	6-30-14	6-30-15	6-30-14	6-30-15	6-30-14
<b>Program Revenues:</b>						
Charges for Services	\$ 8,796,816	\$ 8,505,291	\$ 21,642,581	\$ 16,572,075	\$ 30,439,397	\$ 25,077,366
<b>General Revenues:</b>						
Grants and Contributions Not Restricted to Specific Programs	162,953,872	158,036,700			162,953,872	158,036,700
Investment Earnings	66,764	68,851	4,988	4,619	71,752	73,470
Miscellaneous	7,063,189	4,466,019	127,559	281,256	7,190,748	4,747,275
<b>Total revenues</b>	<b>178,880,641</b>	<b>171,076,861</b>	<b>21,775,128</b>	<b>16,857,950</b>	<b>200,655,769</b>	<b>187,934,811</b>
<b>Functions/Program Expenses:</b>						
Instruction	124,233,027	126,165,630			124,233,027	126,165,630
Pupil Personnel Services	3,633,908	3,974,790			3,633,908	3,974,790
Instruction and Curriculum Development Svcs	683,836	1,406,380			683,836	1,406,380
Instructional Staff Training Services	2,819,843	4,094,236			2,819,843	4,094,236
Instructional Related Technology	7,181,805	8,486,492			7,181,805	8,486,492
Board	1,134,783	657,094			1,134,783	657,094
General Administration	2,523,920	3,011,734			2,523,920	3,011,734
School Administration	5,081,665	4,089,357			5,081,665	4,089,357
Fiscal Services	1,973,886	1,844,339			1,973,886	1,844,339
Central Services	8,445,821	10,377,745			8,445,821	10,377,745
Operation of Plant	1,321,763	2,114,027			1,321,763	2,114,027
Administrative Technology Services	8,683,430	8,968,994			8,683,430	8,968,994
FLVS Global/Franchises Expenses	-	-	18,321,591	14,031,745	18,321,591	14,031,745
<b>Total functions/program expenses</b>	<b>167,717,687</b>	<b>175,190,818</b>	<b>18,321,591</b>	<b>14,031,745</b>	<b>186,039,278</b>	<b>189,222,563</b>
<b>Changes in net position</b>	<b>11,162,954</b>	<b>(4,113,957)</b>	<b>3,453,537</b>	<b>2,826,205</b>	<b>14,616,491</b>	<b>(1,287,752)</b>
<b>Net position July 1, 2014, restated</b>	<b>(26,736,064)</b>	<b>39,539,648</b>	<b>4,694,514</b>	<b>5,537,539</b>	<b>(22,041,550)</b>	<b>45,077,187</b>
<b>Net position, June 30, 2015</b>	<b>\$ (15,573,110)</b>	<b>\$ 35,425,691</b>	<b>\$ 8,148,051</b>	<b>\$ 8,363,744</b>	<b>\$ (7,425,059)</b>	<b>\$ 43,789,435</b>

The largest revenue source is the State of Florida (81 percent). Revenues from State sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula. Included in the FEFP funds is revenue the School receives for both part-time and full-time programs. The FEFP formula utilizes student enrollment data, and is designed to maintain equity in funding across all Florida school districts. The Florida Virtual School is a unique member of the FEFP in that revenues are only earned for students that successfully complete a course.

# Management Discussion and Analysis continued

For the Fiscal Year Ended June 30, 2015

## Financial Analysis of the School's Funds

### **Governmental Funds**

The General Fund is the chief operating fund of the School. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$37,205,181. The total unassigned fund balance represents 21 percent of total General Fund revenues, which increased over last year's unassigned fund balance of \$27,690,238 or 16 percent of total General Fund revenues. The School does not have the ability to draw cash in the event of an emergency from other funds, such as capital, or to borrow funds from outside sources so it is necessary to maintain a higher than standard fund balance.

### **General Fund Budgetary Highlights**

The actual General Fund revenues were higher than the adjusted budgeted revenues by \$6,077,686 due to the increase in state and local revenues. The actual General Fund expenditures were less than the adjusted budgeted appropriations by \$16,579,615 due to several unfilled job opportunities as well as various other budgetary accounts that were not fully expended. Included in the unexpended balance are outstanding purchasing commitments of \$2,243,197 and restricted categoricals of \$3,657,733.

## Capital Asset Administration

### **Capital Assets**

The School's investment in capital assets as of June 30, 2015, amounts to \$5,993,049 (net of accumulated depreciation). This investment in capital assets includes furniture, fixtures and equipment; computer software, and courses. The total decrease in the School's investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$1,013,934.

## Other Matters

For fiscal year 2016, the Board of Trustees adopted a budget for the General Fund appropriations of approximately \$177,745,226. Revenues for fiscal year 2016 is expected to be approximately \$175,304,581. To ensure adequate fund balance is available for financial emergencies, FLVS has reserved approximately 8% of state and virtual learning lab revenues.

## Requests for Information

This financial report is designed to provide a general overview of the School's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the John Pavelchak, Chief Financial Officer, The Florida Virtual School, 2145 MetroCenter Blvd, Suite 100, Orlando, Florida, 32835, 407-513-3320, [jpavelchak@flvs.net](mailto:jpavelchak@flvs.net).

# Basic Financial Statements

For the Fiscal Year Ended June 30, 2015

## Statement of Net Position

	Primary Government		Total
	Governmental Activities	Business-type Activities	
<b>ASSETS</b>			
Cash	\$ 45,245,864	\$ 6,332,487	\$ 51,578,351
Investments	18,089,497	-	18,089,497
Accounts Receivable, net	9,971,602	6,106,998	16,078,600
Due from Other Funds	509,031	(509,031)	-
Due from Other Agencies	5,445,867	-	5,445,867
Capital Assets:			
Depreciable, net	3,919,934	2,073,115	5,993,049
<b>Total Assets</b>	<b>83,181,795</b>	<b>14,003,569</b>	<b>97,185,364</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension related deferred outflows	8,726,453	557,008	9,283,461
<b>LIABILITIES</b>			
Wages and Benefits Payable	7,314,371	596,292	7,910,663
Accounts Payable	13,274,660	844,888	14,119,548
Due to Other Agencies	4,975,172	-	4,975,172
Unearned Revenue	1,151	141,284	142,435
Long-Term Liabilities:			
Portion Due and Payable Within One Year:			
Liability for Compensated Absences	1,643,071	117,775	1,760,846
Estimated Insurance Claims Payable	1,045,913	-	1,045,913
Portion Due and Payable After One Year:			
Liability for Compensated Absences	8,055,898	698,979	8,754,877
Liability for Other Post Employment Benefits	8,295,959	-	8,295,959
Liability for Florida Retirement Pension & Health Subsidy	39,242,254	2,504,825	41,747,079
<b>Total Liabilities</b>	<b>83,848,449</b>	<b>4,904,043</b>	<b>88,752,492</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension related deferred inflows	23,632,909	1,508,483	25,141,392
<b>NET POSITION</b>			
Investment in Capital Assets	3,919,934	2,073,115	5,993,049
Restricted for State Categoryals	3,657,733	-	3,657,733
Unrestricted	(23,150,777)	6,074,936	(17,075,841)
<b>Total Net Position</b>	<b>\$ (15,573,110)</b>	<b>\$ 8,148,051</b>	<b>\$ (7,425,059)</b>

# Basic Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Statement of Activities

FUNCTIONS/ PROGRAMS	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total	
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities		Business-type Activities
<b>Governmental Activities:</b>							
Instruction	\$ 124,233,027	\$	\$	\$ (124,233,027)	\$	\$ (124,233,027)	
Pupil Personnel Services	3,633,908			(3,633,908)		(3,633,908)	
Instruction and Curriculum Development Services	683,836	8,796,816		8,112,980		8,112,980	
Instructional Staff Training Services	2,819,843			(2,819,843)		(2,819,843)	
Instructional Related Technology	7,181,805			(7,181,805)		(7,181,805)	
Board	1,134,783			(1,134,783)		(1,134,783)	
General Administration	2,523,920			(2,523,920)		(2,523,920)	
School Administration	5,081,665			(5,081,665)		(5,081,665)	
Fiscal Services	1,973,886			(1,973,886)		(1,973,886)	
Central Services	8,445,821			(8,445,821)		(8,445,821)	
Operation of Plant	1,321,763			(1,321,763)		(1,321,763)	
Administrative Technology Services	8,683,430			(8,683,430)		(8,683,430)	
<b>Total Governmental Activities</b>	<b>167,717,687</b>	<b>8,796,816</b>		<b>(158,920,871)</b>		<b>(158,920,871)</b>	
<b>Business-type Activities:</b>							
FLVS Global & Franchises	18,321,591	21,642,581			3,320,990	3,320,990	
<b>Total Primary Government</b>	<b>\$ 186,039,278</b>	<b>\$ 30,439,397</b>	<b>\$</b>	<b>\$ (158,920,871)</b>	<b>\$ 3,320,990</b>	<b>\$ (155,599,881)</b>	
<b>General Revenues:</b>							
Grants and Contributions not Restricted to Specific Programs				162,953,872	-	162,953,872	
Unrestricted Investment Earnings				66,764	4,988	71,752	
Miscellaneous				7,063,189	127,559	7,190,748	
<b>Total General Revenues</b>				<b>170,083,825</b>	<b>132,547</b>	<b>170,216,372</b>	
<b>Change in Net Position</b>				<b>11,162,954</b>	<b>3,453,537</b>	<b>14,616,491</b>	
Net Position July 1, 2014, restated				(26,736,064)	4,694,514	(22,041,550)	
<b>Net Position, June 30, 2015</b>				<b>\$ (15,573,110)</b>	<b>\$ 8,148,051</b>	<b>\$ (7,425,059)</b>	

The accompanying notes to the basic financial statements are an integral part of this statement.

# Basic Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Balance Sheet – Governmental Funds

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>ASSETS</b>			
Cash	\$ 34,456,415	\$ -	\$ 34,456,415
Investments	18,089,497	-	18,089,497
Accounts Receivable, net	8,472,528	-	8,472,528
Due from Other Funds	583,734	-	583,734
Due from Other Agencies	4,982,970	462,897	5,445,867
<b>Total Assets</b>	<b>\$ 66,585,144</b>	<b>\$ 462,897</b>	<b>\$ 67,048,041</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities:			
Salaries, Benefits, and Payroll Taxes Payable	\$ 7,312,956	\$ 1,415	\$ 7,314,371
Accounts Payable	11,189,776	386,758	11,576,534
Due to Other Funds	-	74,703	74,703
Due to Other Agencies	4,975,151	21	4,975,172
Unapplied Payments	1,150	-	1,150
<b>Total Liabilities</b>	<b>23,479,033</b>	<b>462,897</b>	<b>23,941,930</b>
Fund Balances:			
Spendable:			
Restricted for State Categoryals	3,657,733	-	3,657,733
Assigned for Encumbrances	2,243,197	-	2,243,197
Unassigned	37,205,181	-	37,205,181
<b>Total Fund Balance</b>	<b>43,106,111</b>	<b>-</b>	<b>43,106,111</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 66,585,144</b>	<b>\$ 462,897</b>	<b>\$ 67,048,041</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

# Basic Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Reconciliation of the Governmental Funds – Balance Sheet to the Statement of Net Position

<b>Total Fund Balances - Governmental Funds</b>	<b>\$ 43,108,111</b>
 Amounts reported for <i>governmental activities</i> in the statement of net position are different because:	
Some liabilities, including net pension obligations, are not due and payable in the current period and, therefore, are not reported in the funds	
Net pension liability	(39,242,254)
Deferred outflows and inflows or resources related to pensions are applicable to future periods and, therefore, are not reported in the funds	
Deferred outflows of resources related to pensions of \$8,726,453 = \$3,014,078 deferred outflows assumptions + \$5,712,375 deferred outflows contributions subsequent to measurement date, 6/30/2014	8,726,453
Deferred inflows of resources related to pensions (from pension schedule)	(23,632,909)
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	3,919,934
Compensated Absences are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	(9,698,970)
Other Post Employment Benefits are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.	(8,295,959)
Internal service funds are used by management to charge the costs of its self-insurance program. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position.	9,544,484
<b>Net Position - Governmental Activities</b>	<b>\$ (15,573,110)</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

# Basic Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds

	General Fund	Special Revenue Fund	Total Governmental Funds
<b>REVENUES</b>			
Federal Through State Sources:			
Other Federal Through State Sources	\$ -	\$ 2,022,105	\$ 2,022,105
Total Federal Through State	-	2,022,105	2,022,105
State Sources:			
Florida Education Finance Program	159,120,170	-	159,120,170
Reading Program	1,396,450	-	1,396,450
School Recognition Program	330,715	-	330,715
Other State Sources	84,432	-	84,432
Total State Sources	160,931,767	-	160,931,767
Local Sources:			
Other Local Sources	15,919,368	-	15,919,368
Total Local Sources	15,919,368	-	15,919,368
<b>Total Revenues</b>	<b>176,851,135</b>	<b>2,022,105</b>	<b>178,873,240</b>
<b>EXPENDITURES</b>			
Current:			
Instruction	120,592,115	1,572,438	122,164,551
Pupil Personnel Services	3,662,202	125,210	3,787,412
Instruction and Curriculum Development Services	679,425	89,630	769,055
Instructional Staff Training Services	3,060,606	114,954	3,175,560
Instruction Related Technology	7,219,452	1,562	7,221,014
School Board	1,148,123	-	1,148,123
General Administration	2,470,869	98,656	2,569,525
School Administration	5,177,783	-	5,177,783
Fiscal Services	1,953,441	-	1,953,441
Central Services	8,568,974	19,657	8,588,631
Operation of Plant	1,347,906	-	1,347,906
Administrative Technology Services	8,283,068	-	8,283,068
Capital Outlay:			
Other Capital Outlay	1,633,924	-	1,633,924
<b>Total Expenditures</b>	<b>165,797,888</b>	<b>2,022,105</b>	<b>167,819,993</b>
<b>Excess of Revenues Over Expenditures</b>	<b>11,053,247</b>	<b>-</b>	<b>11,053,247</b>
<b>Net Change in Fund Balance</b>	<b>11,053,247</b>	<b>-</b>	<b>11,053,247</b>
Fund Balance, July 1, 2014	36,761,092	-	36,761,092
Adj to Beginning Fund Balance	(4,708,228)	-	(4,708,228)
<b>Fund Balance, June 30, 2015</b>	<b>\$ 43,108,111</b>	<b>\$ -</b>	<b>\$ 43,108,111</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

# Basic Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities

**Net Change in Fund Balances - Governmental Funds** **\$ 11,053,247**

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as an expense.

District pension contributions	\$ 5,712,375	
Cost of benefits earned net of employee contributions (pension expense from the pension schedule)	(2,407,558)	3,304,817

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlay, \$1,833,924 less than depreciation/amortization expense, (\$4,302,394) in the current period. (2,668,470)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current period. 311,594

Other Post Employment Benefits (OPEB) costs are recorded in government funds under the pay-as-you-go method, but under the full accrual method for government-wide statements. (1,198,798)

Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The net revenue of internal service funds is reported with governmental activities plus the depreciation reported above. 358,564

**Change in Net Position - Governmental Activities** **\$ 11,162,954**

The accompanying notes to the basic financial statements are an integral part of this statement.

# Basic Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Statement of Net Position – Proprietary Fund

	<b>Business-type Activities FLVS Enterprise Funds</b>	<b>Governmental Activities Internal Service Fund</b>
<b>ASSETS</b>		
Cash	\$ 6,332,487	\$ 10,789,449
Accounts Receivable, net	6,106,998	1,499,074
Capital Assets:		
Depreciable (net)	2,073,115	-
<b>Total Assets</b>	<b>14,512,600</b>	<b>12,288,523</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred Outflows - FRS and HIS	557,008	-
<b>LIABILITIES</b>		
Wages and Benefits Payable	596,292	-
Accounts Payable	844,888	1,698,126
Due to Other Funds	509,031	-
Est Unpaid Claims - Self Insurance	-	1,045,913
Unearned Revenue	141,284	-
Long-term Liabilities:		
Portion Due and Payable Within One Year:		
Liability for Compensated Absences	117,775	-
Portion Due and Payable After One Year:		
Liability for Compensated Absences	698,979	-
Liability for Florida Retirement Pension & Health Subsidy	2,504,825	-
<b>Total Liabilities</b>	<b>5,413,074</b>	<b>2,744,039</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Deferred Inflows - FRS and HIS	1,508,483	-
<b>NET POSITION</b>		
Invested in Capital Assets	2,073,115	-
Restricted for Encumbrances	471,027	-
Unrestricted	5,603,909	9,544,484
<b>Total Net Position</b>	<b>\$ 8,148,051</b>	<b>\$ 9,544,484</b>

<sup>1</sup> FLVS enterprise funds include the global services fund, global school fund, franchises fund and the development fund.

The accompanying notes to the basic financial statements are an integral part of this statement.

# Basic Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Statement of Revenues, Expenditures, and Changes in Net Position – Proprietary Fund

	<b>Business-type Activities</b> <b>FLVS Enterprise Funds</b> <sup>1</sup>	<b>Governmental Activities</b> <b>Internal Service Fund</b>
<b>OPERATING REVENUES</b>		
Charges for Sales or Services	\$ 21,642,581	\$ -
Premium Revenues	-	17,071,859
Miscellaneous Revenues	127,560	-
<b>Total Operating Revenue</b>	<b>21,770,141</b>	<b>17,071,859</b>
<b>OPERATING EXPENSES</b>		
Salaries	5,200,081	-
Employee Benefits	1,441,117	-
Purchased Services	6,438,883	-
Materials and Supplies	140,747	-
Capital Outlay	912	-
Other Expenses	4,550,213	16,720,695
Bad Debt Expense	(10,890)	-
Unallocated Depreciation/Amortization Expense	560,529	-
<b>Total Operating Expenses</b>	<b>18,321,592</b>	<b>16,720,695</b>
<b>Operating Income (Loss)</b>	<b>3,448,549</b>	<b>351,164</b>
<b>NONOPERATING REVENUES</b>		
Interest	4,988	7,401
<b>Income (Loss) Before Operating Transfers</b>	<b>3,453,537</b>	<b>358,565</b>
Transfers In	7,402,464	-
Transfers Out	7,402,464	-
<b>Change in Net Position</b>	<b>3,453,537</b>	<b>358,565</b>
Net Position - July 1, 2014	8,363,744	9,185,919
Adjustment to Beginning Net Position	(3,689,230)	-
<b>Net Position - June 30, 2015</b>	<b>\$ 8,148,051</b>	<b>\$ 9,544,484</b>

<sup>1</sup> FLVS enterprise funds include the global services fund, global school fund, franchises fund and the development fund.

The accompanying notes to the basic financial statements are an integral part of this statement.

# Basic Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Statement of Cash Flows – Proprietary Fund

	<b>Business-type Activities</b> <b>FLVS Enterprise Funds</b> <sup>1</sup>	<b>Governmental Activities</b> <b>Internal Service Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from Customers and Users	\$ 18,692,457	\$ 17,079,642
Payments to Suppliers of Goods and Services	(8,644,967)	(17,855,606)
Payments to Employees	(8,014,131)	-
<b>Net Cash Provided by Operating Activities</b>	<b>2,033,359</b>	<b>(775,964)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of Capital Assets	(2,215,065)	-
<b>Net Cash Used In Capital and Related Financing Activities</b>	<b>(2,215,065)</b>	<b>-</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on Investments	4,988	7,401
<b>Net Cash Provided by Investing Activities</b>	<b>4,988</b>	<b>7,401</b>
<b>Net Change in Cash</b>	<b>(176,718)</b>	<b>(768,563)</b>
Cash at Beginning of Year	6,511,189	11,558,012
Adjustment to Fund Balance	(1,984)	-
<b>Cash at End of Year</b>	<b>\$ 6,332,487</b>	<b>\$ 10,789,449</b>
<b>Reconciliation of Operating Income to Net Cash Provided by operating activities:</b>		
Operating Income	\$ 3,448,549	\$ 351,164
<b>Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:</b>		
Amortization Expense	560,530	-
<b>Changes in Assets and Liabilities:</b>		
Decrease (Increase) in Accounts Receivable	(3,098,154)	7,783
Decrease (Increase) in Prepaid Expenses	-	-
Increase (Decrease) in Due to Other Funds	459,132	(381,897)
Increase (Decrease) in Accounts Payable	292,560	(812,085)
Increase (Decrease) in Salaries and Benefits Payable	308,488	-
Increase (Decrease) in Compensated Absence Payable	252,732	-
Increase (Decrease) in Pension Contribution Payable	(210,946)	-
Increase (Decrease) in Unearned Revenue	20,468	-
Increase (Decrease) in Est Unpaid Claims	-	59,071
<b>Total adjustments</b>	<b>(1,415,190)</b>	<b>(1,127,128)</b>
<b>Net Cash Provided by Operating Activities</b>	<b>\$ 2,033,359</b>	<b>\$ (775,964)</b>

<sup>1</sup> FLVS enterprise funds include the global services fund, global school fund, franchises fund and the development fund.

The accompanying notes to the basic financial statements are an integral part of this statement.

# Notes to Financial Statements

For the Fiscal Year Ended June 30, 2015

## 1. Summary of Significant Accounting Policies

### Reporting Entity

The Florida Virtual School (the School) was established by an act of the Florida Legislature, as specified under Title XLVIII, Chapter 1002, Section 1002.37, Florida Statutes, to develop and deliver online and distance learning education. The School initiated online activities in August 1997 in partnership with the School Board of Alachua County and Orange County Public Schools with the name of Florida Online High School. As a result of legislative activity in 2001, the Florida Online High School changed its name to The Florida Virtual School and ended its partnership with the School Board of Alachua and Orange County Public Schools. The Florida Virtual School is a component unit of the State of Florida.

The School is governed by a board of trustees consisting of seven members appointed by the Governor. Members have experience working in a variety of fields such as education, business and government. The board of trustees is required to meet a minimum of four times each year. The board members and the President who served during the 2014-15 fiscal year are shown in the following tabulation:

<b>Board Member</b>	<b>County</b>
Lady Dhyana Ziegler, Ph.D, Chair	Leon
Mr. Brian Cunningham	Broward
Ms. Linda Pellegrini	Orange
Ms. Dorene McShea	Collier
Ronald Blocker, President, Chief Executive Officer	

Criteria for determining if other entities are potential component units of the School which should be reported with the School's financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. The application of these criteria provide for identification of any entities for which the School is financially accountable and other organizations for which the nature and significance of their relationship with the School are such that exclusion would cause the School's financial statements to be misleading or incomplete. Based on these criteria, no component units are included within the reporting entity of the School.

### Basis of Presentation

**Government-wide Financial Statements** – Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School as a whole. These statements include the non-fiduciary financial activity of the primary government. The statements distinguish between governmental activities of the School and those that are considered business-type activities.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the School's governmental activities and for each segment of the business-type activities. Direct expenses are those that are specifically

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School.

The School eliminates from the Statement of Net Position and the Statement of Activities interfund transfers and most interfund receivables and payables between funds.

**Fund Financial Statements** – Fund financial statements report detailed information about the School in the governmental and proprietary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with the governmental fund financial statements.

The School reports the following major governmental funds:

- **General Fund** – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

The School reports the following non-major fund:

- **Special Revenue Fund** – Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Additionally, the School reports the following proprietary fund types:

- **Internal Service Fund** – to account for the self-insurance activities.
- **Enterprise Fund** – to account for the activities of FLVS global and Florida franchises.

## Basis of Accounting

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The School considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Revenues from the Enterprise Fund are recognized at the gross value earned. Commissions related to the sales are recorded as an expense. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues and expenses of the School's proprietary funds relate to the sales and services provided by FLVS Global Services, FLVS Global School, Franchises and the Development Funds. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the School's policy to use restricted resources first, then unrestricted resources as they are needed.

## Deposits and Investments

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash as those accounts used as demand deposit accounts and investments.

Investments consist of amounts placed with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund investment pool created by Section 218.405, Florida Statutes. This investment pool operates under investments guidelines established by Section 215.47, Florida Statutes. The School's investments in the Local Government Surplus Funds Trust Fund, a Securities and Exchange Commission Rule 2a7-like external investment pool, are reported at fair value, which is amortized cost.

## Capital Assets

Expenditures for capital assets acquired or constructed for general School purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the School as those with a useful life greater than a year and costing more than \$1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation. Interest costs incurred during the construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

Internally generated software, such as coursework for the School, is recognized as an intangible asset. Expenditures relating to the creation of intangible assets are capitalized and reported at cost in the government-wide statement of net position but are reported as expenditures in the governmental fund financial statements. An intangible asset is recognized in the statement of net position only if it is considered identifiable.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<b>Description</b>	<b>Estimated Lives</b>
Furniture, Fixtures, and Equipment	3 years
Internally Generated Courses & Purchased Software	4 years

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position.

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only for the current portion of compensated absences expected to be paid using expendable available resources.

Changes in long-term liabilities for the current year are reported in a subsequent note.

## State Revenue Sources

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the School determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the School. The School is permitted to amend its original reporting based on the DOE Schedule of FTE Amendments. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the School's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. The Department generally requires that categorical educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental fund financial statements for the unencumbered balance of categorical educational program resources.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

## Fund Balance Policy

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Board itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance). The Board does not have a policy regarding the commitment or assignment of fund balances. As such, the School does not report any committed or assigned fund balances. However, to ensure that an adequate fund balance is available for financial emergencies, it is a normal practice of the Board to annually budget at least an 8% reserve of its State (FEFP) and Virtual Learning Lab (VLL) revenue in its general fund budget.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the pension plan's fiduciary net position and additions to deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### 2. Change in Accounting Principal

Governmental Accounting Standards Board Statement 68, Accounting and Financial Reporting for Pensions, an amendment of GASB No. 27, was implemented during fiscal year 2015. The revised requirements establish new financial reporting requirements for state and local governments which provide their employees with pension benefits, including additional note disclosures and required supplemental information. In addition, GASB 68 requires a state and local government employer to recognize a net pension liability and changes in the net pension liability, deferred outflows of resources and deferred inflows of resources which arise from other types of events related to pensions. Beginning net position for governmental and business-type activities were restated to retroactively report the beginning net pension liability and deferred outflows of resources related to contributions made after the measurement date.

A prior period adjustment of (\$4,710,212) was also made to the General Fund beginning fund balance during fiscal year 2015. This adjustment was due to a decrease in the June 30, 2014 FEFP revenue. The 1.0 FTE sharing formula calculation for the 2014 FEFP revenue was provided after the 2014 statements were presented.

The table below represents the restatement of the July 1, 2014 beginning net position.

	<b>Governmental Activities</b>	<b>Business-type Activities</b>
<b>Net Position as previously reported at June 30, 2014</b>	<b>\$ 35,425,691</b>	<b>\$ 8,363,744</b>
<b>Prior period adjustment - Implementation of GASB 68:</b>		
<b>Net pension liability (measurement date     as of June 30, 2013)</b>	<b>(62,650,075)</b>	<b>(3,998,941)</b>
<b>Deferred outflows - School contributions     made during fiscal year 2014</b>	<b>5,196,548</b>	<b>331,695</b>
<b>Total prior period adjustment due to GASB 68</b>	<b>(57,453,527)</b>	<b>(3,667,246)</b>
<b>Adjustment due to 2014 FEFP revenue decrease</b>	<b>(4,710,212)</b>	<b>-</b>
<b>Adjustment between funds</b>	<b>1,984</b>	<b>(1,984)</b>
<b>Net position as restated, July 1, 2014</b>	<b>\$ (26,736,064)</b>	<b>\$ 4,694,514</b>

For additional information on the School's retirement programs, see Notes 12 and 13.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## 3. Allowance for Doubtful Accounts

Accounts receivable are presented on the balance sheet net of estimated uncollectible amounts. The School records an allowance for estimated uncollectible accounts in an amount approximating anticipated losses. Individual uncollectible accounts are written off against the allowance when collection of the individual accounts appears doubtful. The School recorded an allowance for doubtful accounts of \$18,000 as of June 30, 2015.

## 4. Budgetary Compliance and Accountability

The Board follows procedures established by State statutes and State Board of Education rules in establishing budget balances for governmental funds, as described below:

- Budgets are prepared, public meetings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each function (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any Board of Trustees meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders and other commitments are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

## 5. Investments

Section 218.415(17), Florida Statutes, authorizes the School to invest in the Local Government Surplus Funds Trust Fund, any intergovernmental investment pool, money market funds registered with the Securities and Exchange Commission, interest-bearing time deposits or savings accounts, and direct obligations of the U.S. Treasury.

Investments with a fair value of \$18,089,497 at June 30, 2015, are in the State Board of Administration investment pool (Florida PRIME) with a weighted average maturity (WAM) of 34 days. A portfolio's WAMP reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes. The School's investment in Florida PRIME is rated AAAM by Standard and Poor's.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## 6. Changes in Capital Assets

Changes in capital assets are presented in the table below:

	<u>Balance</u> <u>7-1-14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6-30-15</u>
<b>GOVERNMENTAL ACTIVITIES:</b>				
Capital Assets Being Depreciated:				
Furniture, Fixtures, and Equipment	\$ 5,047,312	\$ 128,787		\$ 5,176,079
Less Accumulated Depreciation	4,055,097	543,725		4,598,822
Total Furniture, Fixtures, and Equipment	<u>992,215</u>	<u>(414,958)</u>	-	<u>577,257</u>
Internally Created Software	23,858,795	1,505,157		25,363,952
Less Accumulated Amortization	18,282,808	3,758,889		22,021,275
Total Internally Created Software	<u>5,596,189</u>	<u>(2,253,512)</u>	-	<u>3,342,677</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>				
Furniture, Fixtures, and Equipment	20,290	-	-	20,290
Less Accumulated Depreciation	578	8,783	-	7,341
Total Furniture, Fixtures, and Equipment	<u>19,712</u>	<u>(8,783)</u>	-	<u>12,949</u>
Internally Created Software	531,823	2,215,085	-	2,746,888
Less Accumulated Amortization	132,956	553,788	-	686,722
Total Internally Created Software	<u>398,867</u>	<u>1,661,297</u>	-	<u>2,060,165</u>
<b>TOTAL GOV'T &amp; BUSINESS-TYPE- CAPITAL ASSETS, NET</b>	<u>\$ 7,006,983</u>	<u>\$ (1,013,934)</u>	<u>\$ -</u>	<u>\$ 5,993,049</u>

Depreciation/Amortization expense for the governmental funds was charged to functions for the year ended June 30, 2015 as follows:

<u>Function</u>	<u>Amount</u>
<b>GOVERNMENTAL</b>	
Instruction	\$ 3,758,669
Administrative Related Technology	500,227
Instructional Related Technology	43,498
Total Depreciation/Amortization-Governmental Activities	<u>\$ 4,302,394</u>

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## 7. Operating Leases

The School is obligated under a lease agreement for office facilities beginning October 1, 2013 and ending July 31, 2022. The base rent is being waived for the period of February 1, 2015 through July 31, 2015. The annual lease payments increase approximately 3% beginning fiscal year 2018. The total amount of payments for fiscal year ending June 30, 2015 is \$656,975. Annual remaining rent payments are shown in the table below:

<u>Fiscal Year Ending June 30</u>	<u>Payment</u>
2016	\$ 1,018,681
2017	1,142,144
2018	1,176,550
2019	1,211,691
2020	1,248,056
2021-2023	2,721,040
<b>Total</b>	<b><u>\$ 8,518,162</u></b>

## 8. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities:

<u>Description</u>	<u>Balance</u> <u>7-1-14</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>6-30-15</u>	<u>Due in</u> <u>One Year</u>
Governmental Activities	\$ 10,010,563	\$ 539,482	\$ 851,076	\$ 9,698,969	\$ 1,643,071
Business-Type Activities	564,022	348,402	95,670	816,754	117,775
Compensated Absences Payable	10,574,585	887,884	946,746	10,515,723	1,760,846
Governmental Activities	62,650,075	5,421,636	28,829,457	39,242,254	-
Business-Type Activities	3,998,941	346,062	1,840,178	2,504,825	-
Florida Retirement & Health Subsidy	66,649,016	5,767,698	30,669,635	41,747,079	-
Estimated Insurance Claims Payable	986,842	1,045,913	986,842	1,045,913	1,045,913
Other Post Employment Benefits	7,099,161	1,196,798	-	8,295,959	-
<b>Total</b>	<b><u>\$ 85,309,604</u></b>	<b><u>\$ 8,898,293</u></b>	<b><u>\$ 32,603,223</u></b>	<b><u>\$ 61,604,674</u></b>	<b><u>\$ 2,806,759</u></b>

## 9. Encumbrances

Appropriations in governmental funds are encumbered upon issuance of purchase orders for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## 10. Interfund Receivables, Payables, and Transfers

The following is a summary of interfund receivables and payables reported in the fund financial statements at June 30, 2015:

<b>Funds</b>	<b>Interfund</b>	
	<b>Receivables</b>	<b>Payables</b>
	<b>Due From</b>	<b>Due To</b>
<b>Major Governmental Funds</b>		
General Fund	\$ 509,031	\$ -
<b>Business-type Activities</b>	-	509,031
<b>Total</b>	<b>\$ 509,031</b>	<b>\$ 509,031</b>

The interfund receivables and payables represent the payments of expenditures by one fund for another fund and will be repaid within 12 months. The following is a summary of interfund transfers reported in the proprietary financial statements at June 30, 2015:

<b>Funds</b>	<b>Intrafund</b>	
	<b>Transfer In</b>	<b>Transfer Out</b>
<b>Enterprise Fund</b>		
FLVS Development	\$ 7,402,464	
FLVS Global Services		4,213,924
FLVS Global School		494,654
Franchises		2,693,886
<b>Total</b>	<b>\$ 7,402,464</b>	<b>\$ 7,402,464</b>

The interfund transfers represent a transfer of profit from the FLVS global and franchise enterprise funds to the FLVS global development enterprise fund. Of the amount transferred to FLVS development fund, \$3,211,735 was used for the development of student courses, with the remainder used for various technology upgrades.

## 11. Schedule of State Revenue Sources

The following is a schedule of the School's State revenue for the General Fund for the 2014-15 fiscal year:

<b>Source</b>	<b>2014-15</b>
Florida Education Finance Program	\$ 159,120,170
<b>Other State Sources:</b>	
Reading Program	1,396,450
School Recognition Program	330,715
Miscellaneous State	84,432
<b>Total Other State Sources</b>	<b>1,811,597</b>
<b>Total State Revenues</b>	<b>\$ 160,931,767</b>

Accounting policies relating to certain State revenue sources are described in Note 1.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## 12. State Retirement Program

All regular employees of the School are covered by the Florida Retirement System (FRS). Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Essentially all regular employees of participating employers are eligible and must enroll as members of the FRS. The FRS is a single retirement system administered by the Division of Retirement, Department of Management Services, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined contribution plan, referred to as the Public Employee Optional Retirement Program (PEORP).

The FRS Pension Plan is a defined benefited plan qualified under Section 401(a) of the Internal Revenue Code. The following information provides vesting options:

- Vesting refers to an earned right to receive retirement benefits when the employee reaches normal retirement of 62 years of age or by 30 years of service for employees who began participation in the FRS prior to July 1, 2011. Vesting refers to an earned right to receive retirement benefits when the employee reaches normal retirement of 65 years of age or by 33 years of service for employees who began participation in the FRS on/after July 1, 2011.
- Six (6) years of contiguous service is required to become fully vested for FRS members whose participation in the FRS began prior to July 1, 2011.
- Eight (8) years of contiguous service is required to become fully vested for employees who begin participation in the FRS on or after July 1, 2011.
- Effective July 1, 2011 all employee contributions are immediately vested, minus any interest earnings for those in the Pension Plan, once the member has been off all FRS covered payrolls for three full calendar months. Employer contributions made on behalf of the member are not refundable prior to vesting.

The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in PEORP in lieu of the Plan. School employees participating in DROP are not eligible to participate in PEORP. Employer contributions are defined by law; however, the ultimate benefit depends in part on the performance of investment funds. PEORP is funded by employer contributions that are based on salary and membership class. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Benefits in PEORP vest after one year of service. There were 599 School participants during the 2013-14 fiscal year. Required contributions made to PEORP totaled \$2,084,455.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## FRS Retirement Contribution Rates

The Florida Legislature establishes, and may amend, contribution rates for each membership class of the FRS. During the 2013-14 fiscal year, contribution rates were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer (A)
Florida Retirement System, Regular	3.00	7.37
Florida Retirement System, Senior Management Service	3.00	21.14
Deferred Retirement Option Program - Applicable to Members from all of the Above Classes or Plans	0.00	12.28
Florida Retirement System, Reemployed Retiree	(B)	(B)

Notes: (A) In addition to the rates shown, employer rates include 1.26 percent for the post-employment health insurance supplement. Also, employer rates, other than for DROP participants, include 0.04 percent for administrative costs of the Public Employee Optional Retirement Program.

(B) Contribution rates are dependent upon the retirement class in which re-employed.

The School's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the School. The School's contributions for the fiscal years ended June 30, 2013, June 30, 2014 and June 30, 2015, totaled \$5,065,845, \$6,722,389, and \$7,061,736 respectively, which were equal to the required contributions for each fiscal year.

The financial statements and the required supplemental information of the FRS are included in the comprehensive annual financial report of the State of Florida which may be obtained from the Florida Department of Financial Services. Also, an annual report on FRS, which includes its financial statements, required supplemental information, actuarial report, and other relevant information is available from the Florida Department of Management Services, Division of Retirement.

## 13. Required Change in Accounting for State Retirement Program - Pensions

Plan Description. During fiscal year 2014-2015, The Florida Virtual School implemented Governmental Accounting Standards Board Statement 68, Accounting and Financial Reporting for Pensions. Statement 68 requires reporting entities to recognize their proportionate share of the net pension liability on financial statements. The Florida Virtual School participates in two defined benefit plans (as also described in Note 12):

- The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer qualified defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options.
- The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended June 30, 2014, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## Employer Contributions

Contributions are recognized as revenues when due, pursuant to statutory and contractual requirements. Employee contributions required pursuant to section 121.71(3), Florida Statutes, are accounted for by the FRS as employer paid employee contributions and are treated as employer contributions under 26 U.S.C. s. 414(h)(2) allowing these contributions to be deducted on a pre-tax basis. Pension expense reported in the pension allocation schedules is reduced by these amounts. Total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes. Employer contributions reflected in the financial statements and in the pension allocation schedules for the defined benefit plans represent contributions specific to each defined benefit plan and do not equal total blended contributions remitted by the employer. The School's contribution for pension plan funding for the current period for FRS (Florida Retirement System) and HIS (Health Insurance Subsidy) were \$4,902,731 and \$1,075,028, respectively.

## Net Pension Liability

At June 30, 2015, the School reported a FRS liability of \$12,404,518 and a HIS liability of \$29,342,561 for its proportionate share of the net pension liability. The total pension liability was determined by the plans' actuary and reported in the plans' valuations dated July 1, 2014. The School's proportion of the net pension liability was based on the School's share of contributions to the pension plan relative to the contributions of all Division of Retirement participating employers. At June 30, 2014, the School's collective proportions were .203303739% for FRS and .313815997% for HIS, which was a decrease of .013844272% and .022355845%, respectively, measured as of June 30, 2013.

## Pension Expense and Deferred Outflows/Inflows of Resources

For the year ended June 30, 2015, the School recognized pension expense of \$2,561,232. At June 30, 2015, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources		Deferred Inflows of Resources	
	Gov't Activities	Bus-type Activities	Gov't Activities	Bus-type Activities
Differences between expected and actual experience	\$ -	\$ -	\$ 721,571	\$ 46,058
Changes in assumptions or other inputs	3,000,839	191,543	-	-
Net difference between projected and actual earnings on pension plan investments	13,239	845	19,451,228	1,241,566
Changes in proportion and differences between district contributions and proportionate share of contributions	-	-	3,460,110	220,859
District contributions subsequent to the measurement date	5,712,375	364,620	-	-
<b>Total</b>	<b>\$ 8,726,453</b>	<b>\$ 557,008</b>	<b>\$ 23,632,909</b>	<b>\$ 1,508,483</b>

The \$6,076,995 (\$5,712,375 + \$364,620) reported as deferred outflows of resources related to pensions resulting from the School contributions subsequent to the measurement date will be recognized as a reduction of net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to FRS and HIS pensions will be recognized in pension expense as follows:

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

Reporting Period Ending June 30,	FRS Expense	HIS Expense
2016	\$ (4,912,703)	\$ 171,929
2017	(4,912,703)	171,929
2018	(4,912,703)	171,929
2019	(4,912,703)	171,929
2020	260,496	168,407
Thereafter	78,149	202,089
<b>Totals</b>	<b>\$ (19,312,167)</b>	<b>\$ 1,058,212</b>

## Actuarial Methods and Assumptions

Actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2015 for the period July 1, 2008, through June 30, 2014. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for this program.

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation as of July 1, 2014, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.60%. Payroll growth for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 7.65%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 4.29% was used to determine the total pension liability for the program. Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB tables.

The following changes in actuarial assumptions occurred in 2014:

- FRS: As of June 30, 2014, the inflation rate assumption was decreased from 3.00% to 2.60%, the real payroll growth assumption was decreased from 1.00% to 0.65%, and the overall payroll growth rate assumption was decreased from 4.00% to 3.25%. The long-term expected rate of return decreased from 7.75% to 7.65%.
- HIS: The municipal rate used to determine total pension liability decreased from 4.63% to 4.29%.

## Sensitivity Analysis

The following tables demonstrate the sensitivity of the net liability to changes to the discount rate. The sensitivity analysis shows the impact to the collective net pension liability of the participating employers if the discount rate was 1.00% higher or 1.00% lower than the current discount rate at June 30, 2014.

	FRS Net Pension Liability (Asset)			HIS Net Pension Liability		
	1% Decrease	Current	1% Increase	1% Decrease	Current	1% Increase
NPL per FRS, June 30, 2014	\$ 26,096,800,064	\$ 6,101,470,575	\$ (10,530,828,277)	\$ 10,635,145,404	\$ 9,350,244,011	\$ 8,277,719,058
FLVS proportionate @measurement date, June 30, 2014	0.203303739%	0.203303739%	0.203303739%	0.313815997%	0.313815997%	0.313815997%
FLVS proportionate share of NPL	\$ 53,055,770	\$ 12,404,518	\$ (21,409,568)	\$ 33,374,788	\$ 29,342,561	\$ 25,976,807

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## **Additional Financial and Actuarial Information**

Additional audited financial information supporting the Schedules of Employer Allocations and the Schedules of Pension Amounts by Employer, is located in the Florida CAFR for the fiscal year ended June 30, 2013, and in the Florida Retirement System Pension Plan and Other State-Administered Systems CAFR for the fiscal year ended June 30, 2014.

## 14. Risk Management

The School is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Florida Virtual School is a member of the North East Florida Educational Consortium (NEFEC) under which several district school boards have established a combined limited self-insurance program for property protection, general liability, automobile liability, workers' compensation, and other coverage deemed necessary by the members of the Consortium. However, workers' compensation for employees who reside in states other than Florida is provided through fully insured plans that are not part of NEFEC. Arthur Gallagher Risk Management Services handles the School's multi-state worker's compensation policy for all states in which we have employees that allow such a policy. Section 1001.42(10)(k), Florida Statutes, provides the authority for the School to enter in such a risk management program. The Consortium is self-sustaining through member assessments (premiums), and purchases coverage through commercial companies for claims in excess of specified amounts. Reinsurance from commercial companies provided excess property coverage of up to \$50 million during the 2014-15 fiscal year. The Board of Directors of the Consortium is composed of superintendents of all participating districts and schools. The Putnam County District School Board serves as fiscal agent for the Consortium. The School has not reduced insurance coverage for the past two years. Settled claims have not exceeded insurance coverage for the past three years.

The School provides group health, life and disability insurance to benefited employees. There are three different health plans offered. All are PPO (Preferred Organization) plans, with one plan offering a lower-premium higher-deductible option coupled with an employer-funded HRA contribution. Under these plans, the Board contributes to a portion of the premiums as part of the "fringe benefits" offered to employees. These plans offer four participant tiers to include employee-only, employee plus spouse, employee plus child(ren), and full family coverage. The three plans are administered by Blue Cross Blue Shield of Florida. The School reported an estimated unpaid claims liability of \$1,045,913.

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

## 15. Other Postemployment Benefits

### Plan Description

Pursuant to the provision of the Section 112.0801, Florida Statutes, former employees who retire from the School, and eligible dependents, may continue to participate in the School's health and hospitalization plan for medical and prescription coverages. The School subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at the blended group premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the School on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The rates by retirees eligible for Medicare are reduced by the Medicare premium. Separate stand-alone financial statements for the plan are not prepared.

### Funding Policy

The School funds the postemployment benefit on a pay-as-you-go basis. For fiscal year 2014-15, 30 retirees received health care benefits. The School provided required contributions estimated at \$106,182 toward the annual Other Post Employment Benefits ("OPEB") cost, comprised of benefit payments made on behalf of retirees net of retiree contributions.

### Annual OPEB Cost and Net OPEB Obligations

The following table shows the School's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the School's net OPEB obligation:

Description	Amount
Normal Cost (service cost for one year)	\$ 785,876
Amortization of Unfunded Actuarial Accrued Liability	528,936
Interest on Normal Cost and Amortization	-
Annual Required Contribution (ARC)	1,314,812
Interest on Net OPEB Obligation (NOO)	283,966
Adjustment to Annual Required Contribution	(295,798)
Annual OPEB Cost (Expense)	1,302,980
Estimated Contribution Toward the OPEB Cost	(106,182)
Increase in Net OPEB Obligation	1,196,798
Net OPEB Obligation, Beginning of Year	7,099,161
Net OPEB Obligation, End of Year	\$ 8,295,959

# Notes to Financial Statements continued

For the Fiscal Year Ended June 30, 2015

The School's annual OPEB Cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, was as follows:

<u>Fiscal Year Ended</u>	<u>Annual OPEB Cost</u>	<u>Estimated Amount Contributed</u>	<u>Percentage of Annual OPEB Cost Contributed</u>	<u>Net OPEB Obligation</u>
June 30, 2013	\$ 1,631,664	\$ 80,088	4.91%	\$ 5,328,360
June 30, 2014	\$ 1,719,780	\$ (51,021)	-2.97%	\$ 7,099,161
June 30, 2015	\$ 1,302,980	\$ 106,182	8.15%	\$ 8,295,959

## Funded Status and Funding Progress

As of June 30, 2015, the most recent valuation date, the actuarial accrued liability for benefits was \$12,447,964, and the actuarial value of assets was \$0, resulting in an unfunded actuarial liability of \$12,447,964 and a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was \$91,872,334 for the 2014-2015 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 13.55 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress is presented as required supplementary information following the notes to the financial statements.

## Actuarial Methods and Assumptions

Projection of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and the participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis.

The School's OPEB actuarial valuation as of June 30, 2015, used the Entry Age actuarial method with amortization on a level percentage basis, to estimate the unfunded and funded actuarial liability as of June 30, 2015 and to estimate the School's 2014-2015 fiscal year ARC. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4 percent discount rate, compounded annually. The actuarial assumptions also included a payroll growth rate of 4 percent per year, and projected salary increases of 4.0% through 7.80%. The unfunded actuarial accrued liability is being amortized as a level percentage of expected payroll on a closed basis. The remaining amortization period at June 30, 2015, is 24 years.

## 14. Litigation

From time to time, the School may be involved in litigation. Currently, the School is not aware of any pending or threatened legal actions that would have a material effect on the financial statements.

# Required Supplementary Information

For the Fiscal Year Ended June 30, 2015

## Budgetary Comparison Schedule – General Fund

	Budgeted Amounts		Actual Amounts	Variance
	Original	Final		Positive / (Negative)
<b>REVENUES</b>				
State Sources:				
Florida Education Finance Program	\$ 137,321,740	\$ 154,737,955	\$ 159,120,170	\$ 4,382,215
Reading Program	1,185,854	1,353,310	1,396,450	43,140
School Recognition Program	-	-	330,715	330,715
Other State Sources	-	86,874	84,432	(2,442)
<b>Total State Sources</b>	<b>138,507,594</b>	<b>156,178,139</b>	<b>160,931,767</b>	<b>4,753,628</b>
Local Sources:				
Other Local Sources	16,187,221	14,595,310	15,919,368	1,324,058
<b>Total Local Sources</b>	<b>16,187,221</b>	<b>14,595,310</b>	<b>15,919,368</b>	<b>1,324,058</b>
<b>Total Revenues</b>	<b>154,694,815</b>	<b>170,773,449</b>	<b>176,851,135</b>	<b>6,077,686</b>
<b>EXPENDITURES</b>				
Current:				
Instruction	111,889,702	128,131,429	120,592,115	7,539,314
Pupil Personnel Services	3,798,559	3,837,172	3,662,202	174,970
Instruction and Curriculum Development Services	533,498	1,239,396	679,425	559,971
Instructional Staff Training Services	3,287,623	3,540,837	3,060,606	480,231
Instruction Related Technology	7,614,403	8,006,751	7,219,452	787,299
School Board	842,553	1,103,837	1,148,123	(44,286)
General Administration	2,611,502	2,713,940	2,470,869	243,071
School Administration	6,279,234	6,362,814	5,177,783	1,185,031
Fiscal Services	2,630,080	2,150,901	1,953,441	197,460
Central Services	9,242,386	10,085,486	8,568,974	1,516,512
Operation of Plant	1,350,691	1,793,437	1,347,906	445,531
Administrative Technology Services	6,487,804	11,777,579	8,283,068	3,494,511
Capital Outlay:				
Other Capital Outlay	-	1,833,924	1,633,924	-
<b>Total Expenditures</b>	<b>156,528,035</b>	<b>182,377,503</b>	<b>165,797,888</b>	<b>16,579,615</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(1,853,220)</b>	<b>(11,604,054)</b>	<b>11,053,247</b>	<b>22,657,301</b>
<b>Net Change in Fund Balance</b>	<b>(1,853,220)</b>	<b>(11,604,054)</b>	<b>11,053,247</b>	<b>22,657,301</b>
Fund Balance, July 1, 2014	27,087,868	36,761,092	36,761,092	-
Adjustment to Beginning Fund Balance	-	(4,708,228)	(4,708,228)	-
<b>Fund Balance, June 30, 2015</b>	<b>\$ 25,234,648</b>	<b>\$ 20,448,810</b>	<b>\$ 43,106,111</b>	<b>\$ 22,657,301</b>

# Required Supplementary Information continued

For the Fiscal Year Ended June 30, 2015

## Schedule of Funding Progress – Other Post Employment Benefits Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
June 30, 2013	\$ -	\$ 14,010,519	\$ 14,010,519	0.00%	\$ 87,176,211	16.07%
June 30, 2014	\$ -	\$ 14,010,519	\$ 14,010,519	0.00%	\$ 87,176,211	16.07%
June 30, 2015	\$ -	\$ 12,447,964	\$ 12,447,964	0.00%	\$ 91,872,334	13.55%

## Schedule of Proportionate Share of Net Pension Liability – Florida Retirement System

	<u>2014</u>
Florida Virtual School's proportion of the net pension liability (asset)	0.203303739%
Florida Virtual School's proportionate share of the net pension liability (asset)	\$ 12,404,518
Florida Virtual School's covered-employee payroll	\$ 91,872,334
Florida Virtual School's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	13.50%
Plan fiduciary net position as a percentage of the total pension liability	96.09%

Note: One year of data available for GASB 68 compliance which was adopted June 30, 2015.

## Schedule of Contributors – Florida Retirement System

	<u>2014</u>
Contractually required contribution	\$ 4,902,731
Contributions in relation to the contractually required contribution	\$ (4,902,731)
Contribution deficiency (excess)	\$ -
Florida Virtual School's covered-employee payroll	\$ 91,872,334
Contributions as a percentage of covered-employee payroll	5.34%

Note: One year of data available for GASB 68 compliance which was adopted June 30, 2015.

## Schedule of Proportionate Share of Net Pension Liability – Health Insurance Subsidy Program

	<u>2014</u>
Florida Virtual School's proportion of the net pension liability (asset)	0.313815997%
Florida Virtual School's proportionate share of the net pension liability (asset)	\$ 29,342,561
Florida Virtual School's covered-employee payroll	\$ 91,872,334
Florida Virtual School's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	31.94%
Plan fiduciary net position as a percentage of the total pension liability	0.99%

Note: One year of data available for GASB 68 compliance which was adopted June 30, 2015.

# Required Supplementary Information continued

For the Fiscal Year Ended June 30, 2015

## Schedule of Proportionate Share of Net Pension Liability – Health Insurance Subsidy Program

	<u>2014</u>
Florida Virtual School's proportion of the net pension liability (asset)	0.313815997%
Florida Virtual School's proportionate share of the net pension liability (asset)	\$ 29,342,561
Florida Virtual School's covered-employee payroll	\$ 91,872,334
Florida Virtual School's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	31.94%
Plan fiduciary net position as a percentage of the total pension liability	0.99%

Note: One year of data available for GASB 68 compliance which was adopted June 30, 2015.

## Schedule of Contributors – Health Insurance Subsidy Program

	<u>2014</u>
Contractually required contribution	\$ 1,075,028
Contributions in relation to the contractually required contribution	\$ (1,075,028)
Contribution deficiency (excess)	\$ -
Florida Virtual School's covered-employee payroll	\$ 91,872,334
Contributions as a percentage of covered-employee payroll	1.17%

Note: One year of data available for GASB 68 compliance which was adopted June 30, 2015.

## Notes to the Pension Plans Schedules

### Note 1. Factors That Affect Trend

Actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2014 for the period July 1, 2008, through June 30, 2013. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for this program.

The following changes in actuarial assumptions occurred in 2014:

- FRS: As of June 30, 2014, the inflation rate assumption was decreased from 3.00% to 2.60%, the real payroll growth assumption was decreased from 1.00% to 0.65%, and the overall payroll growth rate assumption was decreased from 4.00% to 3.25%. The longterm expected rate of return decreased from 7.75% to 7.65%.
- HIS: The municipal rate used to determine total pension liability decreased from 4.63% to 4.29%.

# Other Reports

For the Fiscal Year Ended June 30, 2015

## Schedule of Expenditures of Federal Awards

Federal Pass-Through Entity Federal Program	CFDA Number	Contract/ Grant Number	Contract Period	Expenditures	Amount Provided to Sub-Recipients
<b>Federal Awards</b>					
<b>U.S. Department of Education</b>					
Indirect:					
Passed through the State of Florida Department of Education					
Carl D. Perkins Career & Technical Education	84.048A	48C-1615A-5CV01	07/01/14 - 06/30/15	\$ 23,000	\$ -
Title I - Part A, Basic	84.010A	48C-2125A-5CB01	07/01/14 - 06/30/15	1,042,320	699,292
Title II - Part A	84.367A	48C-2245A-5CT01	07/01/14 - 06/30/15	30,591	5,756
IDEA - Part B	84.027A	48C-2635A-5CB01	07/01/14 - 06/30/15	882,700	652,941
ARRA - Florida Standards Professional Development Action Project	84.395A	48C-RG311-4CP01	03/31/14 - 09/23/14	41,933	- <sup>1</sup>
District Instructional Leadership & Faculty Development	L.I. 109	48C-96480-5S001	07/01/14 - 06/30/15	84,182	-
Postsecondary Education Readiness Assessment	L.I. 131	48C-99750-4ST01	10/20/14 - 06/30/15	1,562	-
Total Department of Education Indirect				<u>2,106,288</u>	<u>1,357,989</u>
Indirect:					
ARRA - Race to the Top Fund - passed through from the University of Central Florida	84.395A	481-RG411-4C001	07/01/13-09/23/14	64,506	- <sup>1</sup>
Total Federal Awards				<u>\$ 2,170,794</u>	<u>\$ 1,357,989</u>

<sup>1</sup> Total award amount for ARRA Race to the Top, CFDA 84.395A is \$106,439

See Accompanying Notes to Schedule

## Notes to the Schedule of Expenditures of Federal Awards

### Note 1. General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal awards of the Florida Virtual School. The School reporting entity is defined in Note 1 to the School's Basic Financial Statements for the year ended June 30, 2015. All federal awards passed through to other government agencies are included in the schedule.

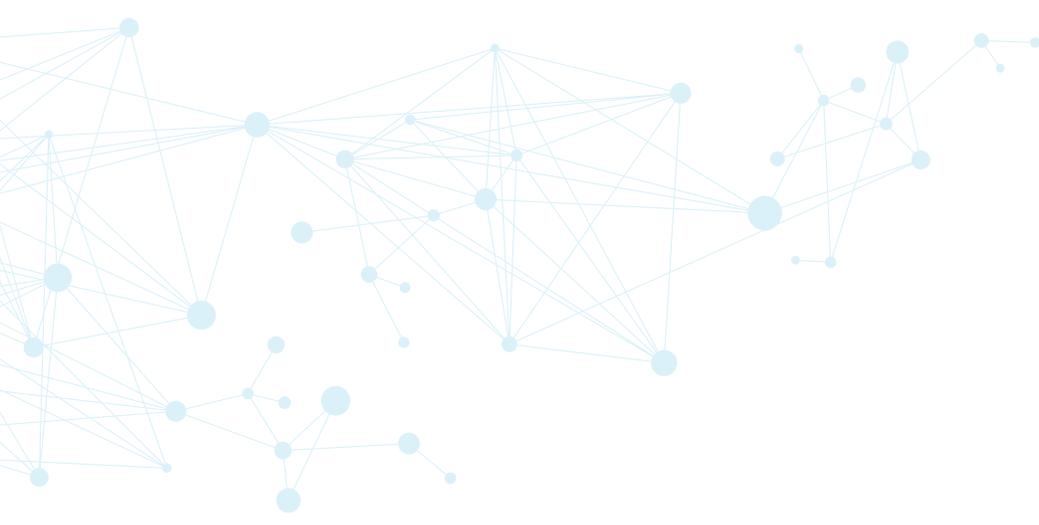
### Note 2. Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards is presented using the modified accrual basis of accounting, which is described in Note 1 to the School's Basic Financial Statements for the year ended June 30, 2015.



# Stakeholders' Surveys – Executive Summary 2014-15

This survey was conducted and executive summary produced by Heather Cameron-Bevan, M.Ed., MBA, and Cody Bakken, MBA of InMoment, Inc.



# Florida Virtual School Stakeholder Surveys: Executive Summary 2014-15

December 2015



InMoment Data Science Lab  
Heather Cameron-Bevan, M.Ed., MBA

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## Executive Summary

Florida continues to support the development of Florida Virtual School (FLVS) as a resource for addressing the technological and learning needs within its Kindergarten-12 student population. FLVS Part Time students completed 394,712 course enrollments during the 2014-15 school year.

FLVS has an ongoing process for conducting surveys of the various stakeholders it serves and uses the data to monitor organizational performance and evaluate areas for improvement. Individual findings from the surveys FLVS administered to its stakeholders are summarized in four separate annual reports (Student-Parent, Franchise, School, and District Survey Reports for 2014-15).

This report provides an executive summary of the major findings from these surveys. Detailed year-to-year comparison summarizing the Student-Parent survey results is located in the appendix. Due to significant survey changes to the School and District survey, a year-to-year comparison was not conducted. Tables 1 and 2 summarize total responses collected for the Student, Parent, School, and District surveys.<sup>1</sup>

**Table 1. FLVS Student-Parent Responses Collected, 2014-15**

	Student	Parent
Survey	Response Count	Response Count
Early Course	36,855	2,101
Midcourse	25,539	1,368
End of Course	18,728	1,204

**Table 2. FLVS Annual Survey Response Rates, 2014-15**

Survey	Total Sent	Number Returned	Response Rate
School	10,975	536	4.9%
District	99	21	21.0%

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<sup>1</sup> Counts include responses captured for Franchise schools.

## Reactions from Students and Parents

### Overall Satisfaction

Both students and parents rated teacher satisfaction one of the highest of all survey questions asked. Students and parents were also quite satisfied with the course overall. Results were strong, but not as high when evaluating their FLVS course as being the best learning experience they have ever had. These numbers continue to strengthen year over year (see appendix). There was a high likelihood to take another course from the teacher as well as recommend FLVS to a friend. Parents showed more likelihood to recommend FLVS to a friend.

Similar, yet slightly lower, satisfaction results were found for students and parents who used FLVS Franchises to deliver their online curriculum.

### Teacher Quality

Both students' and parents' responses indicated overall communication with their teacher was excellent. The majority of students and parents were contacted within one day to their requests and if contacted, satisfaction of the response time was excellent. Teachers were available for learning needs when needed. The highest scores of all questions in the surveys came from both students (88.2 percent) and parents (87.7 percent) regarding level of care the teacher showed in student success.

FLVS Franchise students and parents offered similar, yet slightly lower, results for franchise teachers.

### Course Quality

Overall, both students and parents indicated course materials helped to understand the subject matter. Ease of finding their way through course lessons was also excellent. Students and parents also showed high agreement towards the course being set up in the way the student likes to learn, as well as course materials and resources being interesting and new. Course quality underperformed in comparison to teacher quality.

## Reaction from Schools and Districts

### Support to Schools and Districts

In general, both school and district personnel indicated they received what was needed with the services FLVS provided to their students, as well as the support and communication provided to their school or district.

School contacts reported positive experiences with FLVS. Respondents indicated communication between FLVS and schools has been more than sufficient based on their familiarity with the Terms of Agreement and the Counselor Resources Web page and their satisfaction with the support from their primary FLVS contacts.

District contacts reported positive experiences with FLVS. Respondents indicated communication between FLVS and districts has been more than sufficient in terms of receiving policy and procedure information from FLVS and support from their primary FLVS contacts.

### District Relations Manager Partnership

Both school and district personnel responded overwhelmingly positive to questions regarding their District Relations Manager (DSM) partnership.

School contacts reported having a strong partnership with FLVS DRMs. The majority of respondents felt DRMs were always accessible to help resolve concerns, were responsive to inquiries, and provided support relating to FLVS information. Additionally, they see DRMs as valuable support.

District contacts reported having a strong partnership with FLVS DRMs. All respondents felt DRMs were always accessible to help resolve concerns, were responsive to inquiries, and provided support relating to FLVS information. Additionally, they see DRMs as valuable support.

Open ended comments were solicited to gain additional insights on what school and district contacts found most valuable about the support they received from the DRMs and in what ways they could have better supported their school.

School comments were related to responsiveness, accessibility, availability, helpfulness, supportive, and efficiency pertaining to communication on questions or concerns were the key themes. Two comments specific to better support were responding to emails in a timely manner and more access to the FLVS curriculum for religious-based schools.

No improvement comments were triggered for the district contacts. Responsiveness and helpfulness were the key communication themes as well as prompt attention to resolve issues or problems.

## Student Monitoring

Roughly 70 percent of school respondents indicated FLVS provided the information needed to monitor the progress of their schools' FLVS students.

Sixty-seven percent of district respondents indicated FLVS provided the information needed to monitor the progress of their district's FLVS students. There is an opportunity for improvement with one-fourth of respondents who indicated they were not being provided with the information needed.

## Awareness and Participation

School contacts indicated there was a moderate to high level of awareness of the FLVS program. Sixty-eight percent of school respondents reported more than half of their students were aware of FLVS. Although 63 percent of the respondents say their schools encourage enrollment with FLVS, 42 percent indicated that specific limitations are placed on students when scheduling FLVS courses. School staff indicated students primarily learn about FLVS from their school counselor or friends. School staff most often indicated students integrate FLVS as part of their regular school schedule both at home and at school and integrate FLVS for extra credit or to make up a grade most often at home.

District contacts indicated there was a high level of awareness of the FLVS program among both the high schools and students in their districts. More than half of their high school students are aware of FLVS according to 86 percent of the respondents. Nearly all districts thought most high schools in their district were aware of FLVS. Regarding student participation in FLVS, half of respondents indicated not placing any limits on access to FLVS courses. More than two-thirds of respondents indicated they specified policies related to FLVS participation in their Student Progression Plans. The majority of respondents have used FLVS to accommodate unique student situations. A small group (29 percent) indicated implementing specific strategies to encourage minority enrollment. This could be a result of the specific districts responding to the survey. There may be districts without a need for this kind of outreach based on their student ethnicity enrollment mix.

## Quality and Benefits to Schools and Districts

There was strong agreement from school contacts that FLVS benefited both the schools and students. The majority of school respondents considered FLVS to be a strong key partner and were satisfied with the quality of their experience.

There was strong agreement from the district contacts that FLVS benefited both the district and students as well as being a strong key partner.

## Potential Barriers and Concerns to Schools and Districts

School contacts reported a lack of technology in general could be a barrier to accessing FLVS. The lack of technology at home was reported as a greater challenge for students to access FLVS compared to technology at school. Forty-four percent of respondents reported little to no technical problems with their courses and 20 percent indicated experiencing minor technical problems at some point with their course(s). Respondents strongly indicated having little to no concerns about either FLVS courses or teachers.

District contacts reported a lack of technology in general could be a barrier to accessing FLVS. The lack of technology at school and/or at home reported to be a barrier is less than one-third of the cases (22 percent and 28 percent respectively). The majority of district respondents indicated having little to no concerns about either FLVS courses or teachers.

## Appendix. Year-To-Year Comparison

### Surveys and Response Rates

#### Student and Parent Surveys

Each year, Florida Virtual School (FLVS) conducts surveys of its students and their parents to learn more about the strengths and weaknesses of its virtual education program. This report provides results segmented by student and parent completed surveys. Surveys were administered to enrolled students via email to evaluate three phases within a student's FLVS course:

- **Early Course:** Between day 21 and day 27 of their course, students receive a survey addressing both course and teacher quality (9 items).
- **Midcourse:** Upon approximately 45 percent completion of the course, students receive a survey addressing the same topics (using the same items) as the early-course survey (9 items).
- **End of Course:** Upon 90 percent course completion, students receive a survey addressing the same topics (repeating the same 9 questions) as the previous two surveys. This survey also asked five additional items related to overall satisfaction with the course and teacher (14 items total).

Survey	Student		Parent	
	Response Count 2013-14	Response Count 2014-15	Response Count 2013-14	Response Count 2014-15
Early Course	65,688	36,855	3,426	2,101
Midcourse	104,421	25,539	5,171	1,368
End of Course	61,814	18,728	5,177	1,204

#### Annual Surveys

Florida Virtual School conducts an annual school and district survey to gather feedback and data from the staff with whom it partners. Contacts were invited via email to participate in the survey during the summer of 2015.

Survey	Response Rate 2013-14	Response Rate 2014-15
School	9.0%	4.9%
District	23.5%	21.0%

## Student and Parent Surveys

### All Respondents

Below presents the average score for each rating question year over year segmented by all student and parent responses.

### Overall Satisfaction

Overall Satisfaction	Student Score	Parent Score
Course Satisfaction 2013-14	79.7	83.6
Course Satisfaction 2014-15	81.8	85.2
Teacher Satisfaction 2013-14	87.5	88.3
Teacher Satisfaction 2014-15	87.0	87.3
Learning Experience 2013-14	71.0	74.0
Learning Experience 2014-15	74.9	79.3
Take Another Course From Same Teacher 2013-14	80.1	86.0
Take Another Course From Same Teacher 2014-15	82.7	86.6
Recommend FLVS 2013-14	81.0	87.3
Recommend FLVS 2014-15	81.1	88.4

### Teacher Quality

Teacher Quality	Student Score	Parent Score
Teacher Communication 2013-14	82.4	87.2
Teacher Communication 2014-15	83.3	87.0
Response Time 2013-14	84.6	86.9
Response Time 2014-15	84.9	87.3
Learning Needs 2013-14	87.0	87.7
Learning Needs 2014-15	86.7	87.2
Level of Care 2013-14	87.8	88.4
Level of Care 2014-15	87.3	87.8

## Course Quality

Course Quality	Student Score	Parent Score
Course Materials New 2013-14	79.2	81.8
Course Materials New 2014-15	80.2	83.9
Course Navigation 2013-14	82.6	82.8
Course Navigation 2014-15	84.4	85.5
Course Set Up 2013-14	73.6	77.2
Course Set Up 2014-15	77.1	83.2
Course Materials and Resources 2013-14	74.4	78.3
Course Materials and Resources 2014-15	77.2	83.0

## Annual Surveys

Due to significant survey changes, only current 2014-15 school year results are shown.

### School

Question	Score 2014-15
Are you familiar with the Counselor Resource page of the FLVS website? (Yes/No)	64.8
Are you familiar with the "Terms of Agreement" between your district and FLVS? (Yes/No)	69.2
Have you or other school personnel been in touch with your primary FLVS contact? (Yes/No)	70.3
You are satisfied with level of service you receive from your primary FLVS contact. (Strongly Agree to Disagree 5 point rating scale) Administrator	79.9
You are satisfied with level of service you receive from your primary FLVS contact. (Strongly Agree to Disagree 5 point rating scale) Guidance Counselor	84.0
Do you receive FLVS information from the FLVS District Contact person in your district? (Yes/No) Administrator	81.1
What percentage of your schools students are aware of FLVS? <i>Awareness greater than 70%</i>	54.0
Do you feel the District Relations Manager (DRM) is accessible to help you resolve concerns regarding your FLVS needs? (Yes/No)	98.9
Do you find the DRM to be responsive regarding your inquiries regarding FLVS questions? (Yes/No)	98.4
Do you believe the DRM provides support as it relates to FLVS information? (Yes/No)	99.5
Considering your overall experience with FLVS, do you see the DRM as a valuable support? (Yes/No)	98.9
FLVS provides you with the information you needed to monitor the progress of your FLVS student. (Strongly Agree to Disagree 5 point rating scale)	74.0
You or school personnel use FLVS administrative accounts to monitor student progress over the Web. (Strongly Agree to Disagree 5 point rating scale)	75.6
Your school encourages enrollment in FLVS courses. (Strongly Agree to Disagree 5 point rating scale)	71.0
Your school places specific limitations on students when scheduling FLVS courses. (Strongly Agree to Disagree 5 point rating scale)	53.6
You are satisfied with quality of your school's experience with FLVS. (Strongly Agree to Disagree 5 point rating scale)	73.8
Florida Virtual School benefits your students. (Strongly Agree to Disagree 5 point rating scale)	76.5

Florida Virtual School benefits your school. (Strongly Agree to Disagree 5 point rating scale)	71.3
You consider Florida Virtual School to be a key partner to your school. (Strongly Agree to Disagree 5 point rating scale)	67.5
Your students experience little to no technical or technical problems in their FLVS courses. (Strongly Agree to Disagree 5 point rating scale)	58.3
The lack of school technology has been a barrier for some students to access Florida Virtual School courses. (Strongly Agree to Disagree 5 point rating scale)	28.1
The lack of home technology has been a barrier for some students to access Florida Virtual School courses. (Strongly Agree to Disagree 5 point rating scale)	53.0
Have you had any concerns about FLVS courses this past school year? (Yes/No)	19.5
Have you had any concerns about FLVS teachers this past school year? (Yes/No)	18.8

## District

Question	Score 2014-15
FLVS policies and procedures are clearly communicated to the affiliated districts. (Strongly Agree to Disagree 5 point rating scale)	75.0
You receive sufficient support from your primary FLVS contact. (Strongly Agree to Disagree 5 point rating scale)	82.5
Have you or other school personnel been in touch with your primary FLVS contact? (Yes/No)	90.5
FLVS provides you with the information needed to monitor the progress of your district's FLVS students. (Strongly Agree to Disagree 5 point rating scale)	66.7
District personnel use FLVS administrative accounts to monitor student progress over the Web. (Strongly Agree to Disagree 5 point rating scale)	66.7
Do you feel the District Relations Manager (DRM) is accessible to help you resolve concerns regarding your FLVS needs? (Yes/No)	100
Do you find the DRM to be responsive regarding your inquiries regarding FLVS questions? (Yes/No)	100
Do you believe the DRM provides support as it relates to FLVS information? (Yes/No)	100
Considering your overall experience with FLVS, do you see the DRM as a valuable support? (Yes/No)	100
What percentage of high schools in your district are aware of FLVS? <i>Awareness greater than 70%</i>	100
Are high school students in your district aware of FLVS? <i>Awareness greater than 70%</i>	62.0
Your district places specific limitations on students when scheduling FLVS courses. (Strongly Agree to Disagree 5 point rating scale)	38.9

Your district ensures all students have access to FLVS courses if needed. (Strongly Agree to Disagree 5 point rating scale)	81.9
Does your district Student Progression Plan specify policies regarding students' participation in FLVS courses? (Yes/No)	66.7
Does your district implement any specific strategies to encourage minority enrollment in FLVS? (Yes/No)	28.6
Has your district utilized FLVS to accommodate students with extraordinary circumstances? (Yes/No)	90.5
Florida Virtual School benefits your students. (Strongly Agree to Disagree 5 point rating scale)	80.0
Florida Virtual School benefits your district. (Strongly Agree to Disagree 5 point rating scale)	76.3
You consider Florida Virtual School to be a key partner to your school. (Strongly Agree to Disagree 5 point rating scale)	78.8
Has the lack of school technology been a barrier for some students in accessing FLVS courses?	36.1
Has the lack of home technology been a barrier for some students in accessing FLVS courses?	51.4
Have you had any concerns about FLVS courses this past school year? (Yes/No)	22.2
Have you had any concerns about FLVS teachers this past school year? (Yes/No)	16.7



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## **About InMoment™**

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