



School Board of Miami-Dade County, Florida

Educational Facilities Impact Fee Fund

2007 Audit Results

Report to the Members of Audit Committee



C Borders-Byrd, CPA LLC
Accountants and Consultants



C Borders-Byrd, CPA LLC
Accountants and Consultants

101 NE Third Avenue, Suite 1500
Fort Lauderdale, FL 33301
(954) 742 7997 Office
(954) 206 0634 Fax

1221 Brickell Avenue, 9th Floor
Miami, FL 33131
(305) 995 8270 Office
cbb@cborderscpa.com

October 15, 2007

Members of the Audit Committee
School Board of Miami-Dade County, Florida

We are pleased to present the results of our audit of the Statement of Financial Position and related Statement of Revenues, Expenditures, and Changes in Fund Balance of the Educational Facilities Impact Fee Fund (the "Fund") of the School Board of Miami-Dade County, Florida (the "School Board") for the year ended June 30, 2007.

This Report to the Members of the Audit Committee summarizes our audit, the scope of our engagement, the reports issued and various analyses and observations related to the Fund's financial position and activities. The document also reviews the communications required by our professional standards.

The audit is designed to express an opinion on the historical financial statements and, accordingly, includes assessments of risks that could materially affect the current year's financial statements. Accordingly, in addition to auditing the historical financial statements, we will continue to work with you and management to understand the Fund's business processes and risks, and to provide our business insights responsive to risks that might affect the Fund's future results.

We received the full support and assistance of the School Board's personnel. We continually strive to improve the quality of our audit services as well as to meet and exceed your expectations. This report is intended solely for the information and use of the Members of the Audit Committee and management, and is not intended to be and should not be used by anyone other than these specified parties.

We appreciate this opportunity to meet with you. If you have questions or comments, please call Cynthia Borders-Byrd at (305) 995-8270.

Very truly yours,

Contents

Focus: **2007 AUDIT RESULTS**

Summary of What We Agreed to Do	2
Required Communications	3
Required Communications – <i>Government Auditing Standards</i>	6



Focus:
2007 Audit Results



C Borders-Byrd, CPA LLC
Accountants and Consultants

SUMMARY OF WHAT WE AGREED TO DO

Our Approach

As discussed with management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the Fund. Specifically, we designed our audit to:

- Express our opinion on the special-purpose financial statements of the Fund.
- Issue a report on internal control over financial reporting and compliance with certain provisions of laws, regulations, and contracts for a special-purpose audit.
- Issue any advisory comments to management and Members of the Audit Committee.
- Issue this report to the Members of the Audit Committee.

Areas of Audit Emphasis

The principal areas of audit emphasis were as follows:

- Gain an understanding of the Special-Purpose Audit Requirements.
- Accounting for Construction in Progress and Debt Service Commitments by Benefit District.
- Compliance with applicable Florida statutes and other inter-local agreement requirements.
- Review of any new significant commitments.



REQUIRED COMMUNICATIONS

Statement of Auditing Standards No. 61, *Communications with Audit Committees*, (“SAS 61”) requires the auditor to ensure that the Audit Committee (or body designated for the oversight of the audit) receives additional information regarding the scope and results of the audit that may assist the Audit Committee (or body designated for the oversight of the audit) in overseeing management’s financial reporting and disclosure process. Below we summarize these required communications. SAS 61 was superseded by SAS 114, *The Auditor’s Communication with Those Charged with Governance*. SAS 114 is effective for fiscal periods beginning on or after December 15, 2006. SAS 114 broadens the applicability of the SAS to all non-issuer audits (non-public) and establishes a requirement for the auditor to communicate with those charged with governance, certain significant matters related to the audit.

Area	Comments
<p><i>Auditors’ Responsibilities under Auditing Standards Generally Accepted in the United States (GAAS)</i></p> <p>The financial statements are the responsibility of management. Our audits were designed in accordance with GAAS, which provide for reasonable, rather than absolute, assurance that the basic financial statements are free of material misstatement. We have a responsibility to opine on whether the special-purpose financial statements are fairly stated in accordance with accounting principles generally accepted in the United States.</p>	<p>As a part of our audit, we obtained a sufficient understanding of internal controls to plan our audit and to determine the nature, timing and extent of testing performed. We have issued an unqualified opinion on the Fund’s special-purpose financial statements for the year ended June 30, 2007.</p>
<p><i>Significant Accounting Policies</i></p> <p>Initial selection of and changes in significant accounting policies or their application and new accounting and reporting standards during the year must be reported.</p>	<p>The significant accounting policies of the Fund are described in Note 1 to the financial statements. No new accounting pronouncements were implemented.</p>
<p><i>Auditors’ Judgments About the Quality of Accounting Principles</i></p> <p>We discuss our judgments about the quality, not just the acceptability, of accounting principles selected by management, the consistency of their application, and the clarity and completeness of the Fund’s financial statements, which include related disclosures.</p> <p>The discussion also should include items that have a significant effect on the quality of accounting information in the financial statements, such as:</p> <ul style="list-style-type: none"> • Selection of new or changes to accounting policies • Estimates, judgments, and uncertainties • Unusual transactions 	<p>The accounting principles adopted by management are consistent with those prescribed by accounting and industry standards. Where management’s judgment applies, our experience indicates that management has a tendency to apply the standards appropriately. Management has consistently applied its accounting principles and the Fund’s financial statements and related disclosures are clearly presented in a complete manner.</p>



REQUIRED COMMUNICATIONS (CONTINUED)

Area	Comments
<i>Auditor Independence</i>	<p>We are not aware of any relationships between C Borders-Byrd, CPA LLC and the Fund that, in our professional judgment, may reasonably be thought to bear on our independence.</p> <p>Relating to our audit of the financial statements of the Fund as of June 30, 2007 and for the year then ended, we are independent certified public accountants with respect to the Fund within the meaning of the applicable published pronouncements of the Independence Standards Board, and under Rule 101 of the American Institute of Certified Public Accountants' Code of Professional Conduct, its interpretations and rulings and <i>Government Auditing Standards</i>. Our policies relating to financial interests (e.g., ownership, loans and other credit) generally are stricter than the requirements imposed by these professional bodies.</p>
<i>Management Judgments and Accounting Estimates</i>	
The preparation of financial statements requires the use of accounting estimates that affect the amounts reported in the financial statements.	Significant estimates and assumptions made by management in preparing the financial statements relate to evaluating the need for potential allowances for uncollectible amounts receivable.
<i>Significant Audit Adjustments</i>	
Communicate significant recorded and unrecorded differences.	There were no posted audit adjustments and no unrecorded adjustments.
<i>Other Information in Documents Containing Audited Financial Statements</i>	None.
<i>Disagreements with Management on Financial Accounting and Reporting Matters</i>	None.
<i>Material Weaknesses</i>	
Communicate any material weakness in the internal control structure.	None.



REQUIRED COMMUNICATIONS (CONTINUED)

Area	Comments
<i>Major Issues Discussed with Management Prior to Retention</i>	None.
<i>Consultation with Other Accountants</i>	None to our knowledge.
<i>Serious Difficulties Encountered in Performing the Audit</i>	None.
<i>Material Errors, Irregularities and Illegal Acts</i>	None identified.



**REQUIRED COMMUNICATIONS UNDER GOVERNMENT
AUDITING STANDARDS**

You have engaged us to conduct an audit of the Fund's special purpose financial statements for the year ended June 30, 2007 in accordance with auditing standards generally accepted in the United States, and the standards for financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities for testing and reporting on internal control and on compliance with applicable laws and regulations under those standards are described in the table below. In addition, the table contrasts our responsibilities in this engagement with other procedures that could be performed in other financial-related audits.

**Our Responsibility Regarding
Internal Controls**

**Our Responsibility Regarding Compliance
with Laws and Regulations**

Financial Statement Audit—GAAS

We consider internal control to plan the nature, timing and extent of audit procedures for the purpose of expressing our opinion on the financial statements. We report, orally or in writing, any significant deficiencies and material weaknesses that we identify as a result of our audit procedures. Our report does not provide assurance on internal control over financial reporting.

We design the audit to provide reasonable assurance of detecting fraud that is material to the financial statements and illegal acts that have a direct and material effect on the financial statement amounts. Our report does not express an opinion on compliance with laws, regulations and provisions of contracts or agreements. We have no responsibilities to be alert for, or to report, abuse.

***Financial Statement Audit—Government
Auditing Standards***

In addition to the GAAS responsibilities, we are required to issue a written report on our consideration of internal control and identify significant deficiencies and material weaknesses, if any. Our report does not provide assurance on internal control over financial reporting. We report other deficiencies in internal control, except those that are clearly inconsequential, in a management letter.

In addition to the GAAS responsibilities, we design our audit to provide reasonable assurance of detecting material misstatements resulting from noncompliance with provisions of contracts or agreements that have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives. We issue a written report on the results of these procedures; however, our report does not express an opinion on compliance or on other matters. We report significant violations of provisions of contracts or agreements and abuse that are less than significant but more than inconsequential in a management letter.

Other Procedures

We could be engaged to perform agreed-upon procedures related to, or examine and report on, management's written assertion as to the design and operating effectiveness of internal control. The engagement would be conducted in accordance with AICPA standards for attestation engagements.

We were not engaged to perform any other procedures.

In addition to the above communications, *Government Auditing Standards* also require us to provide you with the latest peer review report. We expect it to be available in early 2008.

