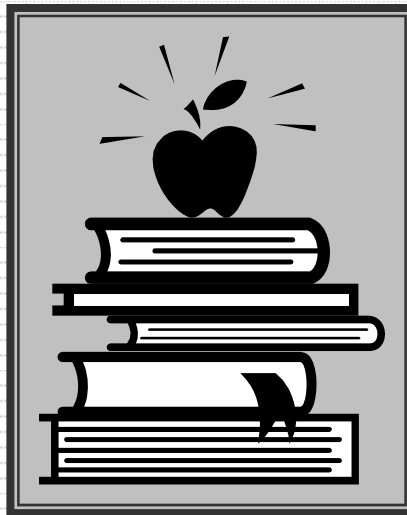


Internal Audit Report

●

Selected Schools



*Financial Statements Were Fairly
Stated; However, At 11 Schools,
Controls Over Selected Areas Need
Improvement.*

December 2010

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

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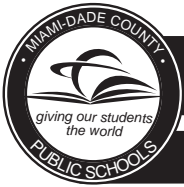
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Miami-Dade County Public Schools

giving our students the world

Superintendent of Schools

Alberto M. Carvalho

Miami-Dade County School Board

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Dr. Marta Pérez

Raquel A. Regalado

November 30, 2010

Members of The School Board of Miami-Dade County, Florida

Members of The School Board Audit Committee

Mr. Alberto M. Carvalho, Superintendent of Schools

Ladies and Gentlemen:

This report includes the audit results of 79 schools and centers currently reporting to various regions and select district offices. At 46 of the 79 schools, there was a change of principal since the prior audit. The audit period is one or two fiscal years ended June 30, 2010, depending on the school audited.

The main objectives of these audits were to express an opinion on the financial statements of the schools, evaluate compliance with District policies and procedures, and ensure that assets are properly safeguarded. The audits included a review of internal funds. On a selected basis, we reviewed payroll, credit card purchases, Title I Program expenditures and procedures, FTE reporting and student records, aspects of data security, and school cafeteria money handling and reconciliation procedures. The results of property inventories for most of the schools included herein and for other schools previously reported are also included.

Our audits disclosed that the financial statements for all the schools reported herein were fairly stated. At 68 of the 79 schools, we found general compliance with prescribed policies and procedures, and site records were maintained in good order. However, at 11 schools, controls over internal funds, payroll, the use of the purchasing credit card, Title I Programs, Full-Time Equivalent (FTE) records and procedures, and controls over cafeteria deposits need improvement. Property audit results were satisfactory at most of the schools being reported.

The audit findings were discussed with school, region and district administrations, and responses are included in this report. In closing, we would like to thank the schools' staff and administration for the cooperation and consideration provided to the audit staff during the performance of these audits.

Sincerely,

Jose F. Montes de Oca, CPA

Chief Auditor

Office of Management and Compliance Audits

JFM:mtg

Office of Management and Compliance Audits

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EXECUTIVE SUMMARY

The Office of Management and Compliance Audits has completed the audits of 79 schools and centers, 46 of which experienced a change of principal since the prior audit. These 79 schools and centers include 8 Region I schools, 5 Region II schools, 13 Region III schools, 20 Region IV schools, 13 Region V schools, 1 school that reports to the newly formed Education Transformation Office, 7 adult education and 8 alternative education centers which currently report to the Adult/Vocational, Alternative Education Program and Community Education Division within District/School Operations. We are also reporting audit results of 3 special centers which currently report to the District's Division of Special Education and the Greater Miami Athletic Conference (GMAC), which currently reports to the District's Division of Athletics/Activities and Accreditation.

The 79 schools and centers include the audit results of 9 whose audits were carried over from the prior two fiscal years. While the audit period for these 9 schools and centers is two fiscal years ended June 30, 2010, the audit period for the remaining 70 schools and centers is one fiscal year ended June 30, 2010.

The audits disclosed that records were maintained in good order and in accordance with prescribed policies and procedures at 68 of the 79 schools and centers reported herein. The 11 schools with reported audit findings are:

School Name	Region
1. Benjamin Franklin Elementary	I
2. Miami Park Elementary	I
3. Palm Springs Middle	I
4. Hialeah-Miami Lakes Senior High	I
5. Air Base Elementary	V
6. Goulds Elementary	V
7. Irving & Beatrice Peskoe Elementary	V
8. West Homestead Elementary	V
9. Dr. Edward L. Whigham Elementary	V
10. Miami Central Senior High	ETO
11. D. A. Dorsey Educational Center	Adult

Audit findings cited internal funds' control deficiencies over the receipting and disbursing of funds, the monthly checking account reconciliation process, activities of school-allied organizations, and the accounting of field trips. Findings also identified control issues over the Purchasing Credit Card, Payroll, Title I Programs and Full-Time Equivalent (FTE) reporting and records. We also investigated the mishandling of cafeteria deposits at two schools, one of which culminated with the termination of employment of one of the cafeteria managers. Both schools required responses for corrective action from the

Office of the Controller and the Food and Nutrition Department, in addition to responses from School, Region and District administration.

Refer to the Summary Schedule of Audit Findings on pages 24-29. Management agreed with our recommendations and provided responses for corrective action.

Responses are included following the recommendations in the *Findings and Recommendations* section of this report (Pages 42-109); and in the Appendix section in memorandum format (Pages 118-157).

Notwithstanding the conditions and findings reported herein, at all 79 schools, the financial statements present fairly, in all material respects, the changes in fund balances arising from the cash transactions of the schools during the 2008-09 and/or 2009-10 fiscal years, depending on the school being audited, on the cash basis of accounting.

As of June 30, 2009, for 9 of the schools reported herein, total combined receipts and disbursements amounted to \$1,976,741 and \$2,011,551 respectively; while total combined cash and investments amounted to \$531,797.

As of June 30, 2010, for all 79 schools and centers reported herein, total combined receipts and disbursements amounted to \$15,425,890 and \$14,811,536 respectively; while total combined cash and investments amounted to \$4,107,109.

Also, as of June 30, 2010, the internal control structure at the 79 schools and centers reported herein generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the individual schools.

When conditions came to our attention that were deemed non-reportable, because they were immaterial and inconsequential, they were nevertheless, discussed with management for their information and follow-up.

TWO INVESTIGATIONS INVOLVING CAFETERIA DEPOSITS

Between January 2009 and April 2010, the former Food Service Manager at Air Base Elementary inappropriately withheld several cafeteria deposits. *The Principal requested an investigation.* During the investigation, the former cafeteria manager admitted to taking the cash from the deposits for personal use and later replacing it. Miami-Dade County Public Schools terminated her employment (Pages 42-47).

These events happened under the tenure of the former Principal. At Dr. Edward L. Whigham Elementary, six cafeteria deposit bags dated between December 2009 and February 2010 were stolen from the Principal's office. According to incident reports and the former Principal, she was aware of only two of the six incidents, which she reported

to School Police. We could not establish the identity of the individual(s) responsible for the misappropriation since safeguards over the storing of these deposits were lax (Pages 48-52).

From the remaining schools in this report, we sampled two other schools to review cafeteria deposit activity. At Dr. Bowman F. Ashe and Colonial Elementary schools, we found general compliance with Food and Nutrition Procedures related to the handling of cafeteria deposits. Our review of the corresponding centralized food service bank reconciliation records disclosed no discrepancies.

INTERNAL FUNDS

Internal funds records and procedures were reviewed at all 79 schools. Of 79 schools, 75 were in general compliance with the procedures established in the *Manual of Internal Fund Accounting*.

At Benjamin Franklin Elementary, during the 2008-09 and 2009-10 fiscal years, we identified delays in the receipting, posting and depositing of field trip collections and the commingling of funds from several field trip activities. We noted field trip collections during the audit period had significantly increased when compared to the prior audit (Pages 53-56).

At Miami Park Elementary, *an investigation requested by the current Principal* disclosed that the current Media Specialist failed to follow money handling procedures, as she admitted to having conducted Book Fair sales on behalf of the school's PTSA. She paid the vendor but attempted to conceal that it was made after the current principal requested proof of payment. This case was referred to the Office of Professional Standards for further disposition. We also found discrepancies in the posting of field trip collections, which included commingling of funds. In addition, Educational Excellence School Advisory Council (EESAC) expenditures were not properly documented in the minutes and not properly approved by the EESAC committee. These included purchases made with internal funds, the school's credit card, and district's purchase orders (Pages 57-66).

At Miami Central Senior *under the former Principal*, the school made a large purchase of shirts, which remained unpaid until this audit. Vendor quotes to document vendor selection were not on file, which is similar to a matter discussed with the former school administration during the prior audit. According to staff, the shirts were given to students and staff as incentives; however, a complimentary signed list was not produced. Also, a purchase order to encumber the funds had not been issued prior to the purchase. According to school staff, they were expecting vending commission revenues; however, revenues were not available to the school at the time this purchase was authorized (Pages 67-69).

At D. A. Dorsey Educational Center, *there was a change of Treasurer since the prior audit*. Our review of a sample of financial records and transactions corresponding to the 2008-09 and 2009-10 fiscal years and the current year disclosed various delays in the posting and processing of financial transactions related to the checking account. We also found delays in the posting of receipts and disbursements, inadequate controls over disbursements made with internal funds and the school's credit card, delays in the reconciliation of the Fund 9 account, and discrepancies in the bus pass account activity (Pages 70-78).

PAYROLL

We reviewed payroll records and procedures at 52 of the 79 schools included herein. They are as follows:

- **Goulds Elementary**
- **Hialeah-Miami Lakes Senior**
- **Miami Central Senior**
- Dr. Bowman F. Ashe Elementary
- Bel-Aire Elementary
- Blue Lakes Elementary
- Coconut Grove Elementary
- Colonial Drive Elementary
- Coral Terrace Elementary
- Coral Way K-8 Center
- Crestview Elementary
- Amelia Earhart Elementary
- Florida City Elementary
- Jack D. Gordon Elementary
- Gulfstream Elementary
- Hialeah Gardens Elementary
- Oliver Hoover Elementary
- Zora N. Hurston Elementary
- Martin L. King Elementary
- Kinloch Park Elementary
- Lorah Park Elementary
- Miami Heights Elementary
- Miami Park Elementary
- Phyllis R. Miller Elementary
- Irving & Beatrice Peskoe El.
- Pine Lake Elementary
- Riverside Elementary
- Shenandoah Elementary
- Skyway Elementary
- Lenora B. Smith Elementary
- Sylvania Heights Elementary
- Twin Lakes Elementary
- Village Green Elementary
- West Homestead Elementary
- Dr. Edward L. Whigham Elementary
- Brownsville Middle
- Campbell Drive Middle
- Country Club Middle
- Palm Springs Middle
- Palmetto Middle
- South Miami Middle
- New World School Of The Arts Senior
- Terra Environmental Research Institute
- Young Women's Prep Acad. Senior
- D. A. Dorsey Educational Ctr.
- Lindsey Hopkins Tech. Ed. Ctr.
- Miami Jackson Adult Ed. Ctr.
- Miami Sunset Adult Ed. Ctr.
- South Dade Adult Ed. Ctr.
- The 500 Role Models Academy Of Exc.
- C.O.P.E. Center North
- Juvenile Justice Center

At 49 of the 52 schools, there was general compliance with the *Payroll Processing Procedures Manual*.

A similar payroll condition was cited when the former Principal of Goulds Elementary was acting Principal at another school in May 2009. We sampled payroll records of temporary instructors (substitutes) for the 2009-10 fiscal year paid with Title I Program funds and found instances where substitutes were hired and the name of the absent employee was not indicated on the attendance form. According to the current administration, substitutes were hired to cover for teachers attending workshops; however, this was not adequately documented in the payroll records (Pages 79-80).

At Hialeah-Miami Lakes Senior, *payrolls processed under the former school administration* disclosed discrepancies in the time and attendance records of daily and hourly employees. These included the time and attendance reported for temporary instructors, as well as part-time employees injured at work. Some payroll corrections were required (Pages 81-83).

At Miami Central Senior, a review of current payrolls disclosed discrepancies in the time and attendance records of daily paid employee and hourly cafeteria employees. There were also some discrepancies with the leave cards supporting the payroll (Pages 84-85).

PROPERTY

The results of physical inventories of property items with an individual cost of \$1,000 or more are reported for 70 of the 79 schools included herein. Property inventory results for the remaining 9 schools will be reported at a later date. We are also including the inventory results of 10 other schools whose property inventory results were pending publication since previous reports. Approximately \$48.4 million was inventoried at the 80 schools and only two schools reported a total of 2 “unlocated” items at a cost of less than \$2,300. This loss is minimal when compared to the total size of the inventory (refer to Property Schedules on pages 38-40).

Property inventories include the review of property losses reported by the schools through the Plant Security Report process. Our analysis of Plant Security Report losses for the schools reported herein disclosed a total of 21 items at a cost of \$31,726 and a depreciated value of \$12,967 reported missing at 13 schools (Page 41). These losses, which mostly consisted of computer equipment, were similarly insignificant.

PURCHASING CREDIT CARD (P-CARD) PROGRAM

We reviewed the P-Card Program's procedures and records at the following 16 schools:

- **Miami Park Elementary**
- **D. A. Dorsey Educational Center**
- Air Base Elementary
- Blue Lakes Elementary
- Coconut Grove Elementary
- Colonial Drive Elementary
- Coral Way K-8 Center
- Jack D. Gordon Elementary
- Oliver Hoover Elementary
- Pine Lake Elementary
- Arvida Middle School
- Dr. Michael M. Krop Senior
- New World School Of The Arts Sr.
- Terra Environmental Research Institute
- George T. Baker Aviation School
- Dorothy M. Wallace COPE Ctr.

Our review disclosed that 14 of 16 schools listed above generally complied with the *Purchasing Credit Card Program Policies & Procedures Manual*. Discrepancies with P-card records were identified at Miami Park Elementary and D. A. Dorsey Educational Center. Refer to the Internal Funds section of this report for more detail.

TITLE I PROGRAM

A review of Title I Program expenditures and procedures for the 2009-10 fiscal year was conducted at 5 schools:

School	Title I Program Expenditures
Goulds Elementary	\$ 299,387
Palms Springs Middle	536,660
Hialeah-Miami Lakes Senior	908,418
Crestview Elementary	329,124
Riverside Elementary	450,350
Total	\$ 2,523,939

Total expenditures incurred under various Title I programs amounted to approximately \$2.52 million. Results disclosed that 2 of the 5 schools were generally compliant with the policies and procedures established by the *Title I Administration Handbook*.

A similar Title I Program condition was cited when the former Principal of Goulds Elementary was acting Principal at another school in May 2009. Hourly salary expenditures exceeded budgeted amounts by approximately \$20,000 and there were no funds available in any other Title I program account to cover these expenditures. In addition, purchase orders for workbooks and student agendas totaling about \$13,000 were not processed by the closing of the year. Consequently, the current school administration was required to cancel the purchase orders for workbooks because funds were no longer available. The school had a change of CIS after mid-year, and we found that CIS records were incomplete or not available. Also, it appears that one of the individuals performed tasks at the school that were not aligned with the job duties stipulated in the Title I Administration Handbook (Pages 86-91) .

At Palm Springs Middle, under the tenure of the former school administration, we found instances where substitutes hired to cover for non-Title I Program teachers absent on personal leave, sick leave or leave without pay were inappropriately charged to the Temporary Instructors Title I Schoolwide Program account. We also found the unauthorized transfer and disposal of equipment purchased with Title I funds (Pages 92-95).

At Hialeah-Miami Lakes Senior the school hired a CIS on an hourly basis throughout the year, and we found that the CIS records were incomplete or not available (Pages 96-97).

FULL-TIME-EQUIVALENT (FTE) FUNDING

The following 11 schools were selected for these audits:

School	FTE Funding Reported
Irving & Beatrice Peskoe Elementary	\$ 1,228,958
West Homestead Elementary	1,263,745
Dr. Edward L. Whigham Elementary	1,366,751
Banyan Elementary	768,890
Crestview Elementary	1,509,817
Florida City Elementary	1,436,976
Oliver Hoover Elementary	1,897,006
Phyllis R. Miller Elementary	1,327,272
Rockway Elementary	938,833
Twin Lakes Elementary	1,192,260
Country Club Middle	2,837,970
Total	\$ 15,768,478

The total FTE funding amounted to approximately \$15.8 million for the 11 schools combined. FTE records corresponding to the 2009-10 fiscal year FTE Survey Period 3 were reviewed.

Our reviews disclosed that 8 schools were generally compliant with District policy. At Dr. Edward L. Whigham Elementary school, in addition to discrepancies in SPED records, we verified an allegation that the former SPED teacher was not actively participating in the classrooms and not providing services to SPED students as required by their Individual Education Plan (Pages 98-102).

At Irving & Beatrice Peskoe and West Homestead Elementary schools, we found discrepancies in most of the ESOL student folders reviewed (Pages 103-109).

DATA SECURITY MANAGEMENT REPORTS

We reviewed the report titled “Authorized Applications for Employees by Locations Report” at the following 9 schools:

- Coral Way K-8 Center
- Miami Heights Elementary
- Dr. Edward L. Whigham Elementary
- Brownsville Middle
- Hialeah-Miami Lakes Senior
- Terra Environmental Research Institute
- YMAACD At Douglas MacAthur No.
- South Dade Adult Education Center
- The 500 Role Models Academy Of Exc.

Our review disclosed that all 9 schools generally complied with the review of the report and with the requirements for granting access to system applications.

AUDIT OPINION

The following tables summarize total cash receipts and disbursements, and financial position of cash and investments *as of June 30, 2009 for 9 schools and centers reported herein (2-year audits); and as of June 30, 2010 for all 79 schools included herein.* It also provides the audit opinion regarding the schools’ financial statements:

CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2009

The Condensed Annual Financial reports and Total Cash and Investments as of June 30, 2009 for the following 9 schools are:

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
Region I School									
2041	Benjamin Franklin Elementary	\$ 17,648.44	\$ 29,554.45	\$ 34,596.51	\$ 12,606.38	\$ 9,243.50	\$ 3,362.88	-	\$ 12,606.38
Region IV School									
0441	Blue Lakes Elementary	29,476.20	187,178.33	187,930.44	28,724.09	24,455.98	4,268.11	-	28,724.09
Region V Schools									
0041	Air Base Elementary	6,520.89	276,374.31	265,637.00	17,258.20	4,909.89	12,348.31	-	17,258.20
5981	Dr. Edward L. Whigham Elementary	20,352.68	34,156.31	38,257.43	16,251.56	5,333.94	10,917.62	-	16,251.56
2321	Gulfstream Elementary	76,209.31	165,701.63	182,104.33	59,806.61	3,292.63	56,513.98	-	59,806.61
Adult /Career Technical Education Centers									
8139	D. A. Dorsey Ed. Center	119,498.88	303,242.08	280,525.63	142,215.33	78,278.67	63,936.66	-	142,215.33
7801	George T. Baker Aviation School	128,863.20	806,534.94	821,871.65	113,526.49	764.89	112,761.60	-	113,526.49
7342	Miami Jackson Adult Ed. Center	25,404.41	27,897.40	38,865.61	14,436.20	4,543.57	9,892.63	-	14,436.20
Other Center									
9723	Greater Miami Athletic Conference	142,633.82	146,101.36	161,762.67	126,972.51	22,646.67	104,325.84	-	126,972.51
TOTAL		\$ 566,607.83	\$ 1,976,740.81	\$ 2,011,551.27	\$ 531,797.37	\$ 153,469.74	\$ 378,327.63	-	\$ 531,797.37

CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2010

The Condensed Annual Financial reports and Total Cash and Investments as of June 30, 2010 for the following 79 schools are:

Work Loc No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
Region I Schools									
2041	Benjamin Franklin Elementary	\$ 12,606.38	\$ 22,877.64	\$ 25,101.66	\$ 10,382.36	\$ 6,982.35	\$ 3,400.01	-	\$ 10,382.36
3301	Miami Park Elementary	12,415.68	28,857.61	27,005.67	14,267.62	2,692.22	11,575.40	-	14,267.62
6681	Palm Springs Middle	31,117.78	172,211.38	143,545.14	59,784.02	26,801.92	32,982.10	-	59,784.02
7131	Hialeah-Miami Lakes Senior	145,007.78	503,817.88	489,194.26	159,631.40	35,945.00	123,686.40	-	159,631.40
1521	Amelia Earhart Elementary	16,050.65	88,735.22	88,558.36	16,227.51	1,185.34	15,042.17	-	16,227.51
2111	Hialeah Gardens Elementary	17,967.50	257,319.71	254,682.13	20,605.08	13,592.06	7,013.02	-	20,605.08
5601	Twin Lakes Elementary	13,241.11	44,155.73	35,354.83	22,042.01	3,509.97	18,532.04	-	22,042.01
6611	Country Club Middle	33,527.79	123,646.69	119,315.86	37,858.62	17,204.94	20,653.68	-	37,858.62
Region II Schools									
1161	Crestview Elementary	12,953.69	79,556.38	74,186.72	18,323.35	8,956.72	9,366.63	-	18,323.35
3431	Phyllis R. Miller Elementary	27,676.61	155,938.31	161,509.60	22,105.32	7,599.41	14,505.91	-	22,105.32
5081	Skyway Elementary	13,176.28	34,028.49	32,744.47	14,460.30	1,375.14	13,085.16	-	14,460.30
7141	Dr. Michael M. Krop Senior	254,168.72	1,034,869.29	1,029,672.31	259,365.70	17,351.15	242,014.55	-	259,365.70
7055	Young Women's Preparatory Ac. Sr.	31,028.15	65,324.34	62,946.25	33,406.24	17,399.53	16,006.71	-	33,406.24

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2010**

Work Loc No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
Region III Schools									
0841	Coconut Grove Elementary	30,463.37	155,437.49	145,827.91	40,072.95	17,283.52	22,789.43	-	40,072.95
1081	Coral Terrace Elementary	11,659.75	147,826.76	139,552.90	19,933.61	11,188.94	8,744.67	-	19,933.61
1121	Coral Way K-8 Center	17,256.37	385,122.35	379,910.03	22,468.69	15,763.19	6,705.50	-	22,468.69
2761	Martin L. King Elementary	11,568.69	18,116.96	17,095.03	12,590.62	9,474.36	3,116.26	-	12,590.62
2781	Kinloch Park Elementary	13,918.88	156,036.59	123,054.72	46,900.75	2,822.77	44,077.98	-	46,900.75
3041	Lorah Park Elementary	7,849.43	30,687.58	18,314.73	20,222.28	6,304.86	13,917.42	-	20,222.28
4681	Riverside Elementary	27,488.91	103,223.72	107,301.70	23,410.93	9,705.93	13,705.00	-	23,410.93
5001	Shenandoah Elementary	8,677.48	30,857.65	35,207.53	4,327.60	2,067.95	2,259.65	-	4,327.60
0081	Lenora B. Smith Elementary	19,657.57	25,907.17	30,647.45	14,917.29	4,822.15	10,095.14	-	14,917.29
5441	Sylvania Heights Elementary	11,998.02	190,548.01	187,106.93	15,439.10	5,497.10	9,942.00	-	15,439.10
6031	Brownsville Middle	21,812.60	56,679.20	57,689.47	20,802.33	1,214.40	19,587.93	-	20,802.33
6881	South Miami Middle	30,584.63	677,850.37	656,401.27	52,033.73	17,013.07	35,020.66	-	52,033.73
7901	New World School Of The Arts Senior	57,451.75	187,636.06	192,898.09	52,189.72	4,932.74	47,256.98	-	52,189.72
Region IV Schools									
0451	Dr. Bowman F. Ashe Elementary	4,536.95	236,798.55	229,959.79	11,375.71	9,104.33	2,271.38	-	11,375.71

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2010**

Work Loc No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
0201	Banyan Elementary	12,547.14	30,608.30	31,977.08	11,178.36	3,379.19	7,799.17	-	11,178.36
0271	Bent Tree Elementary	30,917.45	215,459.87	221,154.75	25,222.57	3,907.18	21,315.39	-	25,222.57
0441	Blue Lakes Elementary	28,724.09	170,284.07	167,005.95	32,002.21	25,350.45	6,651.76	-	32,002.21
0671	Calusa Elementary	24,050.42	450,973.81	444,931.52	30,092.71	19,025.22	11,067.49	-	30,092.71
0861	Colonial Drive Elementary	3,977.64	11,665.49	13,730.19	1,912.94	1,046.82	866.12	-	1,912.94
1691	Christina M. Eve Elementary	32,219.86	287,770.69	254,615.35	65,375.20	31,666.33	33,708.87	-	65,375.20
2521	Oliver Hoover Elementary	21,127.03	287,830.13	283,842.56	25,114.60	2,297.74	22,816.86	-	25,114.60
2511	Zora N. Hurston Elementary	16,119.92	224,129.08	220,452.44	19,796.56	12,326.22	7,470.34	-	19,796.56
3111	Wesley Matthews Elementary	14,992.36	318,062.95	314,816.10	18,239.21	11,019.43	7,219.78	-	18,239.21
4091	Olympia Heights Elementary	11,976.03	28,055.31	31,793.39	8,237.95	1,133.47	7,104.48	-	8,237.95
4721	Rockway Elementary	8,483.42	132,931.67	127,609.35	13,805.74	4,176.81	9,628.93	-	13,805.74
5421	Sunset Park Elementary	14,674.12	251,246.79	254,002.86	11,918.05	3,761.00	8,157.05	-	11,918.05
5641	Village Green Elementary	10,213.96	176,996.37	176,174.73	11,035.60	8,158.40	2,877.20	-	11,035.60
6021	Arvida Middle School	76,450.78	194,908.68	178,310.39	93,049.07	32,244.70	60,804.37	-	93,049.07
6921	Lamar Louise Curry Middle	29,462.07	132,208.47	122,915.07	38,755.47	8,819.48	29,935.99	-	38,755.47
6821	Rockway Middle	53,511.18	209,322.79	207,123.54	55,710.43	7,615.66	48,094.77	-	55,710.43
6901	W. R. Thomas Middle	29,769.65	129,879.95	132,538.31	27,111.29	7,402.26	19,709.03	-	27,111.29

CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2010

Work Loc No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
7091	School For Advanced Studies Sr.	28,397.57	167,380.68	163,788.32	31,989.93	3,076.60	28,913.33	-	31,989.93
7029	Terra Environmental Research Institute	-	189,627.98	157,809.03	31,818.95	31,818.95	-	-	31,818.95
<u>Region V Schools</u>									
0041	Air Base Elementary	17,258.20	232,945.63	237,203.00	13,000.72	16.38	12,984.34	-	13,000.72
0311	Goulds Elementary	9,850.51	6,698.22	6,135.16	10,413.57	9,912.60	500.97	-	10,413.57
4391	Irving & Beatrice Peskoe Elementary	11,595.99	20,719.48	16,153.35	16,162.12	11,321.05	4,841.07	-	16,162.12
5791	West Homestead Elementary	18,344.13	22,994.37	23,362.68	17,975.82	676.69	17,299.13	-	17,975.82
5981	Dr. Edward L. Whigham Elementary	16,251.56	11,182.83	12,933.47	14,500.92	3,436.70	11,064.22	-	14,500.92
0261	Bel-Aire Elementary	10,168.72	17,262.93	18,938.85	8,492.80	3,368.04	5,124.76	-	8,492.80
2001	Florida City Elementary	12,114.32	24,055.38	21,490.98	14,678.72	6,411.04	8,267.68	-	14,678.72
2151	Jack D. Gordon Elementary	22,531.00	354,082.63	342,426.17	34,187.46	21,670.78	12,516.68	-	34,187.46
2321	Gulfstream Elementary*	59,806.61	165,563.04	170,267.18	55,102.47	(507.93)	55,610.40	-	55,102.47
3261	Miami Heights Elementary	24,134.26	156,275.45	141,445.20	38,964.51	10,680.51	28,284.00	-	38,964.51
4441	Pine Lake Elementary	10,355.47	19,971.41	15,439.62	14,887.26	1,607.69	13,279.57	-	14,887.26
6061	Campbell Drive Middle	23,864.98	64,607.24	61,622.66	26,849.56	15,367.47	11,482.09	-	26,849.56

* Year-end checking account deficit in MSAF system only; actual checking account never showed deficit balance. Transfer to checking account from Money Market Pool Fund account in early July corrected MSAF deficit.

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2010**

Work Loc No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
6701	Palmetto Middle	43,859.17	323,727.55	305,875.67	61,711.05	23,616.20	38,094.85	-	61,711.05
<u>Region VI School - Education Transformation Office</u>									
7251	Miami Central Senior	129,177.20	467,178.44	502,261.91	94,093.73	16,696.64	77,397.09	-	94,093.73
<u>Adult/Career Technical Education Centers</u>									
8139	D. A. Dorsey Educational Center	142,215.33	356,247.75	332,876.20	165,586.88	99,724.60	65,862.28	-	165,586.88
7801	George T. Baker Aviation School	113,526.49	1,009,671.43	969,619.29	153,578.63	20,551.49	133,027.14	-	153,578.63
8005	Lindsey Hopkins Technical Ed. Center	690,253.48	1,840,135.64	1,700,811.60	829,577.52	8,397.81	821,179.71	-	829,577.52
7202	Miami Beach Adult Ed. Center	218,052.15	515,826.26	442,399.75	291,478.66	41,825.74	249,652.92	-	291,478.66
7342	Miami Jackson Adult Ed. Center	14,436.20	36,612.34	33,763.48	17,285.06	5,854.63	11,430.43	-	17,285.06
7532	Miami Sunset Adult Ed. Center	144,673.08	292,311.55	270,755.90	166,228.73	37,017.08	129,211.65	-	166,228.73
7702	South Dade Adult Ed. Center	70,523.83	331,433.18	297,721.22	104,235.79	51,573.26	52,662.53	-	104,235.79
<u>Alternative Education Centers</u>									
8121	C.O.P. E. Center North	34,407.41	73,321.72	72,528.25	35,200.88	6,048.30	29,152.58	-	35,200.88
8161	Corporate Academy North	12,730.75	22,175.05	25,663.17	9,242.63	5,090.44	4,152.19	-	9,242.63
8141	Juvenile Justice Center	4,585.19	35,800.10	20,256.09	20,129.20	20,129.20	-	-	20,129.20

**CONDENSED ANNUAL FINANCIAL REPORTS
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2010**

Work Loc No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
8119	The 500 Role Models Academy Of Excellence	16,183.30	13,956.96	12,741.22	17,399.04	17,399.04	-	-	17,399.04
8131	Dorothy M. Wallace COPE Ctr. South	33,289.18	96,157.10	85,827.64	43,618.64	33,687.77	9,930.87	-	43,618.64
7254	YMAACD At Douglas MacArthur No.	44,172.20	36,886.51	36,296.26	44,762.45	7,568.30	37,194.15	-	44,762.45
8101	YWAACD At Jan Mann Opportunity School	10,736.32	16,729.35	21,423.38	6,042.29	4,094.23	1,948.06	-	6,042.29
2861	YWAACD At JRE Lee Ed. Center	10,754.71	12,954.74	12,950.49	10,758.96	6,389.36	4,369.60	-	10,758.96
<u>Specialized Education Centers</u>									
0921	Neva King Cooper Ed. Center	14,432.14	20,215.16	20,084.76	14,562.54	9,030.05	5,532.49	-	14,562.54
8181	Ruth Owens Kruse' Ed. Center	18,055.90	32,723.76	33,820.93	16,958.73	3,770.15	13,188.58	-	16,958.73
9732	Merrick Ed. Center	19,966.75	14,892.13	10,363.11	24,495.77	678.34	23,817.43	-	24,495.77
<u>Other Center</u>									
9723	The Greater Miami Athletic Conference	126,972.51	157,164.02	166,701.93	117,434.60	32,200.05	85,234.55	-	117,434.60
TOTAL		\$ 3,492,756.25	\$ 15,425,889.56	\$ 14,811,536.31	\$ 4,107,109.39	\$ 1,031,320.67	\$ 3,075,788.72	\$ -	\$ 4,107,109.39

CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2009 AND/OR JUNE 30, 2010

Audit Opinion on Financial Statements and Overall Assessment of Internal Controls Over Financial Reporting

Notwithstanding the conditions and findings reported herein, at all 79 schools, the financial statements present fairly, in all material respects, the changes in fund balances arising from cash transactions of the internal funds of the schools during the 2008-09 and/or 2009-10 fiscal years, depending on the school being audited, on the cash basis of accounting.

As of June 30, 2010, the internal control structure at the schools generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the individual schools.

As of June 30, 2009, for 9 of the schools reported herein as identified in the table on page 10 of this report, total combined receipts and disbursements amounted to \$1,976,741 and \$2,011,551 respectively; while total combined cash and investments amounted to \$531,797.

As of June 30, 2010, for all 79 schools reported herein, as identified in the tables on pages 11-16 of this report, total combined receipts and disbursements amounted to \$15,425,890 and \$14,811,536 respectively; while total combined cash and investments amounted to \$4,107,109.

When conditions came to our attention that were deemed non-reportable, because they were immaterial and inconsequential, they were nevertheless, discussed with management for their information and follow-up.


Maria T. Gonzalez, Certified Public Accountant
Assistant Chief Auditor, School Audits Division
Office of Management and Compliance Audits

INTERNAL CONTROLS RATING

The internal controls rating of the 11 schools/centers reported herein with audit exceptions are depicted as follows:

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>Region I Schools</u>							
Benjamin Franklin Elementary		✓			✓		Likely to impact
Miami Park Elementary		✓			✓		Likely to impact
Palm Springs Middle		✓			✓		Likely to impact
Hialeah-Miami Lakes Senior		✓			✓		Likely to impact
<u>Region V Schools</u>							
Air Base Elementary		✓			✓		Likely to impact
Goulds Elementary		✓			✓		Likely to impact
Irving & Beatrice Peskoe Elementary		✓			✓		Likely to impact
West Homestead Elementary		✓			✓		Likely to impact
Dr. Edward L. Whigham Elementary		✓			✓		Likely to impact
<u>Region VI - Education Transformation Office School</u>							
Miami Central Senior		✓			✓		Likely to impact
<u>Adult/Career Technical Education Center</u>							
D. A. Dorsey Educational Center		✓			✓		Likely to impact

INTERNAL CONTROLS RATING

The internal controls rating of the 68 schools/centers reported herein with no audit exceptions are depicted as follows:

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>Region I Schools</u>							
Amelia Earhart Elementary	✓			✓			Not Likely to impact
Hialeah Gardens Elementary	✓			✓			Not Likely to impact
Twin Lakes Elementary	✓			✓			Not Likely to impact
Country Club Middle	✓			✓			Not Likely to impact
<u>Region II Schools</u>							
Crestview Elementary	✓			✓			Not Likely to impact
Phyllis R. Miller Elementary	✓			✓			Not Likely to impact
Skyway Elementary	✓			✓			Not Likely to impact
Dr. Michael M. Krop Senior	✓			✓			Not Likely to impact
Young Women's Preparatory Academy Sr.	✓			✓			Not Likely to impact
<u>Region III Schools</u>							
Coconut Grove Elementary	✓			✓			Not Likely to impact
Coral Terrace Elementary	✓			✓			Not Likely to impact
Coral Way K-8 Center	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Martin L. King Elementary	✓			✓			Not Likely to impact
Kinloch Park Elementary	✓			✓			Not Likely to impact
Lorah Park Elementary	✓			✓			Not Likely to impact
Riverside Elementary	✓			✓			Not Likely to impact
Shenandoah Elementary	✓			✓			Not Likely to impact
Lenora B. Smith Elementary	✓			✓			Not Likely to impact
Sylvania Heights Elementary	✓			✓			Not Likely to impact
Brownsville Middle	✓			✓			Not Likely to impact
South Miami Middle	✓			✓			Not Likely to impact
New World School Of The Arts Senior	✓			✓			Not Likely to impact
<u>Region IV Schools</u>							
Dr. Bowman F. Ashe Elementary	✓			✓			Not Likely to impact
Banyan Elementary	✓			✓			Not Likely to impact
Bent Tree Elementary	✓			✓			Not Likely to impact
Blue Lakes Elementary	✓			✓			Not Likely to impact
Calusa Elementary	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
Colonial Drive Elementary	✓			✓			Not Likely to impact
Christina M. Eve Elementary	✓			✓			Not Likely to impact
Oliver Hoover Elementary	✓			✓			Not Likely to impact
Zora N. Hurston Elementary	✓			✓			Not Likely to impact
Wesley Matthews Elementary	✓			✓			Not Likely to impact
Olympia Heights Elementary	✓			✓			Not Likely to impact
Rockway Elementary	✓			✓			Not Likely to impact
Sunset Park Elementary	✓			✓			Not Likely to impact
Village Green Elementary	✓			✓			Not Likely to impact
Arvida Middle School	✓			✓			Not Likely to impact
Lamar Louise Curry Middle	✓			✓			Not Likely to impact
Rockway Middle	✓			✓			Not Likely to impact
W. R. Thomas Middle	✓			✓			Not Likely to impact
School For Advanced Studies Sr.	✓			✓			Not Likely to impact
Terra Environmental Research Institute	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>Region V Schools</u>							
Bel-Aire Elementary	✓			✓			Not Likely to impact
Florida City Elementary	✓			✓			Not Likely to impact
Jack D. Gordon Elementary	✓			✓			Not Likely to impact
Gulfstream Elementary	✓			✓			Not Likely to impact
Miami Heights Elementary	✓			✓			Not Likely to impact
Pine Lake Elementary	✓			✓			Not Likely to impact
Campbell Drive Middle	✓			✓			Not Likely to impact
Palmetto Middle	✓			✓			Not Likely to impact
<u>Adult/Career Technical Education Centers</u>							
George T. Baker Aviation School	✓			✓			Not Likely to impact
Lindsey Hopkins Technical Ed. Center	✓			✓			Not Likely to impact
Miami Beach Adult Ed. Center	✓			✓			Not Likely to impact
Miami Jackson Adult Ed. Center	✓			✓			Not Likely to impact
Miami Sunset Adult Ed. Center	✓			✓			Not Likely to impact
South Dade Adult Ed. Center	✓			✓			Not Likely to impact

INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>Alternative Education Centers</u>							
C.O.P. E. Center North	✓			✓			Not Likely to impact
Corporate Academy North	✓			✓			Not Likely to impact
Juvenile Justice Center	✓			✓			Not Likely to impact
The 500 Role Models Academy Of Excellence	✓			✓			Not Likely to impact
Dorothy M. Wallace COPE Ctr. South	✓			✓			Not Likely to impact
YMAACD At Douglas MacArthur No. Sr.	✓			✓			Not Likely to impact
YWAACD At Jan Mann Opportunity School	✓			✓			Not Likely to impact
YWAACD At JRE Lee Ed. Ctr.	✓			✓			Not Likely to impact
<u>Specialized Education Centers</u>							
Neva King Cooper Ed. Ctr.	✓			✓			Not Likely to impact
Ruth Owens Krusé Ed. Ctr.	✓			✓			Not Likely to impact
Merrick Ed. Ctr.	✓			✓			Not Likely to impact
<u>Other Center</u>							
The Greater Miami Athletic Conference	✓			✓			Not Likely to impact

SUMMARY SCHEDULE OF AUDIT FINDINGS

Summary of findings at the 11 schools/centers reported herein with audit exceptions are as follows:

Work Loc. No.	Schools/Centers	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
Region I Schools					
2041	Benjamin Franklin Elementary	1	▪ Field Trips	None	
3301	Miami Park Elementary	3	▪ PTA Activities ▪ Field Trips ▪ EESAC Expenditures	None	
6681	Palm Springs Middle	2	▪ Title I Payroll ▪ Title I Equipment	None	
7131	Hialeah-Miami Lakes Senior	2	▪ Payroll ▪ CIS Records	1	▪ Athletic Tickets
Region V Schools					
0041	Air Base Elementary	1	▪ Cafeteria Deposits	None	
0311	Goulds Elementary	3	▪ Payroll ▪ Title I Budget ▪ CIS Records	None	
4391	Irving & Beatrice Peskoe Elementary	1	▪ FTE-ELL	None	
5791	West Homestead Elementary	1	▪ FTE-ELL	None	
5981	Dr. Edward L. Whigham Elementary	2	▪ Cafeteria Deposits ▪ FTE-SPED	None	
Region VI- Education Transformation Office School					
7251	Miami Central Senior	2	▪ Disbursements ▪ Payroll	None	
Adult/Career Technical Education Center					
8139	D. A. Dorsey Educational Center	3	▪ Checking Account ▪ Receipts ▪ Disbursements	None	
TOTAL		21		1	

SUMMARY SCHEDULE OF AUDIT FINDINGS

Summary of findings at the 68 schools/centers reported herein with no audit exceptions are as follows:

Work Loc. No.	Schools/Centers	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
Region I Schools					
1521	Amelia Earhart Elementary	None		None	
2111	Hialeah Gardens Elementary	None		None	
5601	Twin Lakes Elementary	None		None	
6611	Country Club Middle	None		None	
Region II Schools					
1161	Crestview Elementary	None		None	
3431	Phyllis R. Miller Elementary	None		None	
5081	Skyway Elementary	None		None	
7141	Dr. Michael M. Krop Senior	None		None	
7055	Young Women's Preparatory Academy Sr.	None		None	
Region III Schools					
0841	Coconut Grove Elementary	None		None	
1081	Coral Terrace Elementary	None		None	
1121	Coral Way K-8 Center	None		None	

SUMMARY SCHEDULE OF AUDIT FINDINGS

Work Loc. No.	Schools/Centers	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
2761	Martin L. King Elementary	None		None	
2781	Kinloch Park Elementary	None		None	
3041	Lorah Park Elementary	None		None	
4681	Riverside Elementary	None		None	
5001	Shenandoah Elementary	None		None	
0081	Lenora B. Smith Elementary	None		None	
5441	Sylvania Heights Elementary	None		None	
6031	Brownsville Middle	None		1	▪ FTE-ELL
6881	South Miami Middle	None		None	
7901	New World School Of The Arts Senior	None		None	
<u>Region IV Schools</u>					
0451	Dr. Bowman F. Ashe Elementary	None		None	
0201	Banyan Elementary	None		None	
0271	Bent Tree Elementary	None		None	
0441	Blue Lakes Elementary	None		None	
0671	Calusa Elementary	None		None	

SUMMARY SCHEDULE OF AUDIT FINDINGS

Work Loc. No.	Schools/Centers	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
0861	Colonial Drive Elementary	None		None	
1691	Christina M. Eve Elementary	None		None	
2521	Oliver Hoover Elementary	None		None	
2511	Zora N. Hurston Elementary	None		None	
3111	Wesley Matthews Elementary	None		None	
4091	Olympia Heights Elementary	None		None	
4721	Rockway Elementary	None		None	
5421	Sunset Park Elementary	None		None	
5641	Village Green Elementary	None		None	
6021	Arvida Middle School	None		None	
6921	Lamar Louise Curry Middle	None		None	
6821	Rockway Middle	None		None	
6901	W. R. Thomas Middle	None		None	
7091	School For Advanced Studies Sr.	None		None	
7029	Terra Environmental Research Institute	None		N/A-First Year Audit in 2009-10 FY	
Region V Schools					
0261	Bel-Aire Elementary	None		None	

SUMMARY SCHEDULE OF AUDIT FINDINGS

Work Loc. No.	Schools/Centers	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
2001	Florida City Elementary	None		None	
2151	Jack D. Gordon Elementary	None		None	
2321	Gulfstream Elementary	None		None	
3261	Miami Heights Elementary	None		1	▪ School Site IT Function
4441	Pine Lake Elementary	None		None	
6061	Campbell Drive Middle	None		None	
6701	Palmetto Middle	None		None	
<u>Adult/Career Technical Education Centers</u>					
7801	George T. Baker Aviation School	None		None	
8005	Lindsey Hopkins Technical Ed. Center	None		None	
7202	Miami Beach Adult Ed. Center	None		None	
7342	Miami Jackson Adult Ed. Center	None		None	
7532	Miami Sunset Adult Ed. Center	None		None	
7702	South Dade Adult Ed. Center	None		None	
<u>Alternative Education Centers</u>					
8121	C.O.P. E. Center North	None		None	

SUMMARY SCHEDULE OF AUDIT FINDINGS

Work Loc. No.	Schools/Centers	CURRENT YEAR FINDINGS		PRIOR YEAR FINDINGS	
		Total per School	Area Of Findings	Total per School	Area Of Findings
8161	Corporate Academy North	None		None	
8141	Juvenile Justice Center	None		None	
8119	The 500 Role Models Academy Of Excellence	None		None	
8131	Dorothy M. Wallace COPE Ctr. South	None		None	
7254	YMAACD At Douglas MacArthur No.	None		None	
8101	YWAACD At Jan Mann Opportunity School	None		None	
2861	YWAACD At JRE Lee Ed. Ctr.	None		None	
<u>Specialized Education Centers</u>					
0921	Neva King Cooper Ed. Center	None		None	
8181	Ruth Owens Kruse' Ed. Center	None		None	
9732	Merrick Ed. Center	None		None	
<u>Other Center</u>					
9723	The Greater Miami Athletic Conference	None		None	
TOTAL		None		2	

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Listed below are the names of the former and current principals, as applicable. **The highlighted name(s) represents the principal(s)/administrator(s) in charge of the school/center during the audit period:**

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal(s)/Administrator(s)
<u>Region I Schools</u>			
2041	Benjamin Franklin Elementary	Ms. Mary A. Alonso	N/A= No Change of Principal Since Prior Audit
3301	Miami Park Elementary	Ms. Sandra V. Banky	Ms. Sandra C. Pelham (Through June 2010; retired)
6681	Palm Springs Middle	Mr. Eric Acosta	Ms. Melissa C. Wolin (Through June 2010; retired)
7131	Hialeah-Miami Lakes Senior	Mr. Jose Bueno	Mr. Christopher J. Shinn (Through June 2010; presently Principal at Law Enforcement Officers Memorial Senior High)
1521	Amelia Earhart Elementary	Ms. Maribel B. Dotres	Dr. Ada B. Hernandez (Through June 2010; retired)
2111	Hialeah Gardens Elementary	Mr. Rouben J. Yaghdjian	Ms. Ivette Bernal-Pino (Through July 2010; presently Principal at Twin Lakes Elementary)
5601	Twin Lakes Elementary	Ms. Ivette Bernal-Pino	Ms. Maria I. de León (Through July 2010; presently Principal at Region I Office)
6611	Country Club Middle	Mr. Jose R. Fernandez	Mr. Jose Bueno (Through June 2010; presently Principal at Hialeah-Miami Lakes Senior High)
<u>Region II Schools</u>			
1161	Crestview Elementary	Ms. Sabrina J. Montilla	Ms. Melissa M. Mesa (Through July 2010; presently Principal at North County Elementary)

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal(s)/Administrator(s)
3431	Phyllis R. Miller Elementary	Ms. Carmen A. Boyd	Ms. Verdell D. King (Through July 2010; retired)
5081	Skyway Elementary	Ms. Adrena Y. Williams	Ms. Linda M. Harrison (Through June 2010; retired)
7141	Dr. Michael M. Krop Senior	Dr. Matthew J. Welker	N/A= No Change of Principal Since Prior Audit
7055	Young Women's Preparatory Academy Sr.	Ms. Concepcion I. Martinez	N/A= No Change of Principal Since Prior Audit
<u>Region III Schools</u>			
0841	Coconut Grove Elementary	Dr. Sharon M. Lopez	Ms. Eva N. Ravelo (Through August 2010; presently Principal at Coral Terrace Elementary)
1081	Coral Terrace Elementary	Ms. Eva N. Ravelo	Mr. Jorge O. Sotolongo (Through September 2010; retired)
1121	Coral Way K-8 Center	Ms. Josephine Otero	Mr. Alejandro Perez (Through July 2010; presently Principal at International Studies Preparatory Academy at Gables)
2761	Martin L. King Elementary	Dr. Henry N. Crawford	Ms. Mary J. Brown (Through June 2010; presently Assistant Principal at South Hialeah Elementary)
2781	Kinloch Park Elementary	Ms. Martha M. Muñoz	Ms. Ana M. Casas (Through December 2009; retired) Ms. Olga Figueras (Through September 2010; retired)
3041	Lorah Park Elementary	Ms. Mattye H. Jones	N/A= No Change of Principal Since Prior Audit
4681	Riverside Elementary	Ms. Erica Y. Paramore-Respress	Dr. Sharon M. Lopez (Through August 2010; presently Principal at Coconut Grove Elementary)

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal(s)/Administrator(s)
5001	Shenandoah Elementary	Ms. Gloria I. Garcia	Ms. Martha M. Muñoz (Through July 2010; presently Principal at Kinloch Park Elementary)
0081	Lenora B. Smith Elementary	Dr. Earl Burth	Mr. Orlando B. Milligan (Through July 2010; retired)
5441	Sylvania Heights Elementary	Ms. Amor Reyes	Ms. Maria V. Llerena (Through July 2010; retired)
6031	Brownsville Middle	Mr. Gregory M. Bethune	Ms. Sharon Johnson (Through July 2010; presently Principal at Citrus Grove Elementary)
6881	South Miami Middle	Ms. Evonne S. Alvarez	Dr. Lisa R. Robertson (Through June 2010; presently Principal at Homestead Senior)
7901	New World School Of The Arts Senior	Ms. Lisa S. Noffo	Dr. Frederic E. Conde (Through July 2010; presently Administrative Director, School Operations)
<u>Region IV Schools</u>			
0451	Dr. Bowman F. Ashe Elementary	Mr. Eliseo Hernandez	Ms. Lourdes A. Lopez (Through June 2010; presently Principal at Seminole Elementary)
0201	Banyan Elementary	Ms. Cheri A. Davis	N/A= No Change of Principal Since Prior Audit
0271	Bent Tree Elementary	Dr. Miguel A. Balsera	N/A= No Change of Principal Since Prior Audit
0441	Blue Lakes Elementary	Ms. Aida M. Marrero	N/A= No Change of Principal Since Prior Audit
0671	Calusa Elementary	Ms. Carmen B. Fuentes	N/A= No Change of Principal Since Prior Audit
0861	Colonial Drive Elementary	Ms. Maria D. Chappotin	Mr. Henry Fernandez (Through July 2010; presently Principal at Village Green Elementary)

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal(s)/Administrator(s)
1691	Christina M. Eve Elementary	Ms. Lidia M. Gonzalez	N/A= No Change of Principal Since Prior Audit
2521	Oliver Hoover Elementary	Ms. Mercy Aguilar	Ms. Neyda G. Navarro (Through July 2010; presently on Special Assignment with the Education Transformation Office)
2511	Zora N. Hurston Elementary	Ms. Isabel G. Valenzano	Dr. Lilia A. Dobao (Through December 2009; presently Principal at Everglades K-8 Center)
3111	Wesley Matthews Elementary	Ms. Annette M. Diaz	N/A= No Change of Principal Since Prior Audit
4091	Olympia Heights Elementary	Ms. Francisca C. Nobregas	N/A= No Change of Principal Since Prior Audit
4721	Rockway Elementary	Ms. Debbie F. Saumell	N/A= No Change of Principal Since Prior Audit
5421	Sunset Park Elementary	Ms. Sara N. Martin	N/A= No Change of Principal Since Prior Audit
5641	Village Green Elementary	Mr. Henry Fernandez	Ms. Maria D. Chappotin (Through July 2010; presently Principal at Colonial Drive Elementary)
6021	Arvida Middle School	Ms. Nancy S. Aragon	N/A= No Change of Principal Since Prior Audit
6921	Lamar Louise Curry Middle	Ms. Wandarece Ruan	N/A= No Change of Principal Since Prior Audit
6821	Rockway Middle	Ms. Jo Anne D. Gans	N/A= No Change of Principal Since Prior Audit
6901	W. R. Thomas Middle	Ms. Lisa L. Pizzimenti-Bradshaw	N/A= No Change of Principal Since Prior Audit
7091	School For Advanced Studies Sr.	Dr. Omar Monteagudo	N/A= No Change of Principal Since Prior Audit

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal(s)/Administrator(s)
7029	Terra Environmental Research Institute	Ms. Caridad H. Montano	N/A= First Year Audit 2009-10
<u>Region V Schools</u>			
0041	Air Base Elementary	Mr. Raul Calzadilla, Jr.	N/A= No Change of Principal Since Prior Audit
0311	Goulds Elementary	Mr. Raul F. Garcia	Dr. Maria D. Pabellon (Through May 2010; retired)
4391	Irving & Beatrice Peskoe Elementary	Ms. Liliana C. Albuerne	Ms. Maria P. Acosta (Through July 2010; presently Principal at Emerson Elementary)
5791	West Homestead Elementary	Dr. Columbus Williams, Jr.	Ms. Prudence Mingo (Through June 2010; presently Principal at Bel-Aire Elementary)
5981	Dr. Edward L. Whigham Elementary	Ms. Susan J. Lyle	Ms. Kimberly Y. Davis (Through July 2010; presently Principal at Robert Morgan Educational Center)
0261	Bel-Aire Elementary	Ms. Prudence Mingo	Dr. Columbus Williams, Jr. (Through June 2010; presently Principal at West Homestead El.)
2001	Florida City Elementary	Ms. Catherine T. Krtausch	Ms. Gloria M. Arazoza (Through July 2010; presently District Director for Strategic Planning)
2151	Jack D. Gordon Elementary	Mr. Caleb Lopez	Ms. Ruth A. Alperin (Through May 2010; presently Principal assigned to School Operations) Ms. Gloria Arazoza (Through August 2010; presently District Director for Strategic Planning)

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal(s)/Administrator(s)
2321	Gulfstream Elementary	Ms. Concepcion C. Santana	Ms. Susan J. Lyle (Through June 2010; presently Principal at Dr. Edward L. Whigham Elementary) Mr. Caleb Lopez (Through August 2010; presently Principal at Jack D. Gordon Elementary)
3261	Miami Heights Elementary	Mr. Jorge A. Rivas	Mr. John C. Lux (Through July 2010; presently Principal at Palmetto Middle)
4441	Pine Lake Elementary	Mr. Frank V. MacBride, Jr.	Mr. Caleb Lopez (Through June 2010; presently Principal at Jack D. Gordon Elementary) Ms. Kerri A. Maysonet (Through October 2010; resigned)
6061	Campbell Drive Middle	Mr. Paul A. Pfeiffer	Ms. Evonne S. Alvarez (Through July 2010; presently Principal at South Miami Middle)
6701	Palmetto Middle	Mr. John C. Lux	Ms. Lisa S. Noffo (Through July 2010; presently Principal at New World School of the Arts Sr. High)
<u>Region VI School - Education Transformation Office</u>			
7251	Miami Central Senior	Ms. Rennina L. Turner	Mr. Douglas P. Rodriguez (Through July 2010; resigned)
<u>Adult/Career Technical Education Centers</u>			
8139	D. A. Dorsey Educational Center	Ms. Gloria F. Evans	N/A= No Change of Principal Since Prior Audit
7801	George T. Baker Aviation School	Mr. Sean E. Gallagan	N/A= No Change of Principal Since Prior Audit

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal(s)/Administrator(s)
8005	Lindsey Hopkins Technical Ed. Center	Ms. Nyce Daniel	Mr. Rosa D. Borgen (To retire December 2010)
7202	Miami Beach Adult Ed. Center	Ms. Shirley A. Velasco	N/A= No Change of Principal Since Prior Audit
7342	Miami Jackson Adult Ed. Center	Ms. Gloria F. Evans	Ms. Judy P. Hunter (Through September 2010; presently Principal at Miami Sunset Adult Education Center)
7532	Miami Sunset Adult Ed. Center	Ms. Judy P. Hunter	Dr. Dulce M. de Villa (Through December 2009; presently Principal at The English Center) Mr. Edmund Plant, Asst. Principal (Through September 2010; retired)
7702	South Dade Adult Ed. Center	Ms. Rene Mantilla	Ms. Doris Granberry (Through February 2010; retired) Ms. Nyce Daniel (Through August 2010; presently Principal at Lindsey Hopkins Tech. Ed. Ctr.)
<u>Alternative Education Centers</u>			
8121	C.O.P. E. Center North	Dr. Lillian K. Cooper	N/A= No Change of Principal Since Prior Audit
8161	Corporate Academy North	Dr. Doylene N. Tarver	N/A= No Change of Principal Since Prior Audit
8141	Juvenile Justice Center	Ms. Yseult Charles	Mr. Humberto J. Miret (Through August 2009; presently Assistant Principal at Miami Jackson Sr. High) Mr. Nicholas Emmanuel (Through August 2010; presently Assistant Principal at YMAACD@MacArthur North Senior)

LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal/Administrator	Former Principal(s)/Administrator(s)
8119	The 500 Role Models Academy Of Excellence	Mr. Miguel Torres	Mr. Samuel L. Johnson (Through July 2010; presently Principal at Alternative Outreach Program)
8131	Dorothy M. Wallace COPE Ctr. South	Ms. Karen F. Webb	N/A= No Change of Principal Since Prior Audit
7254	YMAACD At Douglas MacArthur No.	Mr. Marion L. Rogers	N/A= No Change of Principal Since Prior Audit
8101	YWAACD At Jan Mann Opportunity School	Ms. Deborah A. Carter	N/A= No Change of Principal Since Prior Audit
2861	YWAACD At JRE Lee Educ. Ctr.	Ms. Claire C. Warren	N/A= No Change of Principal Since Prior Audit
<u>Specialized Education Centers</u>			
0921	Neva King Cooper Ed. Center	Dr. Alberto T. Fernandez	N/A= No Change of Principal Since Prior Audit
8181	Ruth Owens Krusé Ed. Center	Dr. Angel L. Rodriguez	N/A= No Change of Principal Since Prior Audit
9732	Merrick Ed. Center	Ms. Deborah C. Wehking	N/A= No Change of Principal Since Prior Audit
<u>Other Center</u>			
9723	The Greater Miami Athletic Conference	Ms. Cheryl Golden, Executive Secretary	N/A= No Change of Administrator Since Prior Audit

PROPERTY SCHEDULES

The results of the property inventories conducted at the schools reported herein follows:

Work Location No.	Schools/Centers	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
Region I Schools								
2041	Benjamin Franklin Elementary	125	\$ 241,776	None			None	
3301	Miami Park Elementary	114	279,125	None			None	
6681	Palm Springs Middle	585	1,159,249	None			None	
7131	Hialeah-Miami Lakes Senior	706	1,515,185	None			None	
1521	Amelia Earhart Elementary	157	343,718	None			None	
2111	Hialeah Gardens Elementary	122	291,840	None			None	
5601	Twin Lakes Elementary	122	280,230	None			None	
6611	Country Club Middle	380	817,736	None			None	
Region II Schools								
1161	Crestview Elementary	129	287,967	None			None	
3431	Phyllis R. Miller Elementary	187	564,397	None			None	
5081	Skyway Elementary	70	199,338	None			None	
7141	Dr. Michael M. Krop Senior	936	2,137,099	None			None	
7055	Young Women's Prep. Academy	405	561,686	None			None	
Region III Schools								
0841	Coconut Grove Elementary	58	134,609	None			None	
1081	Coral Terrace Elementary	158	271,392	None			None	
1121	Coral Way K-8 Center	275	798,510	None			None	
2761	Martin L. King Elementary	84	181,839	None			None	
2781	Kinloch Park Elementary	106	244,305	None			None	
3041	Lorah Park Elementary	92	206,490	None			None	
4681	Riverside Elementary	95	277,456	None			None	
5001	Shenandoah Elementary	153	323,883	None			None	
0081	Lenora B. Smith Elementary	120	291,777	None			None	
5441	Sylvania Heights Elementary	108	256,616	None			None	
6031	Brownsville Middle	312	715,036	None			None	
6881	South Miami Middle	292	675,479	None			None	
7901	New World School of the Arts Senior	180	367,336	None			None	
Region IV Schools								
0451	Dr. Bowman F. Ashe Elementary	122	325,159	None			None	
0201	Banyan Elementary	80	197,095	None			None	
0211	Dr. Manuel C. Barreiro Elementary ²	87	373,605	None			None	
0251	Ethel Koger Beckham Elementary ²	117	289,085	None			None	
0271	Bent Tree Elementary ¹							

PROPERTY SCHEDULES

Work Location No.	Schools/Centers	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
0441	Blue Lakes Elementary	129	354,906	None			None	
0671	Calusa Elementary	75	226,168	1	\$ 1,223	-	None	
0861	Colonial Drive Elementary	94	237,911	None			1	\$ 1,069
1281	Cypress Elementary ²	128	267,239	None			None	
1691	Christina M. Eve Elementary ¹							
2341	Joe Hall Elementary ²	75	205,245	None			None	
2521	Oliver Hoover Elementary	146	346,545	None			None	
2511	Zora N. Hurston Elementary	93	225,687	None			None	
2701	Kenwood K-8 Center ²	240	587,532	None			None	
2881	Leewood K-8 Center ²	216	479,885	None			None	
2891	William Lehman Elementary ²	96	228,430	None			None	
3111	Wesley Matthews Elementary ¹							
4091	Olympia Heights Elementary	99	217,317	None			None	
4721	Rockway Elementary ¹							
5421	Sunset Park Elementary	82	207,686	None			None	
5641	Village Green Elementary	101	191,138	None			None	
6021	Arvida Middle ¹							
6921	Lamar Louise Curry Middle	420	950,477	None			None	
6441	Howard D. McMillan Middle ²	559	1,023,972	None			None	
6801	Riviera Middle ²	422	899,292	None			None	
6821	Rockway Middle ¹							
6901	W.R. Thomas Middle	271	651,385	None			None	
7091	School for Advanced Studies ¹							
7029	Terra Environmental Research Institute	305	1,201,004	None			N/A--New School	
Region V Schools								
0041	Air Base Elementary	96	186,914	None			None	
0311	Goulds Elementary	121	343,567	None			None	
4391	Irving & Beatrice Peskoe Elementary	78	213,335	None			None	
5791	West Homestead Elementary	179	344,009	None			None	
5981	Dr. Edward L. Whigham Elementary	116	296,002	None			None	
0261	Bel-Aire Elementary	113	283,813	None			None	
2001	Florida City Elementary	222	418,421	None			None	
2151	Jack D. Gordon Elementary	138	381,192	None			None	
2321	Gulfstream Elementary	185	379,262	None			None	
3261	Miami Heights Elementary	116	309,505	None			None	
4441	Pine Lake Elementary	114	314,462	None			None	
6061	Campbell Drive Middle	604	1,087,224	None			None	

PROPERTY SCHEDULES

Work Location No.	Schools/Centers	CURRENT INVENTORY					PRIOR INVENTORY	
		Total Items	Dollar Value	Unlocated Items			No. Of Unloc. Items	Dollar Value
				No. Of Items	At Cost	At Deprec. Value		
6701	Palmetto Middle	298	561,954	None			None	
<u>Region VI- Education Transformation Office</u>								
7251	Miami Central Senior	1,231	3,399,177	None			None	
<u>Adult/Career Technical Education Centers</u>								
8139	D.A. Dorsey Educational Center ¹							
7801	George T. Baker Aviation School	625	8,859,945	None			None	
8005	Lindsey Hopkins Tech. Ed. Center	1,239	3,276,422	None			None	
7202	Miami Beach Adult Education Center	153	286,671	None			None	
7272	Miami Coral Park Adult Education Ctr. ²	94	226,764	None			None	
7342	Miami Jackson Adult Education Center ¹							
7532	Miami Sunset Adult Education Center	82	139,653	None			None	
7702	South Dade Adult Education Center	296	856,177	None			None	
<u>Alternative Education Centers</u>								
8121	C.O.P.E. Center North	120	262,032	1	1,038	138	None	
8161	Corporate Academy North	80	174,602	None			None	
8141	Juvenile Justice Center	34	58,131	None			None	
8119	The 500 Role Models Acad. Of Exc.	59	132,658	None			None	
8131	Dorothy M. Wallace C.O.P.E. Ctr. South	108	239,528	None			None	
7254	Y.M.A.A.C.D at Douglas McArthur No.	191	522,528	None			None	
8101	Y.W.A.A.C.D at Jan Mann Opportunity	81	180,547	None			None	
2861	Y.W.A.A.C.D at JRE Lee Ed. Center	105	284,970	None			None	
<u>Specialized Education Centers</u>								
0921	Neva King Cooper Ed. Center	120	317,772	None			None	
8181	Ruth Owens Krusé Ed. Center	231	486,973	None			None	
9732	Merrick Ed. Center	196	376,831	None			None	
<u>Other Center</u>								
9723	The Greater Miami Athletic Conference	35	116,666	None			None	
TOTAL		17,488	\$ 48,428,544	2	\$ 2,261	\$ 138	1	\$ 1,069

Notes:

1 Property inventories will be conducted later in the year.

2 School audit previously reported in September 2010.

PROPERTY SCHEDULES

The following table is an analysis of Plant Security Reports. Those schools reported herein that have not filed Plant Security Reports are excluded from this schedule:

Work Location No.	Schools	No. of Plant Security Reports	Total Items	Total Amount at Cost	CATEGORY (AT COST)			Total Depreciated Value
					Computers	Audio Visual	Other	
Region I School								
6681	Palm Springs Middle	1	1	\$ 1,037	\$ 1,037			\$ 176
Region II Schools								
3431	Phyllis R. Miller Elementary	1	2	5,198	5,198			1,322
7141	Dr. Michael M. Krop Senior	1	1	1,038	1,038			190
Region III Schools								
5001	Shenandoah Elementary	1	1	1,200	1,200			140
7901	New World School of the Arts	2	2	2,048	2,048			1,024
Region IV Schools								
0451	Dr. Bowman F. Ashe Elementary	1	1	2,970		\$ 2,970		2,494
0861	Colonial Drive Elementary	1	1	1,590		1,590		561
6921	Lamar Louise Curry Middle	1	2	2,234	2,234			1,080
6801	Riviera Middle	1	1	1,229	1,229			377
Region V School								
6701	Palmetto Middle	1	1	1,558	1,558			-
Adult/Career Technical Education Centers								
7801	George T. Baker Aviation School	1	2	3,819		1,869	\$ 1,950	2,752
8005	Lindsey Hopkins Tech. Ed. Center	2	3	3,503			3,503	1,272
Alternative Education Center								
8161	Corporate Academy North	2	3	4,302			4,302	1,579
TOTAL		16	21	\$ 31,726	\$ 15,542	\$ 6,429	\$ 9,755	\$ 12,967

FINDINGS AND RECOMMENDATIONS

INVESTIGATIONS INVOLVING CAFETERIA DEPOSITS

1. **Inadequate Controls Over Cafeteria Deposits *Air Base Elementary***

The School Board of Miami-Dade County's Department of Food and Nutrition (F&N) is responsible for operating a centralized food service program at K-12 schools and centers. In support of this program, F&N has issued a *Procedures Manual* which delineates the various procedures that cafeteria staff must follow and comply with at the school cafeterias. Specifically, *Section E* of the *Manual* contains the guidelines addressing the recordkeeping requirements and controls over school cafeteria sales at the school sites.

Pursuant to *Food and Nutrition Procedure E-2*, the food service cash registers must be closed daily and the deposit representing the total daily collection must be prepared and inputted into the computer system during the Day End Procedure function. The deposit is submitted daily to the main office for pick-up by the armored car service. *Procedure E-12 states that*, although both the Principal and Food Service Manager are responsible for maintaining accurate food service records at the school site level, the Principal *is responsible for the security of monies collected at the school*.

Between January 2009 and April 2010, the former Food Service Manager at Air Base Elementary inappropriately withheld from deposit a total of eleven cafeteria deposits totaling approximately \$4,200, of which at least \$2,200 was cash. During the investigation, she admitted that she had taken the cash for personal use, which she later replaced. As a result, her employment with the school system was terminated. Details follow:

- 1.1. Miami-Dade Schools Police (MDSP) contacted our office for assistance regarding an allegation that, between April 21 and April 30, 2010, the Food Service Manager at Air Base Elementary had failed to submit a total of seven cafeteria deposit bags said to contain a total of \$2,356, of which \$1,269 was cash. According to the MDSP incident report, the school administration reported that staff from the Department of Food and Nutrition had discovered this incident while conducting a cafeteria visitation during May 2010. Also, according to the report, it was alleged that the Food Service Manager had admitted to taking the cash as a personal loan; and that she had replaced it immediately after her scheme had been uncovered.

On May 26, 2010, at the time of our initial review, we verified that cash was still missing from one of the cafeteria deposits reviewed. Once confronted with these facts, the Food Service Manager provided a written confession to our investigative auditors acknowledging that she had used the cash for a personal emergency and was willing to replace it. Further review by our audit staff disclosed that she had withheld additional deposits, dated between January 2009 and March 2010, totaling \$1,862. Checks and coins corresponding to the deposits were found in her office. Subsequent to her confession, the Food Service Manager made full restitution, which allowed the school administration to deposit the funds between May and June 2010.

At the School Board Meeting of September 13, 2010, the School Board approved Agenda Item D-56 to initiate dismissal proceedings against the Food Service Manager. Her employment with the school system was terminated effective October 12, 2010.

As a follow up to this incident, we reviewed a sample of cafeteria sales, cash register and deposit activity corresponding to the current year. During our review, nothing came to our attention to indicate that cafeteria funds corresponding to the sampled period were missing. At the present time, it appears that the school has strengthened procedures over cafeteria deposits by requiring the current Food Service Manager to sign the Collections/Deposit Log [FM-7249] acknowledging that a deposit bag has been submitted to the main office for the armored car service's pick-up and delivery to the bank.

According to *Food and Nutrition Procedure E-1*, the Food Service Accounting Unit in the Office of the Controller is responsible for district-wide accounting records related to the reconciliation of the centralized bank account. Consequently, we also reviewed the centralized bank account reconciliations prepared by the Food Service Accounting Unit in the Office of the Controller corresponding to this school's deposit activity. Results are as follows:

- 1.2. An analysis of cafeteria deposit documentation provided by the school site and the centralized bank reconciliations from January 2009 up to June 2010 disclosed other instances of delays between the date of cafeteria collections and the deposit date, *which may be indicative that the Food Service Manager may have been taking cash from the deposits and replacing it at times other than those cited above.* Between November 2009 and April 15, 2010, we identified six instances where the time elapsed between monies collected and deposited exceeded one month.

We also identified two other deposit discrepancies in the centralized bank reconciliations dated between December 2009 and January 2010, which remained unresolved until the Food Service Manager returned the monies as previously cited. According to administration from the Food Service Accounting

Unit, this lapse may be attributed to the timing of some of these deposits, which coincided with the Holiday recess in December 2009 and District staff transitioning from the old legacy accounting system to the new SAP Financial system at the end of January 2010.

- 1.3. From our interviews with staff from the school cafeteria and the Department of Food and Nutrition, it appears there is no routine communications between Food and Nutrition and the Food and Nutrition Accounting Unit when deposit discrepancies arise.

RECOMMENDATIONS

- 1.1. **Discuss the procedures for handling the collection of monies and turning over collections for deposit with cafeteria and office staff to create awareness and understanding of the requirements and expectations.**
- 1.2. **Designate staff and an administrator to the process of handling the deposits and require that they inform Principal of any discrepancies with any deposit bags or the armored car service.**
- 1.3. **Monitor school cafeteria deposits to ensure that deposits are submitted on a daily basis and picked-up by the armored car service personnel.**
- 1.4. **Periodically review the armored car service pick-up log to ensure that bags picked up for deposit are duly signed for; and promptly discuss any discrepancies with the armored car service.**
- 1.5. **Consistently utilize the *Collections/Deposits Log (FM-7249)* to document the placement and removal of deposit bags to be picked up by the armored car service and periodically review the form to ensure that this documentation is accurate and complete.**

Responsible Person(s):

Principal

Management Response:

In order to ensure that the collection of monies is done in a manner that is in full compliance with Internal Funds Guidelines and to protect the assets of the school district since late April of 2010, we have implemented a daily routine which requires that the daily deposits from the cafeteria are logged on FM 7249 Daily Collections/Deposits Log. Deposit bags will be placed in a secure area until the pick-up is made by the armored car service.

The Principal designated the School Treasurer as the primary person responsible for the preparation of the Daily Collections/ Deposits Log. The Principal's Secretary and the Magnet Clerk are the back-ups. The Principal or the Assistant Principal in his absence will review the log on a daily basis and then sign receipt of the deposit prior to securing it in the vault. Any discrepancies or anomalies will be reported to the Principal.

The Principal held a meeting with the Secretary, Magnet Clerk and the Assistant Principal and delineated responsibilities and designated back up with respective responsibilities accordingly. During the meeting, the Principal distributed a written communication outlining the importance of daily oversight of the process including but not limited to discussing discrepancies with the armored car service personnel. Additionally, staff has been directed to review the armored car service log periodically and immediately report any discrepancies such as late or no deposit bag being sent to the office to be secured.

The principal will review the daily cash reconciliation in the cafeteria and compare this to the deposits. These periodic checks will be made on a bi-weekly basis.

Responsible Person(s):

Region V Office

Management Response:

The Region V Business/Personnel Director will meet with the Principals of Air Base Elementary and Dr. Edward L. Whigham Elementary Schools to review processes and procedures for handling and safeguarding of cafeteria deposits. The Administrative Director will review procedures put in place during quarterly visits and periodic unannounced visits to the school, in order to support the efforts of these Principals to provide maximum security with regards to cafeteria deposits. The Region V Superintendent will request that regular site visits be completed by the Department of Food and Nutrition and that feedback be provided to the Region V Business/Personnel Director. The Region will further request that the Controller's Office provide timely information in regards to cafeteria deposit discrepancies.

Responsible Person(s):

District/School Operations

Management Response:

- District/School Operations will work cooperatively with the Region in providing assistance from District's Bilingual Department and **Food & Nutrition office**, respectively. Furthermore, District/School Operations will keep on file Region results of the mini-reviews held with Principals in selected areas noted in these schools' audit responses.

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school finding of Air Base Elementary School.

1.6. Ensure that cafeteria deposit discrepancies are duly notified to affected school site and District administration and promptly resolved.

Responsible Person(s):

Controller's Office

Management Response:

Management concurs with the recommendation and will communicate any discrepancies to the school's Principal and to Food & Nutrition on a timely basis. Additionally, staff is working with ITS to develop reports and system enhancements in SAP that will facilitate the reconciliation process of daily deposits for over 350 school cafeterias. It is anticipated that with the development of these reports and system enhancements the Food Service Accounting Unit will be in a position to notify the school's Principal and Food & Nutrition of any discrepancy within 10 business days.

1.7. Strengthen monitoring over the cafeteria deposit activity.

Responsible Person(s):

Department of Food and Nutrition

Management Response:

To strengthen the monitoring over cafeteria deposit activity, the Department of Food and Nutrition has implemented the following: programs to reduce the volume of cash handled in the cafeteria; requested and received bank reconciliation reports from the Food Service Accounting office; and updated and revised internal procedures regarding bank deposits at the site level.

To decrease the total volume of cash handled in the cafeteria the Department of Food and Nutrition has initiated an on-line payment program, pre-paid student meal accounts, and cash-less reimbursable vending machines. The on-line payment program, www.paypams.com, has been in operation since August 2006 and has collected a total of \$8.3 million in on-line cafeteria payments. This program allows parents to pay by credit or debit card. In school year 2010/2011 total collections from on-line payments was \$2.9 million. Additionally, all student meal accounts allow for pre-payment for both meals and a la carte purchases. Pre-paid accounts are also available and encouraged for staff and adults at the school. The Department of Food and Nutrition has secured a grant for reimbursable meal vending machines that will dispense meals by student ID and will not accept cash. The cash-less reimbursable meal vending machines will begin installation at senior high schools in January 2011.

The Department of Food and Nutrition has requested notification from the Food Service Accounting Office regarding the bank reconciliation discrepancies of daily deposits for school sites. Food Service Accounting anticipates that with the development of new reports and system enhancements the Food Service Accounting Unit will be in a position to notify the school's Principal and The Department of Food and Nutrition of any discrepancy within ten business days for administrative follow-up at the site.

The Department of Food and Nutrition has also revised and updated internal operating procedures E-5: Cash Counting Procedures and E-12: Preparing Bank Deposits for the start of the 2010/2011 school year. All food service managers were trained in the revised procedures at district in-service meetings held on August 17, 2010, August 18, 2010 and September 9, 2010. The procedures were updated to indicate step by step cash counting, and preparation of the deposit bag for school site managers.

The Department of Food and Nutrition now requires all site supervisors to complete a Cash Control Compliance review at all assigned school sites. On September 2, 2009, the Food and Nutrition Site Supervisor of Air Base Elementary resigned and this position could not be filled until August 12, 2010. The school site assigned to the retired supervisor was added to the current staff's workload. Food Service Site Supervisors are required to submit the electronic Cash Control Compliance report for each school supervised effective with school year 2010/2011.

To strengthen controls over the cafeteria deposit activity, the Department of Food and Nutrition has reduced the volume of cash handled at sites, improved bank reconciliation reporting received from the Food Service Accounting Office to the Department, and enhanced procedures and monitoring at the school site level.

**2. Inadequate Controls
Over Safeguarding
Of Cafeteria Deposits
*Dr. Edward L. Whigham Elementary***

The School Board of Miami-Dade County's Department of Food and Nutrition (F&N) is responsible for operating a centralized food service program at K-12 schools and centers. In support of this program, F&N has issued a *Procedures Manual* which delineates the various procedures that cafeteria staff must follow and comply with at the school cafeterias. Specifically, *Section E* of the *Manual* contains the guidelines addressing the recordkeeping requirements and controls over school cafeteria sales at the school sites.

Pursuant to *Food and Nutrition Procedure E-2*, the food service cash registers must be closed daily and the deposit representing the total daily collection must be prepared and inputted into the computer system during the Day End Procedure function. The deposit is submitted daily to the main office for pick-up by the armored car service. *Procedure E-12 states that*, although both the Principal and Food Service Manager are responsible for maintaining accurate food service records at the school site level, the Principal is *responsible for the security of monies collected at the school*.

Because the armored car may provide service to the schools on certain scheduled days, the Office of the Controller's *Policies and Procedures for Safeguarding Funds at the Schools*, was published via *Weekly Briefing # 5164*, dated November 6, 2008, to address the safeguarding of deposits at schools. Pursuant to the procedures, deposits awaiting the armored car pick-up service are to be logged on the Collections/Deposits Log [FM-7249] at the time the deposit is placed in the secure area and removed from this area for the armored car pick-up service.

Under the tenure of the **former** Principal, we found that six cafeteria deposit bags dated between December 2009 and February 2010 amounting to \$2,128 were stolen from the Principal's office. Of this total, \$1,891 was cash. We were unable to establish the identity of the individual(s) responsible for the misappropriation since the location where the deposits were being stored was accessible to school staff and controls over the safeguarding of deposits was inadequate. Details follow:

- 2.1. As of February 2010, prior to our investigation, the former Principal had reported to M-DCPS Police only two of the six stolen cafeteria deposits. The remaining four were discovered and reported by us during the audit. According to the former Principal, *she was unaware that other cafeteria deposit bags were missing*.

Based on documentation at the school, we verified that the Food Service manager had submitted the deposit bags to office staff on the same day that the cafeteria sales had taken place; however, there are no records of these funds being picked-up by the armored car service or deposited in the District's Food Service bank account.

According to the former Principal and office staff, once submitted, the sealed cafeteria deposit bags were usually placed in a locked file cabinet located in the Principal's office and deposits were recorded in the armored service pick-up log. However, our review of the log revealed that *only one* of the six deposit bags had been recorded in the log; and, there was no signature on the log to indicate that the deposit had been picked up by the armored car service. Regarding security of the premises, according to the **former** Principal, access to her office was not restricted to office staff; and at times, she may have left the keys on top of her desk or in her unlocked desk drawer.

- 2.2. The school was not utilizing the *Collections/Deposits Log* [FM-7249] to document those deposits being secured in the main office awaiting pick-up by the armored car service. According to school staff, use of the form began after the cafeteria deposit bags were stolen.

A review of current procedures for safeguarding cafeteria deposits at the school site indicated that the *Collections/Deposits Log* [FM-7249] is being consistently utilized to record deposits. Also, according to the current school administration, all monies are placed in a bolted safe located in the school vault until the armored car service picks up these funds; and the vault and safe are only accessible to the new Principal and the Treasurer.

- 2.3. However, during our final audit visit, which happened during the current administration, we found that a small sum left in the Treasurer's desk by one of the teachers had been stolen by unknown individual(s). *Two similar instances of the theft/loss of small cash collections had been identified and discussed with the former administration during the prior audit.*

According to *Procedure E-1*, the Food Service Accounting Unit in the Office of the Controller is responsible for district-wide accounting records related to the reconciliation of the centralized bank account. Our review of this process disclosed that:

- 2.4. The Food Service Accounting Unit did not inform the school administration on a timely basis of the deposit discrepancies. According to administration from the Food Service Accounting Unit, this lapse may be attributed to the timing of these deposits, which coincided with the Holiday recess in December 2009 and District staff transitioning from the old legacy accounting system to the new SAP Financial system at the end of January 2010.

RECOMMENDATIONS

- 2.1. Discuss the procedures for handling and safeguarding collections and for turning over collections for deposit with the entire school staff to create awareness and understanding of the requirements and expectations.**
- 2.2. Ensure that deposit bags awaiting the armored car pick up service are maintained in a secure, restricted area.**
- 2.3. Designate staff and an administrator to the process of handling the deposits and require that staff inform Principal of any discrepancies with any deposit bags or the armored car service.**
- 2.4. Monitor school cafeteria deposits to ensure that deposits are submitted on daily basis and picked-up by the armored service personnel.**
- 2.5. Periodically review the armored car service pick-up log to ensure that bags picked up for deposit are duly signed for; and promptly discuss any discrepancies with the armored car service.**
- 2.6. Consistently utilize the “Collections/Deposits Log” (FM-7249) to document the placement and removal of deposit bags to be picked up by the armored car service and periodically review the form to ensure that this documentation is accurate and complete.**

Responsible Person(s):

**Principal, Assistant Principal,
Treasurer, Cafeteria Manager**

Management Response:

In order to ensure that all collections of monies are handled in a secure manner, the Principal implemented the following corrective actions and preventive strategies in regard to the school site policies and procedures for safeguarding school and cafeteria deposits.

The Principal met with the entire staff and reviewed the procedures for turning over collections for deposit to create awareness and understanding of requirements and expectations for the safe handling of all monies.

The Principal implemented systematic measures that will enable her to monitor and safeguard the procedures for depositing funds from the cafeteria. The Cafeteria Manager or authorized designee will turn into the school Treasurer on a daily basis all cafeteria funds in a sealed bag. In the absence of the Treasurer, the funds can only be turned in to the Principal or Assistant Principal.

The cafeteria log will be signed stating the amount of the deposit and date by the Cafeteria Manager or Designee and the Treasurer or Administrator. A secure location has been identified where the sealed bag will be placed with restricted access. The Collections/Deposits Log will be completed at the time the funds are placed in the secure area. The amount and date the funds are collected will be recorded on the log and the Treasurer will sign the log. The Principal or Assistant Principal will sign the log verifying that the funds were placed in the safe/secured locked area. When the funds are removed from the locked safe, the Collection/Deposit Log will be signed by the Treasurer and Administrator acknowledging the removal of the monies. When the armored car service picks up the cafeteria funds in the sealed bags, the deposit number of each bag and amount of deposit will be recorded on the armored car service log and signed by the armored car service personnel and the Treasurer or Administrator.

The Treasurer has been directed to notify the Principal of any deposit discrepancies. The Principal will review all logs on a weekly basis to ensure accuracy and compliance with policies and procedures.

Responsible Person(s):

Region V Office

Management Response:

Refer to page 45 of this report and pages 146-148 of Appendix. Region V Office provided similar response for Air Base Elementary and this school.

Responsible Person(s):

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school finding of Dr. Edward L. Whigham Elementary school.

2.7. Ensure that cafeteria deposit discrepancies are duly notified to affected school site and District administration and promptly resolved.

Responsible Person(s):

Controller's Office

Management Response:

Refer to page 46 of this report and to pages 152-153 of Appendix. The Controller's Office provided similar response for Air Base Elementary and this school.

2.8. Strengthen monitoring over cafeteria deposit activity by conducting site visitations more frequently.

Responsible Person(s):

Department of Food and Nutrition

Management Response:

Refer to pages 46-47 of this report and to pages 154-156 of Appendix. The Department of Food and Nutrition provided similar response for Air Base Elementary and this school.

INTERNAL FUNDS

3. Inadequate Controls Over Accountability Of Field Trips *Benjamin Franklin Elementary*

Section II, Chapters 2 and 3 of the *Manual of Internal Fund Accounting* establish the procedures for receipting, recording, and depositing monies associated with internal funds activity. These procedures require that monies collected be timely receipted and deposited.

Regarding the frequency for making deposits at the school sites, the Office of the Controller's *Policies and Procedures for Safeguarding Funds at the Schools*, was published via *Weekly Briefing # 5164* on November 6, 2008, to address the safeguarding of deposits at schools. The procedures require that money collected but pending deposit be verified by at least two designated persons authorized by the Principal, be placed in a safe or other secure area of the school, and be deposited by the Treasurer *as soon as possible*. For schools electing not to solicit armored car services, *money should be deposited once accumulated over \$300. At a minimum, a deposit must be made on the last working day of the week and of the last working day of the month.*

In addition, Section IV, Chapter 1 of the *Manual* delineates the procedures for conducting field trip activities. According to the procedures, field trip activities must be properly identified and associated collections be accounted for in separate Trust Fund accounts.

During the 2008-09 and 2009-10 fiscal years, total collections at this school amounted to \$29,554 and \$22,878, respectively. In both years, we identified delays in the receipting, posting and depositing of funds related to field trip activities, as well as recordkeeping errors. We also found that funds were commingled for several of these activities, which made them difficult to review. According to the school, the school's main focus on student achievement compelled the staff to conduct a significant number of field trips after the Florida Comprehensive Assessment Test (FCAT). Also, according to the Treasurer, this many field trips require a level of recordkeeping that she claims was unable to provide, given the limited number of assistance and resources available at her school site during this two-year period.

Our review disclosed that during the 2008-09 fiscal year, the school participated in ten field trips with collections totaling \$16,119, while in 2009-10, the school participated in six field trips with collections totaling \$14,446. Collections for these trips were either conducted by the sponsoring teachers or the Treasurer and were receipted by the Treasurer. Details of our findings follow:

- 3.1. Field trip collections were not deposited on a timely basis. We identified delays of 24 up to 45 days. A Collections/Deposits Log (FM-7249) was not maintained by the school to document funds pending deposit; therefore, we could not determine the number of deposits that were awaiting deposit at the school site at any given time. According to the Treasurer, she did not go to the bank more frequently for security reasons; and the school does not have the resources to pay for the armored car service.
- 3.2. The receipts and documentation supporting the deposits were not properly completed, receipts were misposted, and funds from different activities were commingled. In both fiscal years, we identified Recaps of Collections and official receipts which were either incomplete or illegible; instances where dates on these forms were changed; and a few official receipts were either issued after the dates of collection or not issued at all. Also, funds collected for different field trip activities were commingled in the source receipts.
- 3.3. We identified various overages and shortages when comparing monies collected for a particular field trip activity to our calculated revenue projections; which could be attributed to the commingling of funds cited above. However, in one of the field trips conducted during the 2008-09 fiscal year, we identified an unexplained revenue shortfall of approximately \$900. The related expenditures totaling \$1,052 were inappropriately paid out of the Community School Activity account.
- 3.4. Monies contributed by teachers to subsidize the cost of field trips were not properly identified and documented.

RECOMMENDATIONS

- 3.1. **Discuss receipting and depositing procedures with staff for understanding and awareness of the requirements.**
- 3.2. **Provide the necessary support to the Treasurer for making deposits more frequently.**
- 3.3. **Strengthen the review and oversight over the receipting, collecting and depositing functions to ensure that monies are timely receipted, deposited and properly recorded.**
- 3.4. **Ensure that the Collections/Deposits Log [FM-7249] is utilized to document those deposit packages awaiting the armored car pickup service.**
- 3.5. **Plan and allocate staff and resources accordingly to ensure the proper accountability and management of field trip funds.**

- 3.6. Discuss and reinforce the procedures relative to the accounting of field trips revenues through the internal funds of the school and the posting of transactions to the accounts.
- 3.7. Institute a schedule for the collection of field trip funds to prevent commingling of funds from the different activities.
- 3.8. Periodically monitor field trips accounts to ensure compliance with bookkeeping guidelines.

Person(s) Responsible: Principal, Assistant Principal and Treasurer

Management Response:

The principal held a meeting with all faculty and staff and established procedures for accountability regarding field trips in accordance to Section II, Chapter 2 and 3 of the *Manual of Internal Fund Accounting*. The procedures instituted require that monies collected be timely and receipted and deposited in a timely manner.

The principal assigned the secretary to assist the treasurer in writing receipts in order to further expedite the process.

The Principal directed the staff to submit money collected for field trips and provided a schedule for staff to submit monies collected. Additionally, the Principal disseminated a directive to all staff indicating that at no time are monies collected to remain in classrooms and/or taken off campus.

The principal issued a memorandum of procedures and a chronology of when field trips are designated for each grade level as well as when monies for said field trips are to be collected.

By the end of each day, all funds collected will be recorded and prepared by the secretary/treasurer to be deposited in school's checking account.

The Principal or Assistant Principal will verify monies collected and all deposits prior to signing off on the Collections/Deposits Log (FM-7249). The money will be deposited by the treasurer in a timely manner and in accordance with the *Manual of Internal Fund Accounting*. The Principal established procedures to ensure that immediately following a bank deposit, a posting of transaction to the account is completed.

In order to prevent commingling of funds, field trip activities will be properly identified and associated collections will be accounted for in a separate Trust Fund account. A sub-ledger number will be used on the Recap of Collections Form to identify each field trip. Mini reviews will be conducted by the Principal, Assistant Principal and Secretary/Treasurer to review all previously listed items.

Person(s) Responsible:

Region I Office

Management Response:

- The Region Center I Administrative Director will periodically review the field trip accounts at the school.
- The affected Principal has been required to address specific fiscal management in her job targets on the Performance Planning and Assessment System Planning Form and provide progress points and evidence of progress to improve business and professional standards for effectiveness and efficiency.

Person(s) Responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school finding of Benjamin Franklin Elementary school.

**4. School-Allied Organization's
Fund-Raising Activity Improperly
Handled by School Employee
*Miami Park Elementary***

Section II, Chapter 2 of the *Manual of Internal Fund Accounting* states that money handled by or coming into direct custody of a school employee must be accounted for through the internal funds of the school. Furthermore, Chapter IV of the *Manual* specifically states that school-allied organizations¹ are financially independent from the schools, and must conduct their activities separate from school-sponsored activities. To avoid public misperception, *school employees must not be co-signers for any school allied organization nor handle money or fund-raising merchandise for a school-allied organization chartered at the school where they are employed.*

As of July 2010, there is a new Principal and new Treasurer at this school. The current Principal discovered and informed us of the matter regarding the Book Fair's outstanding payment upon our initial visit to the school on September 8, 2010.

Our audit disclosed that the current Media Specialist failed to follow money handling procedures at the school site, as she admitted to having collected monies from the Book Fair fund-raising activity held in April 19, 2010, and holding onto these monies over the summer break, allegedly, on behalf of the school's PTSA. On September 10, 2010, she finally paid the vendor the outstanding amount of \$732 with a cashier's check. However, she altered the date on the copy of the cashier's check provided as proof of payment, possibly to conceal that it was made subsequent to her previous false claims that the vendor had been paid.

Aside from the proceeds used to pay the vendor, we questioned whether the Media Specialist had collected and withheld additional proceeds from the Book Fair activity. It appears that no additional monies may have been collected since, according to the vendor, profits from this activity only consisted of credits issued to the school for additional books. However, we were unable to make a full determination, since we could not verify how much money was actually collected from this sale, as collections were not processed through school accounts or the PTSA. This case was referred to the Office of Professional Standards for administrative action. Details follow:

¹ A school-allied organization is an organization such as a Parent-Teacher/Parent-Teacher-Student Association (PTA/PTSA) or Booster Club, etc., whose purpose is promoting the welfare of the school and/or its students.

- 4.1. Miami-Dade Schools Police (MDSP) contacted our investigative division for assistance regarding an allegation that the Media Specialist had not submitted the proceeds from the Book Fair fundraiser and the vendor had not been paid for the merchandise.

According to the MDSP incident report, the Principal had been told by the Media Specialist on two occasions that payment had been made to the vendor. After repeated requests from the Principal to provide proof of payment, the Media Specialist finally provided a partial copy of a cashier's check made to the Book Fair vendor, which omitted the corner where the check's date and serial number are located. The Principal received copy of this check while we were conducting the audit at the school.

At our request, the Principal contacted the financial institution where the cashier's check was drafted to inquire about the missing information. The institution informed her that it was drafted on September 10, 2010. Conversely, the Media Specialist had provided MDSP officers a copy of the cashier's check which showed a draft date of May 19, 2010. We obtained copy of the cashier's check from the vendor, which confirmed the September 10, 2010 date and check number.

On September 20, 2010, staff from our investigative division interviewed the Media Specialist. During the interview, she admitted that she changed the date on the cashier's check from September 10, 2010 to May 19, 2010, but would not admit as to her reasons for doing so. According to her explanations, she conducted the Book Fair on behalf of the PTSA because the PTSA had banking problems during the 2009-10 school year. She also admitted that she held the money over the summer break, but forgot about making payment to the vendor; and was not aware of the procedures for handling monies at the school.

We reviewed school records and accounts up to September 2010 and verified that no monies from this activity had been received or posted to any of the school accounts. We also verified that the Media Specialist had not conducted any other fund-raising activities. Also, the PTSA President for the 2009-10 fiscal year provided a written statement affirming that the PTSA had not handled any monies associated with the school's Book Fair activity.

- 4.2. The invoice provided by the vendor had been addressed to the school and to the attention of the Media Specialist, instead of to the school's PTSA.

RECOMMENDATIONS

- 4.1. Discuss the procedures for handling receipting and collecting monies, and turning over collections for deposit with the entire school staff to create awareness and ensure understanding of the requirements and expectations.
- 4.2. Ensure that school staff and any school-allied organizations such as the PTSA understand that financial activities of the school and the allied organization must be conducted separately. Specifically, school employees cannot handle money or merchandise for a school-allied organization chartered at the school where they are employed. Similarly, any invoices corresponding to PTSA activities must be addressed to the school-allied organization and not the school.
- 4.3. Ensure that any potential activities of the school allied organization are brought to the attention of the school administration for approval and the proper approval forms are completed, signed and filed with the school records.

Person(s) Responsible: Principal, Assistant Principal and Treasurer

Management Response:

The Principal held a meeting with all faculty and staff and established procedures for accountability regarding collecting and handling monies for school activities as well as activities sponsored by allied-organizations in accordance with Section II, Chapter 2 and Chapter IV of the *Manual of Internal Fund Accounting*.

In addition, the Principal met with the PTSA President and the Treasurer to review the proper handling of PTSA/School activities. The Principal established procedures which include disallowing school employees to neither be co-signers for any school allied organization nor handle money or fundraising merchandise for a school allied organization chartered at the school where they are employed. Additionally, staff as well as PTSA personnel were notified that monies collected from activities sponsored by allied-organizations need to be collected by the PTSA. The Principal issued a memorandum directing staff to refrain from keeping monies over night.

The Principal held a meeting with respective staff as well as PTSA personnel was informed that any activity sponsored by the PTA requires approval from administration prior to the event. Furthermore a yearly calendar of activities will be submitted to the Principal for consideration prior to approval.

Person(s) Responsible:

Region I Office

Management Response:

- The Region Center I Business Administrative Director instructed the Principal not to commingle PTSA funds with school funds.
- The Region Center I Administrative Director will periodically review the fund raising accounts at the school.

Person(s) Responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Miami Park Elementary school.

**5. Procedures To Account
For Field Trips Not
Adequately Followed
*Miami Park Elementary***

Section IV, Chapter 1 of the *Manual of Internal Fund Accounting* delineates the procedures for conducting field trip activities. According to the procedures, field trip activities must be properly identified and associated collections be accounted for in separate Trust Fund accounts. Section II, Chapter 5 of the *Manual* requires that payments to vendors be made in the form of a check, since payments to vendors from cash collections are not allowed.

- 5.1. For the 2009-10 fiscal year, according to school records, the school was to charge Fifth Grade students \$150 each to participate in various field trips, the movies and a year-end reception. Total amounts receipted and disbursed for these activities was approximately \$9,300 and \$9,100, respectively.

Although revenues raised and funds donated were sufficient to subsidize the cost of these field trips and the reception, collections from all these activities were commingled in the accounts and in various instances, one receipt may have been issued to account for monies received for several activities. Consequently, we found instances where amounts charged to students inexplicably differed from those approved on the field trip permission form. Based on the field trip permission forms, the cost to each student consisted of \$100 to an out-of-county park, \$25 to a local park and \$25 to the movies. There was no separate admission charge for the year-end reception; however, it appears that students who only participated in the reception were charged \$25.

- 5.2. We found one instance of an invoice dated April 26, 2010 for transportation to a local museum and gardens amounting to \$300; however, there was no record that monies were collected to pay for this field trip. According to school staff, students paid an admissions charge to participate in the field trip, which was paid directly to the vendor since they would only accept cash as form of payment.

RECOMMENDATIONS

- 5.1. **Discuss and reinforce the procedures relative to the accounting of field trips revenues through the internal funds of the school and the posting of transactions to the accounts.**
- 5.2. **Institute a schedule for the collection of field trip funds to prevent commingling of funds from the different activities.**
- 5.3. **Direct staff to refrain from paying vendors directly from the cash collected from any of the school activities.**

5.4. Periodically monitor field trips accounts to ensure compliance with bookkeeping guidelines.

Person(s) Responsible: Principal, Assistant Principal and Treasurer

Management Response:

In order to ensure accurate accounting of field trips revenues through the school's internal funds and the posting of transactions to the accounts, the following corrective and preventive strategies were implemented.

The Principal reviewed Section II, Chapter 5 of the *Manual of Internal Fund Accounting* with the Treasurer that establishes that disbursements for expenditures made from Internal Funds are never paid in cash. Additionally, the supporting documentation will be approved and signed by the Principal prior to processing payment.

Furthermore, all disbursements will bear two (2) signatures, with one signature being that of the Principal or authorized designee administrator, and the second being that of the Treasurer or authorized clerical designee. Monies from field trips will not be commingled.

The Principal held a meeting with Assistant Principal and the Secretary-Treasurer to review, develop, and implement a corrective plan of action and preventive strategies to ensure future compliance in affected areas.

The Principal established a plan that details that all monies collected will be turned in to the Secretary-Treasurer or her designee in a timely manner, each day. Additionally, the plan directs the Secretary-Treasurer to issue payments for goods by check. The Principal has scheduled bi-monthly meetings with the Assistant Principal and Secretary-Treasurer to review all field trips request.

Person(s) Responsible: Region I Office

Management Response:

- The Region Center I Business Administrative Director directed the Principal not to ever pay invoices with cash.
- The Region Center I Business Administrative Director has reviewed the schedule for the collection of field trip funds.

Person(s) Responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Miami Park Elementary school.

**6. EESAC Expenditures Not Properly Approved by The EESAC Committee
*Miami Park Elementary***

The Miami-Dade County's *Educational Excellence School Advisory Council (EESAC) Resource Guide* addresses the fiscal responsibility of the EESAC Committee. Specifically, this document refers to the guidelines issued by the Controller for Miami-Dade County Public Schools regarding the use of EESAC funds for making small purchases through the school's internal fund. According to the memorandum from the Office of the Controller issued on February 4, 2005, later updated on October 3, 2008, internal funds purchases made with EESAC funds are limited to *small food purchases and incentives otherwise not allowed through the school's Fund 9² account, the P-Card or the District's purchasing guidelines*. Pursuant to the memorandum, the amount to be accessed through internal funds for these small purchases is a single yearly transaction limited to \$2,999 per fiscal year.

As a general rule, any purchases made with EESAC funds, whether through internal funds, purchasing credit card (P-Card), or the District's regular procurement channel, *must be properly approved by the school's EESAC Committee*.

Committee decisions and directions regarding the use of these monies should be made *at the beginning of the school year* and should clearly be documented in the EESAC minutes. A majority voting members of the council shall constitute a quorum; and a quorum must be present before a vote may be taken. *According to the school's bylaws, ten voting members, of which both teacher and parent representation must be included, constitutes a quorum*.

Our review of EESAC expenditures and Committee meeting minutes for the 2009-10 fiscal year disclosed the following discrepancies:

- 6.1. Expenditures totaling \$2,251 charged to EESAC between February and June 2010 could not be traced to properly approved EESAC meeting minutes. Specifically, purchases made with internal funds via the Fund 9 account totaling \$709 included repair and maintenance of lawn care equipment and for dust mop rental service. Purchases made with the P-Card totaling \$1,070 included office and Media Center supplies, Physical Education games and supplies, and student awards and certificates. Lastly, purchases made following the District's

² To increase purchasing flexibility at the schools, the District allows schools to transfer specified amounts of their allocated tax dollar budget funds to the Internal Funds to purchase instructional materials and educational support supplies. Funds are placed in a specific account, customarily referred to as "Fund 9".

procurement channel totaling \$472 included a field trip and supplies from the District's general Stores and Mail Distribution warehouse.

We obtained and reviewed the EESAC Committee meeting. Although some of these minutes indicated that the EESAC Committee discussed plans and made decisions for spending the funds, pursuant to the documented attendance rosters, a quorum to allow the Committee to vote and approve on the decisions was not established.

- 6.2. The bylaws drafted for the school's EESAC Committee have not been updated since June 7, 2004.

RECOMMENDATIONS

- 6.1. **Provide the EESAC Committee with a copy of the Miami-Dade County's Educational Excellence School Advisory Council (EESAC) Resource Guide.**
- 6.2. **Discuss the EESAC budgetary process with the EESAC Committee for understanding and awareness of the requirements.**
- 6.3. **Ensure that the official committee minutes include clear and accurate description as to the use of the funds and the corresponding approval prior to making any expenditure.**
- 6.4. **Ensure that a quorum based on the school's bylaws is determined before approving the use of EESAC funds.**
- 6.5. **Update the school's bylaws on file and ensure that the information is up-to-date and relevant.**

Person(s) Responsible: Principal, Assistant Principal and Treasurer

Management Response:

In order to ensure accurate procedures and guidelines relative to the utilization of EESAC funds by the school administration as well as the EESAC committee on behalf of the students, the following corrective and preventive strategies have been instituted:

During the month of September, the Principal met with the EESAC Chair, UTD Representative and the Assistant Principal, subsequently leading to an EESAC meeting held on September 29, 2010 where by-laws were revised and discussed. The EESAC Chair gave all members a copy of the *Educational Excellence School Advisory Council (EESAC) Resource Guide*. Staff from the Office of School Improvement will conduct a workshop dealing with the budgetary process and guidelines to follow to be in compliance when spending EESAC monies.

The workshop will take place on November 17, 2010.

Person(s) Responsible:

Region I Office

Management Response:

- The Region Center I Business Administrative Director will periodically review EESAC meeting minutes to ensure compliance.

Person(s) Responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Miami Park Elementary school.

**7. Inadequate Controls
Over Disbursements
*Miami Central Senior High***

Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting* require that prior to placing an order or making a purchase, a purchase order [FM-1012] authorized by the principal is required for purchases costing \$100 or more. Disbursements may only be processed when sufficient, uncommitted funds are available in the internal fund accounting structure where expenditures are going to be charged. In those instances where an individual purchase exceeds \$1,000 but is less than \$5,000, *at least three telephone quotes must be included as part of the ancillary documentation to show that the lowest bid was selected.*

Once the order is received, the associated invoices must be signed to certify that the order was verified and is accepted for payment. Also, payments to vendors must be made in a timely basis, within 30 days of satisfactory receipt of goods/services, *unless special arrangements with the vendor are agreed upon and obtained in writing.*

Any complimentary items given to students must be documented and signatures of students receiving the items must be obtained in a Complimentary List (FM-6679).

The following conditions took place under the tenure of the former school administration:

- 7.1. The year-end Outstanding Liabilities Report [FM-5822] listed an outstanding liability for \$3,800, dated June 29, 2010. This consisted of two unpaid invoices for the purchase of 430 T-shirts totaling \$3,093, which were dated February 25 and February 26, 2010. According to the current school administration, the T-shirts were purchased to give to students, faculty and staff as incentives for the Florida Comprehensive Assessment Test (FCAT).
- 7.2. An Internal Fund Purchase Order [FM-1012] properly completed and signed by the school administration authorizing such purchase was not on file or processed in the MSAF system. Consequently, funds were never encumbered in the system prior to making the purchase. We also verified that funds were not available in the associated account at the time the order was placed. According to the Treasurer, the school was awaiting receipt of vending machines commission revenue to pay for this purchase; however, it appears that receipt of these funds was delayed as a result of the transition from the District's legacy to the ERP-SAP financial system.
- 7.3. The three telephone quotes required for purchases between \$1,000 and \$5,000 were not obtained by the school prior to placing the order. *A similar condition regarding a disbursement of physical education uniforms purchased from this*

same vendor was discussed with the former school administration during the prior audit.

- 7.4. Invoices were not signed by staff responsible for placing the order and/or retaining custody of the merchandise to indicate that goods had been received as specified and that the order was verified and accepted for payment.
- 7.5. As of the end of the audit fieldwork, the liability remains unpaid since funds are not available; and there was no documentation on file to show there was an arrangement with the vendor to withhold payment past 30 days of receipt of the goods.
- 7.6. According to the Treasurer, all the T-shirts were distributed to the students, faculty and staff on a complimentary basis. However, a signed Complimentary List [FM-6679] documenting the distribution was not presented for audit. At our request, the current school administration gave us written assurance that no inventory remains.

RECOMMENDATIONS:

- 7.1. **Review the disbursement function with staff to ensure awareness and understanding of the procedures.**
- 7.2. **Designate an administrator to monitor the disbursement function.**
- 7.3. **Enforce utilization of the purchase ordering system to authorize Internal Fund purchases *prior to making them*.**
- 7.4. **Ensure that sufficient funds are available in the accounts *prior to authorizing any purchase*.**
- 7.5. **Require that *at least three telephone quotes be obtained and included as part of the ancillary documentation, to show that the lowest bid was selected* in those instances where an individual purchase exceeds \$1,000 but is less than \$5,000.**
- 7.6. **Strengthen review of disbursement function to ensure that deadlines for processing payments are observed and acknowledgement of receipt of goods is evident on all invoices.**
- 7.7. **Enforce utilization of the Complimentary List [FM-6679] to document any time that purchased goods/services are distributed to staff and/or students free of charge.**

Person(s) Responsible:

Principal and Treasurer

Management Response:

The Principal has thoroughly reviewed the findings cited in the Internal Funds Audit Report for the 2009 – 2010 fiscal year. There was inadequate control over disbursements resulting in an outstanding liability for \$3,800, dated June 29, 2010. A meeting was conducted with the Treasurer to review, develop and implement a corrective action plan and identify strategies to monitor and ensure future compliance when making purchases and payments to vendors in a timely manner. In addition to the aforementioned, the outstanding unpaid invoice was paid November 9, 2010.

During the meeting, the Principal reviewed Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting*, which established the procedures for internal fund purchases as well as the procedures for making disbursements and maintaining proper accountability and documentation for audit purposes. The Principal instructed the Treasurer to closely monitor the process to ensure accurate procedures are adhered to in a timely manner. The Principal will verify that the procedures are followed as purchase requests are made.

The Principal also instructed the Treasurer to monitor and comply with the disbursement of funds procedures, acknowledging that sufficient, uncommitted funds are available in the internal fund accounting structure where the expenditures are going to be charged.

The Principal, along with the Treasurer will participate in the District supported Money Matters Support Program. The Principal will meet periodically with the Treasurer to review compliance with all procedures related to internal funds purchases and the procedures for making disbursements and maintaining proper accountability and documentation as well as all District weekly briefings relating to Internal Fund purchases.

Person(s) Responsible:

ETO Office

Management Response:

- The ETO Business/Personnel Administrative Director will conduct site reviews to ensure compliance with all guidelines found in Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting*, ensuring procedures for making purchases and disbursements are adhered and proper documentation is maintained.
- The ETO Business/Personnel Administrative Director will meet with the Principal to review that all purchases are made in accordance with School Board Rule 6G-X13-3C-1.7, Payment for Goods and Services. Additionally, Purchase Order Requisition Logs, invoices, and all related documentation will be reviewed to ensure that record keeping procedures are intact, organized and dealt with in a timely manner.

**8. Financial Transactions
Related to Checking Account
And Bank Reconciliation
Untimely Processed
*D. A. Dorsey Educational Center***

Section II, Chapter 1, Section II, Chapter 7, and Section V, Chapter 1 of the *Manual of Internal Fund Accounting* establish the guidelines for the posting transactions related to the checking account and any savings or investment account of the school. These include: transactions involving the recording of interest, funds transfers, bank charges/credits or similar transactions required to properly reconcile the checking account.

At this school, there was a change of Treasurer since the prior audit. Our review of a sample of financial records and transactions corresponding to the 2008-09 and 2009-10 fiscal years and the current year disclosed various delays in the posting and processing of financial transactions related to the checking account. Details of our findings are as follows:

- 8.1. During 2009-10, the school received several payments from a student sponsoring agency to subsidize tuition fees. These funds were received in the form of wire transfers made to the schools' checking account; however, posting of these funds was not processed in the MSAF system on a timely basis. Delays of up to approximately four months were noted.
- 8.2. The June 2009 and June 2010 monthly bank reconciliations disclosed several adjusting entries for bank charges, overages, shortages and similar adjustments to the checking account, some of which had been outstanding for over a year. All adjustments were cleared by July 2010.

Section II, Chapter 5 of the *Manual* delineates the guidelines to process checks outstanding in the bank reconciliations for over certain periods of time. Pursuant to these guidelines, schools must contact payees of school checks outstanding for three months or more. For those checks outstanding six months for which the payee does not respond claiming payment, the checks must be voided and amounts transferred to the Trust Program – Unclaimed State Dated Checks account until such time a payment for stale-checks is submitted to the State of Florida. At this school we found that:

- 8.3. Five checks remained outstanding in the monthly bank reconciliations in excess of six months, and procedures to contact the payees to expedite payment and to remove the outstanding liability from the reconciliation had not taken place. Delays of over a year were noted. In addition, two voided checks were not replaced and not posted to the Trust Fund-State Dated account as part of the unclaimed stale-dated check procedures.

RECOMMENDATIONS

- 8.1. Discuss the bookkeeping procedures with the Treasurer to create awareness and understanding of the requirements and expectations.
- 8.2. Designate an administrator to the process of overseeing the checking account and monthly reconciliation.
- 8.3. Ensure that district resources and/or additional training are made available to the Treasurer to ensure that pending transactions related to the checking account and monthly reconciliations and stale-dated checks are timely resolved.
- 8.4. Periodically meet with the designated administrator and the Treasurer to review the records and ensure that timelines are being observed.

Person(s) Responsible: Principal, Assistant Principal and Treasurer

Management Response:

The Principal met with the Treasurer and the Assistant Principals and reviewed Section II, Chapter 1, Section II, Chapter 7 and Section V, Chapter 1 of the *Manual of Internal Fund Accounting* which establishes the guidelines for the posting of transaction related to the checking accounts and savings or investment account of the school.

The Principal reviewed the procedures involving transactions involving the recording of interest, funds transfers, bank charges/credits or similar transactions required to properly reconcile the checking account with the Treasurer and Assistant Principals.

The Principal directed the Treasurer to oversee the checking account and posting to MSAF. Furthermore, the Principal established the following procedures and reviewed with the Assistant Principal and Treasurer: (1) the Treasurer will present to the Principal all MSAF postings to the checking account bi-weekly; and (2) the Principal or designee will compare the MSAF postings to the checking account to the bank statement to assure that the postings accurately reflect the funds received for the month; and (3) any discrepancies will be corrected immediately.

The Principal will collaborate with district office to ensure that the Treasurer be provided a mentor provided by the district and attend training to ensure that pending transactions related to the checking account and monthly reconciliations and stale-dated checks are timely resolved.

Person(s) Responsible:

Adult/Voc./Alternative & Comm. Ed. Office

Management Response:

- The Principal will confer with District/School Operations—Adult and Community Education staff to ensure compliance with all guidelines found in the *Manual of Internal Fund Accounting* to prevent future exceptions in the Internal Fund accounts by conducting bi-monthly school site reviews.
- Staff from District/School Operations—Adult and Community Education have reviewed selected areas of the Internal Funds procedures to include student bus pass reconciliations, deposits and disbursements on a bi-monthly basis during the 2010-2011 school year with the school Principal. Particular attention will be provided to the timely processing of deposits and disbursements.
- The Principal will participate, effective immediately, in the district's mandatory Money Matters Support Program.

Person(s) Responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of D. A. Dorsey Educational Center.

**9. Inadequate Controls
Over Posting Of Receipts,
Reconciliation Of Bus Pass Account
And Inventory of Official Forms
*D. A. Dorsey Educational Center***

Section II, Chapter 2 of the *Manual of Internal Fund Accounting* establish the policies and procedures regarding the timely receipting and posting of monies generated from Internal Fund activities.

- 9.1. Our review of a sample of receipts and deposits for the 2008-09 and 2009-10 fiscal years and July 2010 disclosed 11 instances where receipts were not posted to the MSAF system on a timely basis. Delays ranged up to 25 days.

We reviewed the bus pass activity as a result of errors noted in the bookkeeping function. The school conducts a student sale of monthly transportation passes since a significant portion of the student population utilizes the Metro-Dade Transit system as their means of transport. At the present time, the cost of an individual monthly pass is \$50. The school purchases the passes from Metro-Dade Transit with monies collected from the students during the pre-sale and the passes are distributed to the students. Additional passes are sometimes ordered; and those not sold by the 5th of the following month must be returned to receive proper credit.

- 9.2. An analysis of the bus pass account for the period of July 2010 to October 2010 disclosed a shortfall of \$1,400 between projected revenues of \$21,700 and total receipts posted to the account of \$20,300. According to the school administration, the discrepancy is mostly due to Scholarship funds totaling \$1,250 that were not transferred to the Bus Pass account to subsidize the cost of passes issued to students as awards. Also according to the school, it is possible that some passes may have been returned to the vendor without receiving proper credit; however, documentation to that effect was not provided.
- 9.3. We reviewed the documentation supporting the \$1,250 credit and noted that some of the forms were incomplete while some dated prior to the 2010-2011 fiscal year.
- 9.4. One of the invoices for the current year initially not on file was subsequently provided; and the other invoice was posted late. At our request, the school had contacted the vendor to obtain copies of all invoices and credits issued to the school.

We reviewed the account activity for the two-year audit period, and the overall account shortfall was not very significant.

Section V, Chapters 1 and 2 of the *Manual of Internal Fund Accounting* require that an inventory of official prenumbered forms be properly prepared at the end of the fiscal year and that all records be retained for audit:

- 9.5. The inventory of pre-numbered forms for the 2008-09 and 2009-10 fiscal years disclosed that the reports were incomplete and contained several errors.

RECOMMENDATIONS

- 9.1. **Review the posting of transactions to ensure that monies are posted timely.**
- 9.2. **Periodically reconcile the Bus Pass account.**
- 9.3. **Review the inventory of prenumbered forms with the Treasurer to ensure its accuracy.**

Person(s) Responsible: **Principal, Assistant Principal and Treasurer**

Management Response:

The Principal reviewed Section II, Chapter 2 of the *Manual of Internal Fund Accounting* which establishes the policies and procedures regarding the timely receipting and posting of monies generated from Internal Fund activities with the Treasurer and the Assistant Principals.

The Principal directed the Assistant Principal and the Treasurer to review on a monthly basis all student sales of transportation passes by comparing invoices and credits to receipts posted. Any anomalies will be corrected immediately. Additionally, any passes ordered and not sold by the 5th day of the month are to be returned to the vendor to receive proper credit. A report analyzing the bus pass credits from one month to the next will be provided to the Principal on a monthly basis.

Additionally, to address the Scholarship funds the following procedures were implemented and reviewed with the Registrar and Assistant Principal to implement and ensure accurate accounting for bus passes paid for with Scholarship Funds: (1) Each scholarship student will pick up a Scholarship Disbursement Agreement Form from the registrar. The registrar will indicate the funds available after subtracting the cost of tuition. (2) The student will obtain the title of the book needed for the course from the instructor and report to the bookstore clerk/cashier to get an Authorization for Charge Book and Supplies Form, (3) the books are purchased prior to the disbursement of funds for bus passes or other items. If the student has available funds for the bus pass, the cost of the bus pass will be processed from these funds. (4) Students whose scholarship funds are not available prior to the purchase of bus passes must pay for the passes and keep the original receipt for reimbursement. Passes will not be purchased if funds are not presented at the time of purchase. (5) All forms will be completed in their

entirety prior to filing. (6) All forms with expenditures for bus passes will be submitted to the designated Assistant Principal prior to the purchase of bus passes.

The Principal established procedures and reviewed with the Treasurer regarding pre-numbered forms to ensure accuracy. The Treasurer will conduct a check of all issued receipt books. During the third trimester, on or before June 15, all receipt books will be collected. These procedures will assure that all receipt books are accounted. The designated Assistant Principal will review the inventory with the Treasurer to guarantee accuracy. Any anomalies will be corrected immediately.

Person(s) Responsible: **Adult/Voc./Alternative & Comm. Ed. Office**

Management Response:

Refer to page 72 of this report and page 149 of the Appendix for District/School Operations—Adult and Community Education’s comprehensive response to the school findings of D. A. Dorsey Educational Center.

Person(s) Responsible: **District/School Operations**

Management Response:

Refer to page 157 of Appendix for District/School Operations’ comprehensive response to the school findings of D. A. Dorsey Educational Center.

**10. Inadequate Controls
Over Disbursements
D. A. Dorsey Educational Center**

Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting* require that disbursements made with checks issued from the school's checking account have proper documentation in the form of an original invoice itemizing the items purchased or the services rendered, or equivalent documentation as provided by the vendor. Prior to making payments, vendor invoices must be reviewed to ensure its mathematical accuracy; and must include the signature of the employee receiving the goods/services to confirm that the merchandise is received or the service has been rendered, and therefore payment is in order. Also, payments must be made on a timely basis, within 30 days of satisfactory receipt of goods/services, unless special arrangements with the vendor are agreed upon and obtained in writing.

Regarding purchases made with the school's purchasing credit card, the *Purchasing Credit Card Program Policies & Procedures Manual* similarly requires that payments be properly authorized and documented; and monthly reconciliation of the P-card charges be made no later than ten days after receipt of the P-card statement.

We sampled and reviewed disbursements made with internal funds or with the P-Card during the two-year audit period up to September 2010. Our review disclosed the following discrepancies:

- 10.1. In twenty six instances, invoices did not include signatures to indicate that goods or services, as specified, had been received and payments were in order. These included disbursements made with internal funds or the P-card.
- 10.2. In 15 instances during the audit period, internal funds disbursements were posted late to the MSAF system. Delays ranged from 12 days to almost four months.
- 10.3. In three instances, invoices were paid late. Delays ranged from 16 to 99 days.
- 10.4. In four instances, payments were made from faxed copies rather than original invoices. In one other instance, an invoice initially not presented for audit was obtained from the vendor at our request.
- 10.5. The P-card Monthly Reconciliations [FM-5828] were not processed on a timely basis.

On a monthly basis, adult education centers remit to the District the tuition fees collected from the students via an internal fund check. Payments must be accompanied by the Tuition Cash Transmittal Report form [FM-0778], which is used to reconcile fees collected at adult education centers and to forward the net fee calculations to the District. The transmittal of funds is to be made by the 10th day of the following month.

- 10.6. A review of the Tuition Cash Transmittal Reports for the 2008-09 and 2009-10 fiscal years disclosed that tuition fees collected at the school were not timely remitted to the District. Delays of 30 days to almost four months were noted in several instances.

To increase purchasing flexibility at the schools, the District allows schools to transfer specified amounts of their allocated tax dollar budget funds to the Internal Funds to purchase instructional materials and educational support supplies. Funds are placed in a specific account, customarily referred to as *Fund 9*. Pursuant to Section III, Chapter 9 of the *Manual of Internal Fund Accounting*, in order to periodically report these expenditures to the District, schools must replenish the Fund 9 account once total expenditures reach 25% of the establishment amount; and all Fund 9 expenditures must be reported before June 30 of every year. Also, this account must be reconciled on a monthly basis.

- 10.7. Our review of the Fund 9 reconciliations for the 2008-09 and 2009-10 fiscal years disclosed that Fund 9 expenditures were not being processed for reimbursement on a timely basis, once the school's 25% threshold was being reached. In addition, several Fund 9 reconciliations contained minor errors and funds were not replenished by the end of the fiscal year.

RECOMMENDATIONS

- 10.1. **Review the disbursement function with staff to create awareness and understanding of the procedures.**
- 10.2. **Strengthen the oversight over the checking account and P-card disbursement function to ensure compliance with the documentation requirements and the timeliness of payments.**
- 10.3. **Ensure that monthly Tuition Cash Transmittal Reports and P-Card Reconciliations are submitted to the District on a timely basis.**
- 10.4. **Strengthen review over the Fund 9 reconciliations to ensure the timely replenishment of this account.**

Person(s) Responsible: Principal, Assistant Principal and Treasurer

Management Response:

The Principal reviewed with the Treasurer Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting* which require that disbursements made with the checks issued from the school's checking account have proper documentation in the forms of an original invoice itemizing the items purchased or the services rendered, or equivalent

documentation as provided by the vendor. On a bi-weekly basis the Treasurer will review with the Principal all internal funds disbursements posted to the MSAF system. The Principal will review all documentations, including invoices for “goods received” notations at the time checks are presented for signature. In addition, the Principal reviewed Section III, Chapter 9 of the *Manual of Internal Fund Accounting* with the Treasurer and the Assistant Principal regarding the P-card guidelines. Effective immediately, upon receipt at the Principal’s office, the P-card statement will be stamped with the date received prior to forwarding it to the Treasurer. The Treasurer will submit the P-card Monthly Reconciliation to the Principal no later than 5 days after the statement is received to ensure that monthly reconciliations are processed within 10 days of the receipt of the statement. In the absence of the Principal, the Principal’s Designee will perform these functions.

The Principal has developed internal procedures to ensure the timely transmission of Tuition Cash Transmittals. Effective immediately, the Tuition Cash Transmittal Report will be presented to the principal on the fifth day of the month. The report will be reviewed by the Principal and the Treasurer to ensure that collections are accurately reflected in the monthly reconciliation for the Cash Transmittal to occur by the tenth day of the month.

The Principal established a schedule to review Fund 9 reconciliations on the fifteenth day of each month to monitor the accuracy of the monthly report prior to submission to the District office. The Treasurer will keep the running total of the Fund 9 expenditures and report such expenditures to the Principal on a bi-weekly basis to adhere to the established threshold of twenty-five percent, prior to Fund 9 replenishments.

Person(s) Responsible: **Adult/Voc./Alternative & Comm. Ed. Office**

Management Response:

Refer to page 72 of this report and page 149 of the Appendix for District/School Operations—Adult and Community Education’s comprehensive response to the school findings of D. A. Dorsey Educational Center.

Person(s) Responsible: **District/School Operations**

Management Response:

Refer to page 157 of Appendix for District/School Operations’ comprehensive response to the school findings of D. A. Dorsey Educational Center.

PAYROLL

11. Improper Documenting Of Payroll For Temporary Instructors *Goulds Elementary*

The *Payroll Processing Procedures* and the *Payroll Highlights for FY 2009-10* issued by the Payroll Department on September 2009 via Weekly Briefing No. 6707 require the use of the *Temporary Instructors Daily Payroll Attendance Sheet (Pool And Emergency Substitutes)* [FM-7090] to document time worked by substitutes. In addition to recording substitute attendance on this form, *the absent employee's number and name should also be indicated on the same form. Furthermore, in those instances where the Temporary Instructor is not being charged against an absent teacher or an open position, a "memo of explanation" must be kept on file with the payroll records.*

*A similar payroll condition was cited when **the former Principal was acting Principal at another school** in May 2009.*

We sampled payroll records of temporary instructors (substitutes) for the 2009-10 fiscal year paid with Title I Program funds. Of 19 instances, we found 12 where substitutes were hired and the name of the absent employee was not indicated on the attendance form. According to the current administration and the payroll clerk, substitutes were hired to cover for teachers attending workshops at the school site; however, this was not documented via "memo of explanation" in the school's payroll records.

RECOMMENDATIONS

- 11.1. Review with staff the procedures for documenting leave, especially when substitutes are required to cover instructional personnel.
- 11.2. Strengthen the overall review of payroll and all payroll records to ensure that documentation supports the payroll reported.

Responsible Person(s): Principal, Assistant Principal and Treasurer

Management Response:

The Principal reviewed Miami-Dade County Public Schools Payroll Processing Procedures with the Assistant Principal, and the Secretary/Treasurer. Additionally, the Principal reviewed payroll reporting procedures, appropriate documentation, processing and approving of payroll with the entire faculty and staff, emphasizing sign in/out procedures, completing leave cards and submitting temporary duty forms. The Principal

issued written communication detailing the proper payroll reporting procedures to all staff.

Additionally, the Principal met with the Payroll Clerk and the Assistant Principal to instruct them in the preparation of the Temporary Instructor's Daily Payroll Attendance sheets (FM 7090) to ensure the accurate reporting of substitute teachers by assuring the absent employee's name, employee number, program and charge location are noted and correlated to the respective Payroll Roster.

The Principal will keep a "memo of explanation" on file with the corresponding payroll records in the event that a temporary instructor is not being charged against an absent teacher or an open PAC.

The Principal and Payroll Clerk will meet prior to approving each final roster to verify payroll processing procedures have been properly implemented.

Responsible Person(s):

Region V Office

Management Response:

The Region V Business/Personnel Director will meet with the principal quarterly to review payroll processing procedures. The Administrative Director will review payroll processes during regular visits to the school and will review completed payrolls with the principal to ensure compliance with established procedures. The principal will forward payroll for temporary instructors to the Administrative Director periodically in order to ensure that those instances where the Temporary Instructor is not being charged against a teacher, that a memorandum of explanation is kept on file.

Responsible Person(s):

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Goulds Elementary school.

12. Inadequate Documenting Of Payroll *Hialeah-Miami Lakes Senior High*

The *Payroll Processing Procedures Manual* and *Payroll Highlights* published by the Payroll Department on September 2009 via Weekly Briefing No. 6707 establish the procedures for documenting, recording and reporting the payroll. According to the *Manual*, the Daily Payroll Attendance Sheet is one of the most important documents in the payroll process. Accordingly, its accuracy and completeness are of paramount importance to school site administration that would customarily rely on this document to certify that the payroll information being reported is correct. ***We sampled payrolls corresponding to the months of April and May 2010 that were processed under the former school administration, because at the time of our visit, the current administration had only approved one payroll. Discrepancies found in the April and May payroll records are as follows:***

- 12.1. In five instances, the attendance and leave reported for daily paid employees on the Daily Payroll Attendance Sheets did not agree with the Final Rosters. According to the attendance rosters and corresponding leave cards, these employees had not worked on the days in question and should have been reported on some type of leave; however, no leave was reported. The school was required to make corrections for a total of nine and one-half days.

Payroll procedures require that the time of part-time employees injured in-the-line-of-duty be reported on a *Write-In Transaction* screen, indicating the circumstances under “comments” section to properly track and identify these days, as part-time employees are eligible for a maximum of ten (10) days paid Injury Leave and Workers’ Compensation Benefits.

- 12.2. In six instances, cafeteria workers’ hours related to worker's compensation were reported together with their regular hourly payroll, instead of separately via write-in transactions. Payroll corrections were required to properly identify a total of 79 hours that part-time cafeteria workers were paid while not working because of an injury in-the-line-of-duty. These hours were the equivalent of 15 working days.

The District requires school sites to use the *Temporary Instructors Daily Payroll Attendance Sheet (Pool And Emergency Substitutes)* [FM-7090] to document time worked by substitutes. In addition to recording substitute attendance on this form, *the absent employee’s number and name should also be indicated on the same form. Furthermore, in those instances where the Temporary Instructor is not being charged against an absent teacher or an open position, a “memo of explanation” must be kept on file with the payroll records.* Our review of records of temporary instructors (substitutes) disclosed the following:

- 12.3. In ten instances, the attendance of substitutes could not be traced to the sign-in sheets.
- 12.4. In eight instances, substitutes were hired and the teacher being substituted was present or the name of the absent teacher was not indicated on the attendance documents. In three of these instances, according to the school, the name of the teacher being substituted was incorrect. In four instances, substitutes were hired to cover for teachers involved in school-related activities; however, this was not properly documented. One instance required a payroll correction.

We reviewed one payroll processed under the current administration and none of the payroll conditions previously cited was identified.

RECOMMENDATIONS

- 12.1. Review with staff the procedures for documenting leave, especially when substitutes are required to cover instructional personnel.
- 12.2. Ensure that payroll of employees injured while at work is reported following the proper write-in transaction procedures and that the number of days is properly monitored.
- 12.3. Strengthen the overall review of payroll and ancillary documentation to ensure that the documentation supports the payroll reported.

Responsible Person(s): Principal, Assistant Principal and Payroll Clerk

Management Response:

The Principal met with Principal's designee and Payroll Clerk and reviewed the *Payroll Processing Procedures Manual* and Weekly Briefing #6707 which establishes procedures for documenting, recording and reporting payroll. A corrective plan was established.

The Principal instituted a plan along with the Payroll Clerk and Principal's Designee to systematically review all payrolls and address areas of concerns. Any anomalies will be corrected immediately.

In addition, a new Payroll Clerk has been assigned for 2010-2011 fiscal year and form 7090, Temporary Instructors Daily Payroll Attendance Sheet will be utilized and reviewed bi weekly by the Principal's designee prior to the Principal approving payroll.

Responsible Person(s):

Region I Office

Management Response:

- The Region Center I Business Administrative Director instructed the Principal to thoroughly review the *Payroll Processing Procedures Manual*.
- The Region Center I Administrative Director will periodically review the payroll to ensure accuracy.

Responsible Person(s):

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Hialeah-Miami Lakes Senior High school.

13. Inadequate Reporting And Documenting of Payroll *Miami Central Senior High*

The *Payroll Processing Procedures Manual* and *Payroll Highlights* published by the Payroll Department establish the procedures for documenting, recording, and reporting the payroll. According to the *Manual*, the Daily Payroll Attendance Sheet is one of the most important documents in the payroll process. Accordingly, its accuracy and completeness are of paramount importance to school site administration that would customarily rely on this document to certify that the payroll information being reported is correct.

Our review of three recent payrolls processed between the months of May 2010 and September 2010 disclosed the following discrepancies. Most discrepancies were identified in the two most current payrolls:

- 13.1. In 35 instances, the Cafeteria Manager indicated the hours worked by hourly paid employees on their behalf on the Daily Payroll Attendance Sheets. According to the Cafeteria Manager, the employees would write their hours in pencil first, and then she would write over their hours with a pen.
- 13.2. In nine instances, the Daily Payroll Attendance Sheets and Final Rosters did not agree. Specifically, four daily-paid employees did not indicate their attendance on the Daily Payroll Attendance Sheets a total of 26 days; however, were reported present on the Final Rosters. According to the current school administration, the employees worked the days in question; however, they failed to indicate their presence on the attendance sheets. In five other instances, minor payroll corrections were required.
- 13.3. Six Leave Cards [FM-5949] used to document 12 instances of Temporary Duty absences of teachers did not have supporting documentation attached. Temporary instruction coverage was provided in all twelve instances.

RECOMMENDATIONS

- 13.1. Review payroll procedures with school staff and administration, particularly as they relate to payroll reporting, recordkeeping, and the preparation of leave cards to ensure understanding and awareness of the procedures.**
- 13.2. Strengthen the supervision over the payroll function and the review of the payroll records to ensure that documentation supports the payroll reported, and that all records are signed by the administration and the employees.**

Person(s) Responsible: Principal, Payroll Clerk and Cafeteria Manager

Management Response:

The Principal has thoroughly reviewed the findings cited in the Internal Funds Audit Report for the 2009 – 2010 fiscal year. There was inadequate reporting and documenting of payroll. A meeting was conducted with the Payroll Clerk and the Cafeteria Manager to review, develop and implement a corrective action plan identifying strategies to monitor and ensure future compliance when reporting and documenting payroll.

During the meeting, the Principal reviewed the *Payroll Processing Procedures Manual* and *Payroll Highlights* which establish the procedures for documenting, recording, and reporting the payroll. The Principal instructed the Payroll Clerk as well as the Cafeteria Manager to closely monitor the process to ensure that accurate procedures are adhered to. The Principal will verify that the procedures are followed when reviewing payroll prior to submission.

The Principal also instructed the Payroll Clerk and the Cafeteria Manager to monitor and comply with the procedures set forth when documenting, recording and reporting payroll, acknowledging staff signatures on payroll sheets and providing Leave Cards when participating in Temporary Duty.

The Principal, Payroll Clerk and Cafeteria Manager will participate in the District supported Money Matters Support Program. The Principal will meet periodically with the Payroll Clerk and Cafeteria Manager to review compliance with all procedures related to the reporting and documenting of payroll and all District weekly briefings relating to the procedures for Processing Payroll.

Person(s) Responsible: ETO Office

Management Response:

- The ETO Business/Personnel Administrative Director will review and monitor the systematic approach developed to ensure that payroll procedures are properly maintained. This will include a review of the calculations of hours recorded for hourly employees, verify that the daily payroll corresponds to employee's actual attendance, identify appropriate leave types on leave cards, attach appropriate documentation to leave cards, etc.
- The ETO Business/Personnel Administrative Director will conduct bi-monthly site-reviews to ensure compliance with all guidelines found in the *Payroll Processing Procedures Manual*.
- The Principal will participate, effective immediately, in the District's mandatory Money Matters Support Program.

TITLE I PROGRAMS

14. Ineffective Monitoring Of Title I Accounts Resulted In Hourly Deficit Balances And Under-Utilization In Non-Salary Accounts *Goulds Elementary*

*A similar Title I Program condition was cited when **the former Principal was acting Principal at another school** in May 2009.*

According to Chapter I of the *Title I School Based System Manual*, part-time salary accounts must be budgeted to cover the related expenditures. In the event that actual expenditures may exceed initial budgeted amounts, available funds from other program account structures may be transferred to the payroll accounts to cover the expenditures.

Our review of expenditures posted to the Title I Schoolwide program disclosed the following discrepancies:

- 14.1. The school had budgeted \$49,600 for hourly salary expenditures; however, the total amount spent for the entire fiscal year amounted to \$69,931, which exceeded the budgeted amount by approximately \$20,331. There were no funds available in any other Title I program account to cover these expenditures and transfers of funds were not made prior to the closing of the year to cover this deficit.

Obligations made with Title I, Part A³ funds not liquidated by year-end and the corresponding disbursements not made by the grant's August 20, 2010 liquidation date are lost as funds cannot be re-budgeted the following year. Regarding obligations and deadlines, we found that:

- 14.2. The school had budgeted \$16,765 under various Title I account structures for the procurement of goods and services. However, as of June 30, 2010, only \$2,455 of this total was spent by the school. The remainder consisted of \$1,407 in unspent funds, as well as three outstanding purchase orders for workbooks and student agendas totaling \$12,495, and a \$408 shopping cart requisition for additional agendas. The purchase orders and shopping cart were not processed by the closing of the year or the liquidation date of the grant in late August, and funds to cover these items could not be rolled over to the next year's budget.

³ Title I, Part A funds include Title I Schoolwide.

- 14.3. As of the date of this audit, the purchase orders cited above remained outstanding. However, according to electronic correspondence provided by school staff, toward the end of May 2010 school staff contacted the District's Procurement Department to request information regarding cancellation of the outstanding workbook purchase orders; however, there was nothing else in the records to show that follow-up was conducted. After discussing the matter with the current school administration, the purchase orders for workbooks were canceled due to unavailable funds.

While funds should not be spent unnecessarily as identified in Section B of the *Title I Administration Handbook*, sound planning and continuous monitoring of account balances are essential to ensure that much needed funding resources are utilized to their maximum intended purpose without overspending.

RECOMMENDATIONS

- 14.1. Monitor hourly payroll account balances to prevent overspending.**
- 14.2. Transfer funds between accounts as appropriate and as needed to cover projected expenditures.**
- 14.3. Develop appropriate spending plans for Title I program funds in order to maximize their use.**
- 14.4. Ensure that shopping carts and purchase orders are timely processed and the corresponding invoices are paid before the closing of the year and/or the grant's liquidation date.**

Responsible Person(s):

Principal

Management Response:

In order to assure responsible Fiscal Management and Budgetary Practices, the following actions have been implemented.

The Principal met with the Treasurer and Assistant Principal and reviewed Chapter I of the Title I School Based System Manual and granted administrative rights to the Treasurer to view Title I account balances. The Principal implemented a log for the purpose of recording and monitoring Title I Accounts, weekly, by both the Assistant Principal and Treasurer. The log will be shared with the Principal and adjustments to expenditures will be made as needed to avoid over expenditures and to ensure that transfer of funds between accounts is processed in a timely manner. The Principal directed the Treasurer to conduct monthly calculations of expenditures and confer with the Principal prior to completing the transaction to ensure that records reflect available balances.

The Principal created a spending plan for Title I in accordance with the School Improvement Plan and the Florida Continuous Improvement Model, for non-salary accounts to target the academic remediation of students in Reading, Mathematics and Science. The Principal directed the Assistant Principal to track on a weekly basis all Shopping Cart and Open purchase orders to ensure timely processing. The Treasurer will meet with the Principal on a monthly basis to ensure that all the Title I Non-Salary Account balances reflect zero balances and proper utilization of funds have been expended prior to February 2011.

Responsible Person(s):

Region V Office

Management Response:

The Region V Business/Personnel Director will request a copy of the spreadsheet utilized by the principal after each payroll cycle in order to provide an additional monitoring mechanism of the Title I Hourly and Non-Salary Accounts. The Administrative Director will review and request that the principal process transfer of funds as appropriate. The Title I Hourly Fund calculator created by the Principal will be reviewed bi-weekly in order to best project expenditures for the fiscal year. This will provide for timely transfers as appropriate to ensure that the school has revenues to cover projected annual expenditures.

Administrative Director will review the spending plans for Title I programs in order to best utilize available resources and to target specific academic areas. Shopping Cart and Open Purchase Orders will be reviewed with the Principal on a monthly basis to ensure that invoices are paid prior to the closing of the fiscal year.

Responsible Person(s):

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Goulds Elementary school.

**15. Inadequate Recordkeeping Of Title I
Parental Involvement Activities By
Community Involvement Specialist
And Duties Not In Alignment with
Job Description
*Goulds Elementary***

Pursuant to Section F of the *Title I Administration Handbook*, Community Involvement Specialists (CIS) are hired at the schools to facilitate the implementation and administration of Title I programs. Their main responsibility is to maintain a close relationship between the school, the parents and the community.

Part of the CIS duties includes maintaining the Parental Involvement Filing System, whose objective is to maintain adequate documentation of all parenting activities, as prescribed by Section 1118 of the *No Child Left Behind Act of 2001*. The documentation should include, among others: weekly schedules, calendar of parental activities, monthly school reports, telephone contact logs, records of home visits, and school-parent compacts.

The school had a change of CIS after mid-year, and we found that CIS records were incomplete or not available. Also, one of the individuals performed tasks at the school that were not aligned with the job duties stipulated in the *Title I Administration Handbook*. Details follow:

- 15.1. Monthly calendars were not prepared, Parental Involvement Monthly School Reports were incomplete, and totals reported did not always agree with supporting documentation or the supporting documentation was not on file. The school could only provide Parent Center's sign-in sheets for the month of November, and there were only three individual Parent Surveys on file for the entire fiscal year when the student population was over 600. According to the current school administration, staff was not aware that surveys were to be maintained on file.
- 15.2. The former CIS' weekly schedules indicated that her duties included assisting in the media center and with the daily coordination of student transportation. At times, she substituted for teachers.

We discussed the matter of the CIS duties with the current administration, who assured us that the CIS will be assigned duties in accordance with the job's description.

RECOMMENDATIONS

- 15.1. Review the responsibilities of the Community Involvement Specialist with the appropriate staff to ensure an understanding and awareness of their duties and responsibilities.**
- 15.2. Ensure that the CIS understands and complies with the recordkeeping requirements associated with the position.**
- 15.3. Strengthen the review of the records maintained by the CIS.**

Responsible Person(s):

**Principal, Assistant Principal
And Community Involvement Specialist**

Management Response:

The Principal, Assistant Principal and Community Involvement Specialists met to review and discuss the audit findings. The Principal reviewed and discussed the job responsibilities of the Community Involvement Specialist as outlined in the Title I Administration Handbook.

The Principal established monthly review meetings with the Assistant Principal and Community Involvement Specialist to discuss and affirm the collection of Title I documentation as it pertains to home visitation logs, parent involvement meetings, parent compacts and parent surveys.

In addition, documentation reflected in the Title I Administration Parental Involvement Monthly School Report will be verified for accuracy monthly by the Principal, Assistant Principal, and Community Involvement Specialist. Furthermore, the Title I box will be maintained by the Community Involvement Specialist and reviewed, monitored and verified quarterly by the Assistant Principal in accordance with responsible bookkeeping practices.

Responsible Person(s):

Region V Office

Management Response:

The Region V Business/Personnel Director will review Title I recordkeeping procedures with the Principal. The Administrative Director will review with the Principal the documentation to ensure that the Community Involvement Specialist carries out his or her responsibilities in accordance with procedures delineated in the Title I Administration Handbook for 2010-2011.

Responsible Person(s):

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Goulds Elementary school.

**16. Charges Made To Title I Account
For Hiring Temporary Instructors
Not Compliant With Requirements
*Palm Springs Middle***

The *Title I Administration Handbook* delineates the criteria for charging temporary instructors (substitutes) to the Title I Schoolwide Program. According to the *Manual*, *as long as a budget is available*, charges for hiring temporary instructors may be made to the Schoolwide Program if teacher coverage (regardless of the program) is needed to assist with those activities generated by the Principal. *This is to ensure that Title I funds are used to supplement and not supplant programs already existing at the school.*

During the 2009-10 fiscal year, under the tenure of the former school administration, the school budgeted \$2,200 to the Temporary Instructors Title I Schoolwide Program account. Our sample of substitute payroll charged to this account for the months of January, May and June disclosed that of 14 instances where a substitute was charged to the Title I program, seven corresponded to substitutes that were hired to cover for non-Title I Program teachers absent on personal leave, sick leave or leave without pay.

RECOMMENDATION

16. Review with staff the Title I program requirements regarding the hiring of substitutes paid with Title I funds to cover non-Title I instructional staff.

Person(s) responsible: Principal, Assistant Principal, Treasurer
and Payroll Clerk

Management Response:

The Principal met with Assistant Principal, Treasurer and Payroll Clerk to review the Title I budget focusing on procedures for using Title I substitute funds and a corrective action plan was developed.

The Principal directed the Treasurer to monitor the available funds in the Title I budget bi-weekly to ensure funds are being adequately utilized and the Payroll Clerk to monitor the substitute payroll on a weekly basis to ensure Title I substitute funds are being properly utilized.

The Principal directed the Assistant Principal in charge of Title I to review the Title I substitute account on a monthly basis with the Payroll Clerk to ensure substitute funds are being properly utilized.

The Assistant Principal and the Payroll Clerk will review the "I" payroll utilizing Form 7090, Temporary Instructor Daily Payroll Attendance Sheet, bi-weekly prior to submitting it to the Principal for final approval.

Person(s) responsible:

Region I Office

Management Response:

- The Region Center I Business Administrative Director instructed the Principal to thoroughly review the *Payroll Processing Procedures Manual* and the *Title I Administration Handbook*.
- The Region Center I Administrative Director will periodically review the “I” payroll to ensure accuracy.

Person(s) responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations’ comprehensive response to the school findings of Palm Springs Middle school.

**17. Unauthorized Disposal
And Transfer Of
Equipment Purchased
With Title I Program
Funds
*Palm Springs Middle***

The *Title I Administration Handbook* delineates the procedures to follow for disposal and transfer of Title I equipment. Prior to any disposal or transfer of equipment, the school administration must submit a memorandum to the Title I Administration Office requesting authorization to transfer/dispose of equipment and the reasons/justification for such request. If the Title I Office deems that the justification provided is appropriate, they will inform the Florida Department of Education (FLDOE) of the request to obtain approval for the disposal/transfer of the equipment *prior* to any action taking place.

During the 2009-10 fiscal year, the school had disposed of six computers and transferred two other computers to another school location. This equipment had been purchased by the school with Title I funds. The former school administration did not submit memoranda to the Title I Administration Office requesting approval. According to school staff, they were not aware that the equipment in question was purchased with Title I funds.

RECOMMENDATIONS

- 17.1. If possible, the transferred equipment cited above should be returned back to the school.**
- 17.2. In the future, ensure that Title I Administration Office is contacted to request approval in writing prior to any transfer or disposal of equipment.**
- 17.3. Ensure that Title I labels are affixed to equipment purchased with Title I funds.**
- 17.4. Discuss with school staff responsible for the management of property those requirements related to the disposal/transfer of equipment purchased with Title I Program funds to create awareness and understanding of the requirements.**

Person(s) responsible: Principal, Assistant Principal, Treasurer and
Microsystems Technician

Management Response:

The Principal contacted the Principal who received the goods and arranged the return of the property back to the school.

The Principal met with selected personnel and Assistant Principal and reviewed the Property Control Procedures for Title I focusing on procedures for discarding obsolete property and a corrective action plan was established as outlined in the *Title I Administration Handbook*.

A meeting was held with all staff to review the established property control procedures.

The Principal directed all staff to properly protect property located in their work area. The staff was also directed to immediately report any discrepancies as related to missing property to their Department Chair, the Assistant Principal in charge of property and the Principal. The Principal issued a memorandum indicating the importance of safeguarding all doors and windows as they exit classrooms or buildings to avoid future occurrences.

A Property Inventory Confirmation Form will be completed by all staff as part of Opening of Schools Procedures. In addition, an End-of-Year Property Inventory Confirmation Form will be completed by all staff.

Person(s) responsible: Region I Office

Management Response:

- The Region Center I Business Administrative Director immediately contacted the Principal of the receiving school and had all Title I equipment returned back to the school.
- The Region Center I Administrative Director will periodically review property to ensure Title I equipment is labeled.

Person(s) responsible: District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Palm Springs Middle school.

**18. Inadequate Recordkeeping Of Title I
Parental Involvement Activities By
Community Involvement Specialist
*Hialeah-Miami Lakes Senior High***

Pursuant to Section F of the *Title I Administration Handbook*, Community Involvement Specialists (CIS) are hired at the schools to facilitate the implementation and administration of Title I programs. Their main responsibility is to maintain a close relationship between the school, the parents and the community.

Part of the CIS duties includes maintaining the Parental Involvement Filing System, whose objective is to maintain adequate documentation of all parenting activities, as prescribed by Section 1118 of the *No Child Left Behind Act of 2001*. The documentation should include, among others: weekly schedules, calendar of parental activities, monthly school reports, telephone contact logs, records of home visits, and school-parent compacts.

The school hired a CIS on an hourly basis throughout the year, and we found that the CIS records were incomplete or not available. Specifically, monthly calendars and detailed weekly schedules were not presented for audit. Also, a review of the Parental Involvement Monthly School Reports indicated that information contained in the reports did not always agree with the supporting documentation provided; and some of the reports were not signed by the former school administration. Also, documentation of home visits conducted during the year was incomplete.

RECOMMENDATIONS

- 18.1. Review the responsibilities of the Community Involvement Specialist with appropriate staff to create awareness and ensure an understanding of the duties and responsibilities associated with the position.**
- 18.2. Ensure that the CIS maintains adequate recordkeeping of parental activities, monthly reports and weekly schedules, and strengthen the review of the records maintained by the CIS.**

Responsible Person(s):

**Principal, Assistant Principal and
Community Involvement Specialist**

Management Response:

The Principal met with the Assistant Principal assigned to Title I and the CIS and reviewed job responsibilities with the CIS and recordkeeping procedures. The Principal will meet periodically with the Assistant Principal and CIS and review the daily CIS log to ensure that procedures are adhered to, and any discrepancies will be addressed

immediately. In addition, the Principal contacted the Title I Project Administrator in order to establish a mentoring relationship with the CIS.

The Principal reviewed Section F of the *Title I Administration Handbook* with appropriate staff and the handbook was distributed to Title I employees and a signed receipt acknowledging receipt has been filed for future audits. The Principal directed the CIS to provide the administrator with weekly schedules, contact logs and school-parent compacts data report to facilitate the monitoring process and compliance of this requirement.

Responsible Person(s):

Region I Office

Management Response:

- The Region Center I Business Administrative Director instructed the Principal to thoroughly review the *M-DCPS Title I Administration Handbook*.
- The Region Center I Business Administrative Director directed the Principal to monitor the CIS parent contact log and schedule on a weekly basis.

Person(s) responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Hialeah-Miami Lakes Senior High school.

FTE RECORDS

19. Discrepancies in Special Education Student Records Resulted In Potential FTE Funding Disallowances *Dr. Edward L. Whigham Elementary*

Section D of the *Local Education Agency (LEA) Implementation Guide* requires that all current forms be filed in the students' cumulative folders. Furthermore, the *Matrix of Services Handbook 2004 Revised Edition* issued by the Florida Department of Education establishes the guidelines and procedures to initiate and update a matrix.

The Matrix of Services is used to determine the cost factor for special education students based on the decisions made by the Individual Education Plan (IEP) Committee. According to the guidelines, if services do not change as a result of an IEP meeting and the matrix is less than three years old, the existing matrix may be reviewed. If services change, a new matrix must be completed.

According to the 2009-2010 fiscal year, survey 3 FTE rosters, the school serviced a total of 109 students under this program. Our review of a sample of 21 special education (SPED) folders, which happened under the tenure of the former Principal, revealed the following discrepancies:

- 19.1. The dual matrix for a shared-time, Hospitalized/Homebound student was not filed with the student records. Pursuant to our calculations, this oversight resulted in an unfavorable adjustment of \$2,778 in FTE funding. During the audit, we had requested that the school submit a DECO amendment to the FTE Office to adjust the funding levels. However, according to the FTE office, such amendment was never received. We followed up with the school, and staff was unable to provide documentation that it had been submitted to the FTE office for processing.

Other discrepancies which represented lapses in compliance with procedures were as follows:

- 19.2. In one instance, a student was receiving physical therapy (PT) as specified in the student's IEP; however *because of miscommunication between the therapist and school staff*, the allocation of FTE funds, according to the courses assigned to this student was incorrect. As a result, amendments to the Department of Education Correction System (DECO) for Surveys two (2) and three (3) were required to align the funding with the services. However, as of the audit visit, the deadline to process a DECO amendment for Survey two (2) had already expired, and the school was unable to submit the correction. The correction for Survey 3 was made within the allocated timeframe.

- 19.3. In four instances, the Matrix of Services form [FM-5582] was not properly completed or did not agree to the corresponding IEP. In one other instance, there was no Matrix evident for the survey period reviewed.
- 19.4. In two instances, there was no Individual Education Plan (IEP) [FM-4953] for the survey period reviewed. In one other instance, the student's IEP had expired for the survey period under review. The school subsequently updated the IEP prior to the start of the next FTE survey period.
- 19.5. The Notification of Meeting [FM-4851] was not evident for a Gifted Educational Plan meeting.

Our office received an allegation that the SPED teacher was not actively participating in the classrooms and not providing services to SPED students as required by their IEPs. Consequently, the scope of the FTE audit was extended to include visiting classrooms and interviewing staff to verify the services provided to students with disabilities, as the students obtained services under various inclusion⁴ models. Also, the teacher in question had started working in the school after the start of October 2009.

- 19.6. Our review disclosed that for six SPED students which were recommended and scheduled for in-class support, the Collaboration/Consultation log [FM-6705] was not completed after the start of October 2009. In the case of two other students, in which the IEP recommended separate class settings for a portion of the day or the entire day, the students were in fact scheduled in the general education setting the entire day.
- 19.7. During our audit we interviewed the general education classroom teachers whose classrooms included the students mentioned above. The teachers told us that the assigned SPED teacher's active participation in the classroom was inconsistent with the requirements of the students' IEPs. We verified with the former Principal that the inclusion program at the school required the SPED teacher to collaborate with the general education classroom teacher for a certain amount of classroom time with the SPED students on a daily basis. Several days of observation during a two week period revealed that the SPED teacher spent time in the main office performing other duties. The SPED teacher was observed assisting in the delivery of textbooks, performing clerical duties and interacting with office staff and the school administration.

⁴ Inclusion is the practice of educating all students together. This means that students with disabilities receive their instruction along with students without disabilities and are incorporated into regular classrooms. Inclusion students can receive their in-school education services in the general education classes, to the maximum extent possible. Varying models of support include in-class support (collaboration), external support (consultation) or co-teaching.

RECOMMENDATIONS

- 19.1. Ensure that all SPED and Gifted student folders contain current IEP/EPs and Matrix of Services forms which have been properly completed, reviewed and updated.**
- 19.2. Ensure that student's schedule in ISIS reflects the information in his/her IEP. Services provided should agree with those delineated on a student's IEP and documented on the Collaboration/Consultation Log.**
- 19.3. School should follow general guidelines for collaborative models of instruction.**

Person(s) Responsible:

**Principal, Assistant Principal,
Registrar, SPED LEA, SPED Teachers**

Management Response:

In order to ensure that all services are provided to SPED students as delineated on the Individual Education Plan (IEP) and the cumulative folders for all SPED and gifted students are properly maintained and the Matrix of Services forms are completed, reviewed, and updated in compliance with guidelines established by the Florida Department of Education, the Principal implemented the following corrective actions and preventative strategies with regard to SPED services and maintenance of student SPED and gifted records.

The Principal directed the Registrar and the receiving SPED or Gifted Teacher to review all incoming cumulative student records for accuracy and proper documentation in accordance with School Board Rule 6Gx13-5B-1.07 – Student Education Records. The SPED Teacher and Registrar will ensure the PF 17 screen documents correlate to the Matrix score indicated on the IEP. The Gifted Teacher will work to ensure all required forms are evident in the cumulative folder. All incoming SPED and gifted cumulative records are forwarded to the Assistant Principal for further review and the acquisition of missing documents. The Principal is notified in writing of any missing or non-compliant records. All non-compliant documents are corrected appropriately after a final review by the Principal.

The Principal directed the Assistant Principal and the appointed SPED teacher to work as a team and review cumulative records with focused attention to the Matrix of Services forms.

The team will work closely with other SPED teachers to ensure the cumulative records and IEPs are in compliance utilizing the SPED Program Standards review (FM-7069) and kept for reference by the Assistant Principal.

The Principal directed the Assistant Principal and the gifted teacher to work as a team and review cumulative records with focused attention to all required forms. The team works to ensure the cumulative records and Educational Plans (EP) is in compliance utilizing the Gifted-FTE Pre-Audit Checklist and kept for reference by the Assistant Principal.

The teams will conduct a mini self audit of selected cumulative records for compliance using the SPED Program Standards Review (FM-7069) and the Gifted-FTE pre-Audit Checklist before each FTE period.

In addition, at every IEP and EP review the SPED /Gifted Teacher and the Assistant Principal will complete the SPED Program Standards Review form or Gifted-FTE Pre Audit Checklist to assure accuracy. These forms will be kept for reference.

The SPED Services Data Input Sheet (FM-6487) will be accurately completed at all meetings and given to the team to review. The Assistant Principal will review the form and submit it to the registrar for recording purposes.

A data log will be maintained by the Registrar to ensure all SPED and gifted services information is input accurately and in a timely manner. A print out of the screen displaying data entered will be attached and filed in the log. The Principal will randomly monitor and review a percentage of SPED records on a quarterly basis.

On the comment section of the SPED Program Standards Review (FM-7069) form, a line indicating a review of the Easy IEP on-line system will be added to assure that all incoming and annual IEPs have been correctly input in the system.

The SPED team and gifted team will meet with the Registrar to ensure the student's schedule in ISIS reflects information on the IEP/EP. Collaboration/Consultation logs will be kept and reviewed by the SPED Chairperson. The Assistant Principal and Principal will review logs on a quarterly basis.

The Assistant Principal and Principal will conduct daily classroom visitations to ensure SPED students are receiving required services.

Person(s) Responsible:

Region V Office

Management Response:

The Region V Business/Personnel Director will solicit assistance from the Division of Special Education as well as the Region V Director for Exceptional Student Education and his staff, to conduct mini reviews each semester to ensure that Gifted and SPED folders contain current EP's/IEPS, and to ensure maintenance of service forms have been properly completed. The Region staff will provide necessary training for the Principal and appropriate staff members to guarantee accuracy of SPED information.

School staff will utilize a Records Review Checklist to further ensure compliance with SPED records and Gifted-FTE Pre Audit Checklist to ensure accuracy.

The Region Business/Personnel Director will review personnel assigned to exceptional education programs to make sure that teachers assigned to SPED classrooms are consistently providing services to SPED students.

The Region V Instructional Supervisor for Exceptional Student Education will randomly review and monitor a percentage of SPED records and EP's and will report these findings to the Region Advocacy Director and the Region V Business/Personnel Director. Immediate corrective actions will be put in place as necessary.

Person(s) responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Dr. Edward L. Whigham Elementary School.

**20. Discrepancies In English Language Learners' (ELL) Student Records Resulted In Potential FTE Funding Disallowances
*Irving & Beatrice Peskoe Elementary***

For the 2009-2010 school year, guidelines and procedures for maintaining ELL student information were provided through the 2009-2010 Opening of School Year Information and Reminders, the Division of Bilingual Education and World Languages memoranda, the *District LEP Plan* and *Procedures Manual 2005*.

According to the guidelines, parents must be notified each school year of their child's participation or any programmatic change in the ESOL program. Copies of the Notice to Parents/Guardians of Limited English Proficient (LEP) Students [FM-6576] and Home Language Surveys [FM-5196] must also be properly completed and are to be filed in the ESOL Program Record folder. In addition, all sections of the Individual ELL/LEP Student Plan [FM-4649] must be appropriately initiated and/or updated in a timely manner and maintained in the student cumulative folder. For the 2009-2010 fiscal year, a Web-based ELL/LEP Plan (WLEP) must be completed for *all* ELL students.

Our review of a sample of 17 ELL student folders disclosed discrepancies in 15 student folders, or *88% of the sample selected for review. The sample's high error rate requires management's immediate attention and corrective action, since according to 2009-2010 fiscal year, survey 3 FTE rosters, the school serviced a total of 144 students under this program:*

- 20.1. In eight instances, the individual ELL/LEP Student Plan [FM-4649] (LEP) for the 2009-2010 school year was not printed and filed. According to the ESOL Chairperson, she was not aware of this requirement.
- 20.2. In five instances, the LEP was not properly completed. Specifically, the ESOL Level and Program Update Information Section of the LEP was left blank or not updated for the 2009-2010 school year.
- 20.3. In two instances, the Home Language Survey [FM-5196] was not properly completed. Specifically, the survey was not dated.

Pursuant to our calculations, the discrepancies enumerated above could have resulted in FTE funding disallowances to the District of approximately \$1,300.

RECOMMENDATION

20. To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are completed and filed in the folders immediately after the information is entered into ISIS.

Responsible Person(s): Principal, Region, District/School Operations

Management Response:

In order to ensure that the cumulative folders for all ELL students are properly maintained, reviewed, and updated in compliance with guidelines established by the Florida Department of Education, the Principal implemented the following corrective actions and preventative strategies with regard to maintenance of student LEP records.

The Principal directed the Registrar and the ELL Chairperson to review all incoming cumulative student records for accuracy and proper documentation in accordance with School Board rule 6Gx13-5B-1.07 – Student Education Records. All incoming ELL cumulative records are forwarded to the Assistant Principal for further review and to secure missing documents. The Principal is notified in writing of any missing or non-compliant records. All non-compliant documents are corrected and reviewed by the Principal.

The Principal directed the Registrar to review the Home Language Survey during the Registration process and ensure that it was properly completed, dated and signed by the parent/guardian, and that the correct information is entered in the “J” screen.

The Principal directed the Assistant Principal and the ELL Chairperson to work as a team on regular basis and review cumulative records with focused attention to the WLEP plan for all ELL students.

The team was directed to review all ELL program Records folders to ensure that the following documents are completed properly: original Home Language Survey (FM5196), Annual WLEP, Copy of all Annual Letters of Participation (FM-6576), ELL Committee Notifications, copy of AMAOs⁵ CELLA⁶ letters to parents, evidence of all assessments and CELLA reports.

⁵ Annual Measurable Achievement Objectives (AMAOs).

⁶ Comprehensive English Language Learning Assessment (CELLA).

The team was directed to work with the Registrar to ensure that the assessment date, assessment score, ESOL Level, ESOL entry date (actual date student started receiving services in the ESOL program), and basis of entry are correctly entered on the ISIS "J" screen.

The team will review the list of ELL students with six semesters or more and follow the guidelines as stated in the District LEP Plan and Procedures Manual.

The Principal directed the team to conduct mini self-reviews of selected cumulative records for ELL students for compliance utilizing the Division of Bilingual Education and World Languages Procedures Manual. The results will be shared with the Assistant Principal prior to the Principal conducting a final review of the documents. Any anomalies will be corrected immediately.

Responsible Person(s):

Region V Office

Management Response:

The Region V Administrative Director for Business/Personnel will solicit assistance from the Bilingual Department, as well as the Region personnel responsible for ELL compliance, to conduct mini reviews quarterly in selected areas of the ELL Program to ensure compliance at Irving & Beatrice Peskoe Elementary and West Homestead Elementary Schools. The Region V Business/Personnel Director will review the results of the audits with the Principals and facilitate any corrections as necessary. The Region V Administrative Director will direct the Principals to prepare a check list in cooperation with the Bilingual Department to ensure that all ELL records are carefully reviewed in order to comply with established procedures.

Person(s) responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of Irving & Beatrice Peskoe Elementary School.

**21. Discrepancies In English Language Learners' (ELL) Student Records Resulted In Potential FTE Funding Disallowances
*West Homestead Elementary***

For the 2009-2010 school year, guidelines and procedures for maintaining ELL student information were provided through the 2009-2010 Opening of School Year Information and Reminders, the Division of Bilingual Education and World Languages memoranda, the *District LEP Plan* and *Procedures Manual 2005*.

According to the guidelines, parents must be notified each school year of their child's participation or any programmatic change in the ESOL program. Copies of the *Notice to Parents/Guardians of Limited English Proficient (LEP) Students* [FM-6576] and *Home Language Surveys* [FM-5196] must be properly completed and filed in the ESOL Program Record folder. In addition, all sections of the *Individual ELL/LEP Student Plan* [FM-4649] must be appropriately initiated and/or updated in a timely manner and maintained in the student's cumulative folder. For the 2009-2010 fiscal year, a Web-based ELL/LEP Plan (WLEP) must be completed for *all* ELL students.

Our review of a sample of 20 ELL student folders disclosed discrepancies in 17 student folders, *or 85% of the sample selected for review. The sample's high error rate requires management's immediate attention and corrective action, since according to 2009-10 fiscal year, survey 3 FTE rosters, the school serviced a total of 200 students under this program:*

- 21.1. In 13 instances, the student's test materials were not included in the LEP folder and/or the information was not indicated in the LEP Plan.
- 21.2. In 12 instances, the individual ELL/LEP Student Plan [FM-4649] (LEP) was not properly completed. In some instances, the sections containing the School Information, Program Participation, and ESOL Level and Update were not completed or updated; while in other instances, all pages of the LEP were not printed and included in the LEP file. According to the ESOL Chairperson, she was not aware of this requirement.
- 21.3. One LEP student record was not presented for audit.
- 21.4. For two students, the Home Language Survey [FM-5196] was not signed by the parent/guardian, or the date on the form was completed by someone other than the parent/guardian who originally completed the survey.
- 21.5. One Notice to Parents/Guardians of Limited English Proficient (LEP) Students [FM-6576] was not on file.

Additionally, for one of these students, the ELL/LEP Plan was completed manually, instead of utilizing the district-wide WLEP automated system to complete the form. Pursuant to our calculations, the discrepancies enumerated above could have resulted in FTE funding disallowances to the District of approximately \$1,300.

RECOMMENDATION

- 21. To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are completed and filed in the folders immediately after the information is entered into ISIS.**

Responsible Person(s):

**Principal, Assistant Principal,
Registrar and ESOL Teachers**

Management Response:

In order to ensure all ELL folders contain current IEP/EP's and Matrix of Service forms which have been properly completed, reviewed and updated, the principal has implemented the following immediate actions and strategies.

The Principal will assume an active role in monitoring all ELL student folders for accuracy and in order to ensure that SPED folders are in full compliance with the guidelines established by the State of Florida, Department of Education and the District.

The Principal, Assistant Principal, ESOL Chairperson and Registrar reviewed the Local Education Agency (LEA) Implementation Guide, and the Matrix of Services Handbook 2004 Revised Edition, requirements to ensure strict adherence to the established procedures for the maintenance of ELL folders, to include documents relevant to FTE funding. Additionally, The Principal held an ELL compliance meeting where notations were reviewed with all ESOL staff. Copies of notations were disseminated to appropriate staff.

The Principal implemented a synchronized sequence of events to be executed immediately upon registering and/or testing students that are identified as ESOL. The Assistant Principal and the ESOL department chairperson will work with teachers to ensure that the cumulative records of all ESOL students are in compliance using the ELL Cumulative Record Checklist (FM-7069).

If the student is a new arrival to the school from another Miami-Dade County School, the registrar will check the computer to determine the student's ESOL status. If it is determined that the student is an active ESOL student, the registrar will contact the sending school and request the LEP folder. When the LEP folder is received, the folder will be forwarded to the assistant principal for a comprehensive review. The Principal

will be notified, in writing by the Assistant Principal, of any missing and/or non-compliance documents. Missing documents will be formally requested, via letter, from the sending school's principal.

Students who are tested by the ESOL Teacher and determined to be ESOL will be properly documented, using a LEP checklist, by the ESOL teachers. The ESOL teachers will complete all documents and forward them to the Assistant Principal for review. The Assistant Principal will conduct a comprehensive review of each LEP folder to determine the status of the folder. Folders that do not comply with District standards will be returned to the ESOL Teacher. The Assistant Principal will document and discuss the errors with the ESOL teacher and request that the errors be corrected immediately. If the folder meets District standards, the folder will be forwarded to the Registrar for data input into ISIS. The folder will be reviewed by the Assistant Principal and/or ESOL Chairperson. Once the registrar inputs the data, the registrar will file the folder in the LEP file cabinet.

Monitoring of LEP folders will be conducted on a quarterly basis. First, a complete accounting of every ESOL student at the school will be conducted by the school's LEP Review Team. The LEP Review Team will consist of the assistant principal and two ESOL teachers. The review team will determine if all of the LEP folders are accounted for. Appropriate measures will be used to locate all missing folders. During the review of the LEP folders, a LEP Monitoring Checklist will be used to review each record. All of the LEP folders that are out-of-compliance will be annotated and placed in the non-compliance bin. Once all of the folders have been reviewed, the review team will correct the non-compliance folders. Finally, the principal will randomly select and review 10 percent of the LEP folders. All of the randomly selected folders must meet District standards. If all of the selected folders do not meet the standard, the review team will be required to review all of the folders for errors. After the second review and correction of the folders, the principal will again randomly select 10 percent of the folders for review. This process will continue until there is a zero percent error rate. At the beginning of the second semester, the principal will request a Region V review of the LEP folders.

Responsible Person(s):

Region V Office

Management Response:

Refer to page 105 of this report and page 146 of Appendix. Region V Office provided similar response for Irving & Beatrice Peskoe Elementary and this school.

Person(s) responsible:

District/School Operations

Management Response:

Refer to page 157 of Appendix for District/School Operations' comprehensive response to the school findings of West Homestead Elementary School.

OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our audits were to:

- express an opinion on the internal fund financial statements of the schools for the fiscal year ended June 30, 2009 and/or June 30, 2010, depending on the individual school being audited, on the cash basis of accounting;
- evaluate compliance by the schools with the policies and procedures prescribed in the *Manual of Internal Fund Accounting*;
- provide assurances regarding compliance with *current payroll procedures*, as well as compliance with *current purchasing credit card program procedures*; and *certain information technology controls*;
- verify compliance by the schools with the policies and procedures prescribed by the *Manual of Property Control Procedures*, and determine the adequacy of controls over the safeguarding of property items with an individual cost of \$1,000 or more;
- evaluate compliance with the policies and procedures set forth by the *No Child Left Behind Act of 2001, Title I Program*, and the *Title I Administration Handbook*; and
- ascertain compliance with State law, State Board of Education Rules, School Board Rules, manuals, directives and FTE reporting documentation procedures as they relate to student attendance, Special Education, English Language Learners, Cooperative Education and Teacher Certification; and
- determine compliance with policies and procedures delineated in the *Food and Nutrition Procedures as they relate to the collection and handling of cafeteria funds at the schools and the reconciliation of cafeteria deposits at the District*;

While the scope of our audits generally covered operations during the period of July 1, 2008 through June 30, 2009 and/or July 1, 2009 through June 30, 2010 (depending on whether the audit scope was one or two-year audit at the individual school being audited), payroll, purchasing credit card transactions, and information technology controls included current periods. FTE audits covered the February 2010 survey period.

Our procedures were as follows:

- reviewed written policies, procedures, and School Board Rules;
- interviewed school staff and performed analytical analysis of account balances;
- examined, on a sample basis, transactions, processes, supporting documentation and records;
- performed current physical inventories of property items with an individual cost of \$1,000 or more;
- follow-up on prior audit recommendations; and
- performed various other audit procedures as deemed necessary.

We conducted our audits in accordance with generally accepted government auditing standards (GAGAS) issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures herein. An audit also includes assessing the accounting principles used and significant estimates made by the administration, if any. We believe that our audits provide reasonable basis for our opinion. The results of the property audits reported herein were in all material respects similarly conducted in accordance with GAGAS, with the exception of the continuing professional education requirement not followed by our property auditors.

Internal Control Matters

Our audits also included an assessment of applicable internal controls and compliance with the requirements of School Board rules and related policies and procedures that would satisfy our audit objectives. In accordance with GAGAS, we are required to disclose and communicate to management control deficiencies identified during our audits. Other matters found not significant within the context of the audit objectives were communicated orally and/or in writing to management.

BACKGROUND

INTERNAL FUNDS

Section 1011.07, Florida Statutes, and State Board of Education Rule 6A-1.087, require annual audits of internal funds.

Internal funds are monies collected and expended within a school which are used for financing activities not otherwise financed by the School Board. These monies are collected in connection with school athletic events, fund-raising activities, various student activities and class field trips, after school care and Community School programs, gifts and contributions made by the band or athletic booster clubs, civic organizations, parent-teacher organizations, commercial agencies and all other similar monies, properties or benefits.

Each school administers their internal funds separately through an operational checking account, following District guidelines as established in the *Manual of Internal Fund Accounting*.

Prior to spending internal funds, schools invest their cash in designated depositories. Funds not used in the daily operations may be invested in the MDCPS-Money Market Pool Fund. The Fund's interest rate as of June 30, 2009 and June 30, 2010 was 1.29% and 0.76%, respectively.

Various fund-raising activities are conducted by independent, school-related organizations such as booster clubs, parent-teacher associations, etc. If these fund-raising activities are conducted entirely by these organizations and no board employee handles or keeps custody of the funds or merchandise, these activities are not recorded in the schools' internal funds and consequently are not audited by us.

- ◆ Annual audits of internal funds are required by Section 1011.07, Florida Statutes, and State Board of Education Rule 6A-1.087
- ◆ Internal Funds are revenues generated from student activities at the school level which are not part of the school's budget process
- ◆ Each school administers their internal funds separately through an operational checking account, following District guidelines as established in the *Manual of Internal Fund Accounting*
- ◆ Banks for school funds must be approved by the School Board and certified by the State Treasurer
- ◆ Idle funds in the operational account may be invested to yield interest revenue in a savings account, certificate of deposit or in the MDCPS-Money Market Pool Fund
- ◆ At June 30, 2009 and June 30, 2010 the MDCPS-Money Market Pool Fund's interest rate was 1.29% and 0.76%, respectively.

PAYROLL

All payroll transactions must be processed following the *Payroll Processing Procedures Manual*, which establishes the guidelines for the recordkeeping, reporting, and maintenance of payroll and payroll records.

Each school processes its own biweekly payrolls. Timekeeping personnel enter the employees' time and attendance data on a centralized information system. After the information is entered into the system, it is approved by the principal on-line. Subsequently, the payroll department reviews the information and processes the payroll.

The process for distributing payroll checks and checks advices at the sites changed in 2009 in an effort to eliminate paper checks and paper advices. Employees who received paper checks at the sites were requested to enroll in direct deposit for all payroll-related payments, and were directed to the Employee Portal located in the District's website to access their payroll information and print the payroll check advices. Although payroll check distribution at the sites has been greatly minimized, sites are still required to maintain controls over the distribution of payroll checks for those employees who have not signed for direct deposit at this time.

PROPERTY

At MDCPS, the management of property items must comply with the guidelines established in the *Manual of Property Control Procedures*. According to Chapter 274.02 of the Florida Statutes, a complete physical inventory of all property shall be taken annually, be compared with the property record, and discrepancies must be identified and reconciled.

Our office conducts yearly inventories at each school of all property items with an individual value of \$1,000 or more. However, because these inventories are customarily scheduled after the first day of school, the property inventories of schools audited during the summer months of July and August are customarily conducted at a later date, unless staff is available at the schools and time permits.

PURCHASING CREDIT CARD (P-CARD) PROGRAM

At the schools, principals administer the purchasing credit card program, which must comply with the guidelines established in the *Purchasing Credit Card Program Policies & Procedures Manual*.

The P-card program was designed to streamline the acquisition process by enabling employees at the schools to make small dollar purchases (less than \$1,000 per individual transaction) for materials and supplies. The program is managed by the Office of the Controller.

- *The P-Card Program enables schools to make small purchases of less than \$1,000 per individual transaction for materials and supplies*
- *It expedites the procurement process at the schools.*

TITLE I PROGRAM

Schools implementing Title I Programs are required to meet the requirements of the *No Child Left Behind Act of 2001*. Each year, an *Economic Survey* is conducted by the District to rank schools from highest to lowest, based on the percentage of participating students from low income families, and to allocate Title I funds to those eligible schools in rank order. The cut-off point for eligibility is based on the Title I allocation received from the State and other program components.

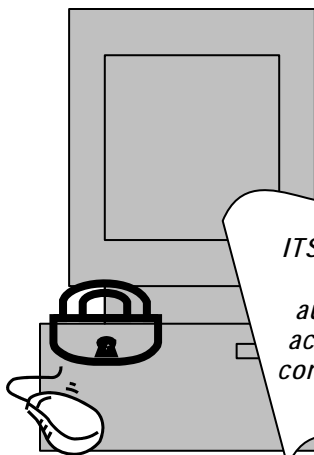


Schools follow specific criteria for the use of Title I funds as delineated in the *Title I Administration Handbook*. Purchases of supplies and equipment are processed through regular district channels or via use of the P-card Program, depending on the amount. Salary expenditures must comply with budgetary requirements and must be directly related to activities associated with the grant.

At the schools, principals administer Title I programs with oversight from the Regional Centers, under the overall direction of Title I Administration Office.

To promote schoolwide compliance with Federal, State, and District regulations and guidelines, and ensure that appropriate evidence sources document compliance, the Office of Management and Compliance Audits incorporated the audit of this program into the school audits at selected schools effective February 2007.

DATA SECURITY MANAGEMENT REPORT AND SCHOOL SITE IT SECURITY ASSESSMENT



ITS report reviewed to ensure that only authorized staff has access to designated computer applications.

Principals are responsible for ensuring that network security standards and related security procedures are being observed at the school sites. Part of their responsibility includes ensuring that only authorized staff has access to designated applications. Information Technology Services (ITS) produces a monthly report for each location titled "Authorized Applications for Employees by Locations Report". Principals are responsible for reviewing this report to determine the appropriateness of applications approved for each employee, as to whether they are required for his or her assigned duties; and to ensure that access to the computer application that allows for changes to students' academic grades is limited to a specific and restricted number of authorized personnel. In addition, our school audits may selectively review information technology matters related to the proper safeguarding and location of servers and switches, software licensing documentation, proper authorization of Electronic Gradebook applications, and similar controls over data security.

FULL-TIME EQUIVALENT (FTE)

Miami-Dade County Public Schools receives a significant portion of its revenue from State funding through the Florida Education Finance Program (FEFP).

The funding provided by FEFP is based upon the number of individual students participating in particular educational programs. A numerical value is assigned to each student according to the student's hours and days of attendance in those programs. The individual student thus becomes equated to a numerical value known as an unweighted FTE. FEFP funds are primarily generated by multiplying the number of FTE students in each of the funded educational programs by a cost factor to obtain weighted FTEs.

Section 1010.305, Florida Statutes
vests the Auditor General with the authority to periodically examine the records of school districts, determine compliance with State law and State Board of Education rules relating to the classification, assignment, and verification of full-time equivalent student enrollment and student transportation reported under FEFP. These audits are conducted every three years.

Schools are responsible for verifying student membership data submitted to the Florida Department of Education (FDOE) for funding purposes. This is accomplished through the FTE survey process.

The results of these surveys are FTE reports which allow schools to verify the data and make corrections as needed. Once this process is completed, the district transmits the information to the FDOE. During the 2009-10 FY, months selected by the FDOE for these surveys are as follows:

Survey Period No.	Time Period of Survey
1	July (Summer School only)
2	October
3	February
4	June (Summer School only)

Schools are also responsible for maintaining an audit trail to ascertain compliance with State law, State Board of Education and School Board Rules as they relate to student attendance, Special Education, English Language Learners, Cooperative Education and Teacher Certification.

Incomplete/inaccurate student records which do not adequately support/justify funding levels may give rise to losses in funding. Similarly, teacher certification is closely linked to FTE funding and must be monitored on an ongoing basis to prevent similar losses in funding to the District. Aside from the monetary losses, non-compliance issues are closely reviewed by the Auditor General and included in their reports.

As of the 2007-08 fiscal year, FTE audits have been incorporated as part of the school audits routinely performed by the Office of Management and Compliance Audits. FTE audits are conducted at selected schools based on audit criteria developed by this office.

FOOD SERVICE PROGRAM

The School Board of Miami-Dade County's Department of Food and Nutrition (F&N) operates the centralized food service program at K-12 schools and centers. The *Food and Nutrition Procedures* comprises the official guidelines under which school cafeterias operate. According to these guidelines, staff working at school cafeterias operates cash registers which must be closed daily. A deposit representing the total daily cafeteria collections must be prepared and submitted daily by the Cafeteria Manager to the main office for pick-up by the armored car service. The deposits are made to a centralized bank account established by the District; and a Food Service Accounting Unit has been established in the Office of the Controller to maintain the centralized records and reports, and reconcile the centralized bank account.

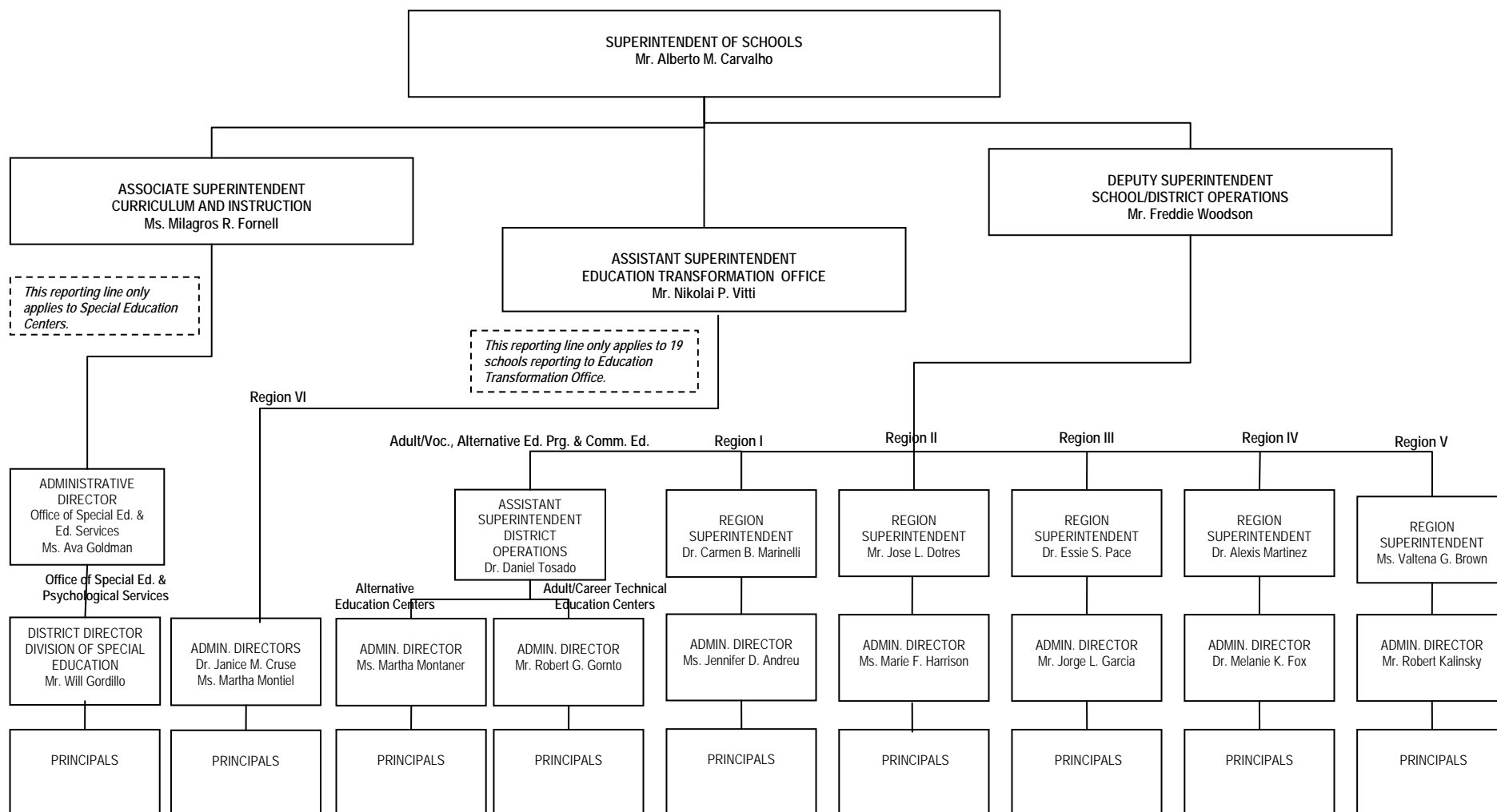
In addition to the payment and pre-payment of meals at the schools using the cafeteria cash register system, parents and guardians of students can establish on-line lunch accounts with F&N to pre-pay student meals with credit and debit cards. Because these pre-payments are processed outside the cafeteria cash registers, a review of these systems was not in the scope of the school audits.

THE GREATER MIAMI ATHLETIC CONFERENCE (GMAC)

The Greater Miami Athletic Conference (GMAC), in cooperation with the Florida High School Activities Association (FHSAA), regulates and promotes interscholastic athletic activities among membership of all public high schools and non-public high schools. Its purpose is to protect the interests of the high schools belonging to this conference, to promote pure, amateur sports, and to foster such other activities as the organization may decide to sponsor. It also trains and provides officials for the athletic events.

The GMAC is administered by the Executive Committee that consisted of various school system employees, most of whom are principals. The President of the Executive Committee during the 2008-09 and 2009-10 fiscal years was the Principal at G. Holmes Braddock Senior High School. GMAC's internal funds account and records are maintained by GMAC's Executive Secretary who administratively reported to the Administrative Director, ABC & Athletics, School Operations.

ORGANIZATIONAL CHART




**APPENDIX
MANAGEMENT'S RESPONSES**

MEMORANDUM

November 9, 2010

TO: Ms. Valtena G. Brown, Region Superintendent
Region V

FROM: Mr. Raul Calzadilla, Jr., Principal 
Air Base Elementary

SUBJECT: **ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF AIR BASE
ELEMENTARY SCHOOL**

The following is in response to relevant findings in the school audit report for Air Base Elementary School.

RECOMMENDATIONS

- 1.1 Discuss the procedures for handling the collection of monies and turning over collections for deposit with cafeteria and office staff to create awareness and understanding of the requirements and expectations.
- 1.2 Designate staff and an administrator to the process of handling the deposits and require that they inform Principal of any discrepancies with any deposit bags or the armored car service.
- 1.3 Monitor school cafeteria deposits to ensure that deposits are submitted on a daily basis and picked-up by the armored car service personnel.
- 1.4 Periodically review the armored car service pick-up log to ensure that bags picked up for deposits are duly signed for; and promptly discuss any discrepancies with the armored car service.
- 1.5 Consistently utilize the "Collections/Deposits Log" (FM-7249) to document the placement and removal of deposit bags to be picked up by the armored car service and periodically review the form to ensure that this documentation is accurate and complete.

MANAGEMENT RESPONSE:

In order to ensure that the collection of monies is done in a manner that is in full compliance with Internal Funds Guidelines and to protect the assets of the school district since late April of 2010, we have implemented a daily routine which requires that the daily deposits from the cafeteria are logged on FM 7249 Daily Collections of Deposits Log. Deposit bags will be placed in a secure area until the pick-up is made by the armored car service.

The Principal designated the School Treasurer as the primary person responsible for the preparation of the Daily Collections/ Deposits Log. The Principal's Secretary and the Magnet Clerk are the back-ups. The Principal or the Assistant Principal in his absence will review the log on a daily basis and then sign receipt of the deposit prior to securing it in the vault. Any discrepancies or anomalies will be reported to the Principal.

The Principal held a meeting with the Secretary, Magnet Clerk and the Assistant Principal and delineated responsibilities and designated back up with respective responsibilities, accordingly. During the meeting, the Principal distributed a written communication outlining the importance of daily oversight of the process including but not limited to discussing discrepancies with the armored car service personnel. Additionally, staff has been directed to review the armored car service log periodically and immediately report any discrepancies such as late or no deposit bag being sent to the office to be secured.

The principal will review the daily cash reconciliation in the cafeteria and compare this to the deposits. These periodic checks will be made on a bi-weekly basis.

If you have any further questions or concerns regarding this matter please contact me.

cc: Dr. Daniel Tosado
Ms. Cynthia Gracia
Mr. Robert Kalinsky
Ms. Blanca Valle

MEMORANDUM

November 4, 2010

TO: Dr. Carmen B. Marinelli, Region Superintendent
Region Center I

FROM: Mary Ann Alonso, Principal *M.A.A.*
Benjamin Franklin Elementary

SUBJECT: ADMINISTRATIVE RESPONSE TO THE INTERNAL AUDIT REPORT OF BENJAMIN
FRANKLIN ELEMENTARY SCHOOL FOR THE 2008-2009 AND 2009-2010 FISCAL
YEAR

The cited audit findings for the period of July 1, 2008 through June 30, 2010 have been carefully reviewed by the Principal. As a result the Principal has established action plans comprised of definite strategies to implement in order to prevent a recurrence.

RECOMMENDATIONS:

- 1.1. Discuss receipting and depositing procedures with staff for understanding and awareness of the requirements.
- 1.2. Provide the necessary support to the Treasurer for making deposits more frequently.
- 1.3. Strengthen the review and oversight over the receipting, collecting and depositing functions to ensure that monies are timely receipted, deposited and properly recorded.
- 1.4. Ensure that the Collections/Deposits Log (FM-7249) is utilized to document those deposit packages awaiting the armored car pickup service.
- 1.5. Plan and allocate staff and resources accordingly to ensure the proper accountability and management of field trip funds.
- 1.6. Discuss and reinforce the procedures relative to the accounting of field trips revenues through the internal funds of the school and the posting of transactions to the accounts.
- 1.7. Institute a schedule for the collection of field trip funds to prevent commingling of funds from the different activities.
- 1.8. Periodically monitor field trips accounts to ensure compliance with bookkeeping guidelines.

Person(s) Responsible:

Principal, Secretary

Management Response:

The principal held a meeting with all faculty and staff and established procedures for accountability regarding field trips in accordance to Section II, Chapter 2 and 3 of the Manual of Internal Fund Accounting. The procedures instituted require that monies collected be timely and receipted and deposited in a timely manner.

The principal assigned the secretary to assist the treasurer in writing receipts in order to further expedite the process.

The Principal directed the staff to submit money collected for field trips and provided a schedule for staff to submit monies collected. Additionally, the Principal disseminated a directive to all staff indicating that at no time are monies collected to remain in classrooms and/or taken off campus.

The principal issued a memorandum of procedures and a chronology of when field trips are designated for each grade level as well as when monies for said field trips are to be collected.

By the end of each day, all funds collected will be recorded and prepared by the secretary/treasurer to be deposited in school's checking account.

The Principal or Assistant Principal will verify monies collected and all deposits prior to signing off on the Collections/Deposits Log (FM-7249). The money will be deposited by the treasurer in a timely manner and in accordance with the Manual of Internal Fund Accounting. The Principal established procedures to ensure that immediately following a bank deposit, a posting of transaction to the account is completed.

In order to prevent commingling of funds, field trip activities will be properly identified and associated collections will be accounted for in a separate Trust Fund account. A sub-ledger number will be used on the Recap of Collections Form to identify each field trip. Mini reviews will be conducted by the Principal, Assistant Principal and Secretary/Treasurer to review all previously listed items.

It is expected that after implementation of the above mentioned recommendations, future audit exceptions will be avoided.

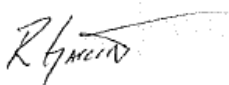
For further information regarding this response, please contact me at 305-423-5956.

cc: Dr. Daniel Tosado
Ms. Jennifer Andreu
Ms. Cynthia Gracia

MEMORANDUM

November 8, 2010

TO: Ms. Valtena G. Brown, Region V Superintendent
Region V

FROM: Raul F. Garcia, Principal
Goulds Elementary 

SUBJECT: **ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF GOULDS
ELEMENTARY SCHOOL**

The recommendations below are a result of the 2009-2010 school year. As the new current principal, the following recommendations have been implemented with fidelity to assure compliance with District and Federal Policy and Procedures.

RECOMMENDATIONS

Payroll for Temporary Instructors

- 1.1 Review with staff the procedures for documenting leave, especially when substitutes are required to cover instructional personnel.**
- 1.2 Strengthen the overall review of payroll and all payroll records to ensure that documentation supports the payroll reported.**

Person(s) Responsible: Principal, Assistant Principal, Treasurer

Management Response:

The Principal reviewed Miami-Dade County Public Schools Payroll Processing Procedures with the Assistant Principal, and the Secretary/Treasurer. Additionally, the Principal reviewed payroll reporting procedures, appropriate documentation, processing and approving of payroll with the entire faculty and staff, emphasizing sign in/out procedures, completing leave cards and submitting temporary duty forms. The Principal issued written communication detailing the proper payroll reporting procedures to all staff.

Additionally, the Principal met with the Payroll Clerk and the Assistant Principal to instruct them in the preparation of the Temporary Instructor's Daily Payroll Attendance sheets (FM 7090) to ensure the accurate reporting of substitute teachers by assuring the absent employee's name, employee number, program and charge location are noted and correlated to the respective Payroll Roster.

The Principal will keep a "memo of explanation" on file with the corresponding payroll records in the event that a temporary instructor is not being charged against an absent teacher or an open PAC.

The Principal and Payroll Clerk will meet prior to approving each final roster to verify payroll processing procedures have been properly implemented.

RECOMMENDATIONS

Title I Hourly and Non-Salary Accounts

- 2.1 Monitor hourly payroll account balances to prevent overspending.**
- 2.2 Transfer funds between accounts as appropriate and as needed to cover projected expenditures.**
- 2.3 Develop appropriate spending plans for Title I programs in order to maximize their use.**
- 2.4 Ensure that shopping carts and purchase orders are timely processed and the corresponding invoices are paid before the closing of the year and/or the grant's liquidation date.**

Person(s) Responsible: Principal, Assistant Principal, Treasurer

Management Response:

In order to assure responsible Fiscal Management and Budgetary Practices, the following actions have been implemented.

The Principal met with the Treasurer and Assistant Principal and reviewed Chapter I of the Title I School Based System Manual and granted administrative rights to the Treasurer to view Title I account balances. The Principal implemented a log for the purpose of recording and monitoring Title I Accounts, weekly, by both the Assistant Principal and Treasurer. The log will be shared with the Principal and adjustments to expenditures will be made as needed to avoid over expenditures and to ensure that transfer of funds between accounts is processed in a timely manner. The Principal directed the Treasurer to conduct monthly calculations of expenditures and confer with the Principal prior to completing the transaction to ensure that records reflect available balances.

The Principal created a spending plan for Title I in accordance with the School Improvement Plan and the Florida Continuous Improvement Model, for non-salary accounts to target the academic remediation of students in Reading, Mathematics and Science. The Principal directed the Assistant Principal to track on a weekly basis all Shopping Cart and Open purchase orders to ensure timely processing. The Treasurer will meet with the Principal on a monthly basis to ensure that all the Title I Non-Salary Account balances reflect zero balances and proper utilization of funds have been expended prior to February 2011.

RECOMMENDATIONS

Recordkeeping of Title I Activities and the Community Involvement Specialist Responsibilities

- 3.1 Review the responsibilities of the Community Involvement Specialist with the appropriate staff to ensure an understanding and awareness of their duties and responsibilities.**
- 3.2 Ensure that the CIS understands and complies with the recordkeeping requirements associated with the position.**
- 3.3 Strengthen the review of the records maintained by the CIS.**

Person(s) Responsible: Principal, Assistant Principal, Community Involvement Specialist

Management Response:

The Principal, Assistant Principal and Community Involvement Specialists met to review and discuss the audit findings. The Principal reviewed and discussed the job responsibilities of the Community Involvement Specialist as outlined in the Title I Administration Handbook.

The Principal established monthly review meetings with the Assistant Principal and Community Involvement Specialist to discuss and affirm the collection of Title I documentation as it pertains to home visitation logs, parent involvement meetings, parent compacts and parent surveys.


In addition, documentation reflected in the Title I Administration Parental Involvement Monthly School Report will be verified for accuracy monthly by the Principal, Assistant Principal, and Community Involvement Specialist. Furthermore, the Title I box will be maintained by the Community Involvement Specialist and reviewed, monitored and verified quarterly by the Assistant Principal in accordance with responsible bookkeeping practices.

cc: Dr. Daniel Tosado
Ms. Cynthia Gracia
Mr. Robert Kalinsky

MEMORANDUM

November 8, 2010

TO: Dr. Carmen B. Marinelli, Region Superintendent
Region Center I

FROM: Sandra V. Banky, Principal 
Miami Park Elementary School

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF MIAMI PARK
ELEMENTARY SCHOOL FOR THE 2009-2010 FISCAL YEAR

The cited audit findings for the period of July 1, 2009 through June 30, 2010 have been carefully reviewed by the Principal. As a result the Principal has established action plans comprised of strategies to implement in order to prevent recurrence.

RECOMMENDATIONS:

- 1.1. Discuss the procedures for handling receipting and collecting monies, and turning over collections for deposit with the entire school staff to create awareness and ensure understanding of the requirements and expectations.
- 1.2. Ensure that school staff and any school-allied organizations such as the PTSA understand that financial activities of the school and the allied organization must be conducted separately. Specifically, school employees cannot handle money or merchandise for a school-allied organization chartered at the school where they are employed. Similarly, any invoices corresponding to PTSA activities must be addressed to the school-allied organization and not the school.
- 1.3. Ensure that any potential activities of the school allied organization are brought to the attention of the school administration for approval and the proper approval forms are completed, signed and filed with the school records.

Person(s) Responsible: Principal, Assistant Principal, Treasurer

Management Response:

The Principal held a meeting with all faculty and staff and established procedures for accountability regarding collecting and handling monies for school activities as well as activities sponsored by allied-organizations in accordance with Section II, Chapter 2 and Chapter IV of the Manual of Internal Fund Accounting.

In addition, the Principal met with the PTSA President and the Treasurer to review the proper handling of PTSA/School activities. The Principal established procedures which include disallowing school employees to neither be co-signers for any school allied organization nor handle money or fundraising merchandise for a school allied organization chartered at the school where they are employed. Additionally, staff as well as PTSA personnel were notified that monies collected from activities sponsored by allied-organizations need to be collected by the PTSA. The Principal issued a memorandum directing staff to refrain from keeping monies over night.

The Principal held a meeting with respective staff as well as PTSA personnel was informed that any activity sponsored by the PTA requires approval from administration prior to the event. Furthermore a yearly calendar of activities will be submitted to the Principal for consideration prior to approval.

RECOMMENDATIONS:

- 2.1. Discuss and reinforce the procedures relative to the accounting of field trips revenues through the internal funds of the school and the posting of the transactions to the accounts.
- 2.2. Institute a schedule for the collection of field trip funds to prevent commingling of funds

from the different activities.

- 2.3. Direct staff to refrain from paying vendors directly from the cash collected from any of the school activities.
- 2.4. Periodically monitor field trips accounts to ensure compliance with bookkeeping guidelines.

Person(s) Responsible:

Principal, Assistant Principal, Treasurer

Management Response:

In order to ensure accurate accounting of field trips revenues through the school's internal funds and the posting of transactions to the accounts, the following corrective and preventive strategies were implemented.

The Principal reviewed Section II, Chapter 5 of the **Manual of Internal Fund Accounting** with the Treasurer that establishes that disbursements for expenditures made from Internal Funds are never paid in cash. Additionally, the supporting documentation will be approved and signed by the Principal prior to processing payment.

Furthermore, all disbursements will bear two (2) signatures, with one signature being that of the Principal or authorized designee administrator, and the second being that of the Treasurer or authorized clerical designee. Monies from field trips will not be commingled.

The Principal held a meeting with Assistant Principal and the Secretary-Treasurer to review, develop, and implement a corrective plan of action and preventive strategies to ensure future compliance in affected areas.

The Principal established a plan that details that all monies collected will be turned in to the Secretary-Treasurer or her designee in a timely manner, each day. Additionally, the plan directs the Secretary-Treasurer to issue payments for goods by check. The Principal has scheduled bi-monthly meetings with the Assistant Principal and Secretary-Treasurer to review all field trips request.

RECOMMENDATIONS:

- 3.1. Provide the EESAC Committee with a copy of the Miami-Dade County's Educational Excellence School Advisory Council (EESAC) Resource Guide.
- 3.2. Discuss the EESAC budgetary process with the EESAC Committee for understanding and awareness of the requirements.
- 3.3. Ensure that the official committee minutes include clear and accurate description as to the use of the funds and the corresponding approval prior to making any expenditure.
- 3.4. Ensure that a quorum based on the school's bylaws is determined before approving the use of EESAC funds.
- 3.5. Update the school's bylaws on file and ensure that the information is up-to-date and relevant.

Person(s) Responsible:

Principal, Assistant Principal, Treasurer

Management Response:

In order to ensure accurate procedures and guidelines relative to the utilization of EESAC funds by the school administration as well as the EESAC committee on behalf of the students, the following corrective and preventive strategies have been instituted:

During the month of September, the Principal met with the EESAC Chair, UTD Representative and the Assistant Principal, subsequently leading to an EESAC meeting held on September 29, 2010 where by-laws were revised and discussed. The EESAC Chair gave all members a copy of the **Educational Excellence School Advisory Council (EESAC) Resource Guide**. Staff from the Office of School Improvement will conduct a workshop dealing with the budgetary process and guidelines to follow to be in

compliance when spending EESAC monies. The workshop will take place on November 17, 2010.

It is expected that after implementation of the above mentioned recommendations, future audit exceptions will be avoided.

For further information regarding this response, please contact, Sandra Banky, Principal at (305) 691-6361.

cc: Dr. Daniel Tosado
Ms. Jennifer Andreu
Ms. Cynthia Gracia

MEMORANDUM

November 9, 2010

TO: Ms. Valtena G. Brown, Region V Superintendent
Region V

FROM: Lilliana C. Albuerne, Principal
Irving and Beatrice Peskoe Elementary



SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF IRVING AND
BEATRICE PESKOE ELEMENTARY SCHOOL

The following is in response to relevant findings in the school audit report for Irving and Beatrice Peskoe Elementary School.

RECOMMENDATION:

1. To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are completed and filed in the folders immediately after the information is entered into ISIS.

Responsible Person: Principal

Management Response:

In order to ensure that the cumulative folders for all ELL students are properly maintained, reviewed, and updated in compliance with guidelines established by the Florida Department of Education, the Principal implemented the following corrective actions and preventative strategies with regard to maintenance of student LEP records.

The Principal directed the Registrar and the ELL Chairperson to review all incoming cumulative student records for accuracy and proper documentation in accordance with School Board rule 6Gx13-5B-1.07 – Student Education Records. All incoming ELL cumulative records are forwarded to the Assistant Principal for further review and to secure missing documents. The Principal is notified in writing of any missing or non-compliant records. All non-compliant documents are corrected and reviewed by the Principal.

The Principal directed the Registrar to review the Home Language Survey during the Registration process and ensure that it was properly completed, dated and signed by the parent/guardian, and that the correct information is entered in the "J" screen.

The Principal directed the Assistant Principal and the ELL Chairperson to work as a team on regular basis and review cumulative records with focused attention to the WLEP plan for all ELL students

The team was directed to review all ELL program Records folder to ensure that the following documents are completed properly: original Home Language Survey (FM5196), Annual WLEP, Copy of all Annual Letters of Participation (FM-6576), ELL Committee Notifications, copy of AMAO's CELLA letters to parents, evidence of all assessments and CELLA reports.

The team was directed to work with the Registrar to ensure that the assessment date, assessment score, ESOL Level, ESOL entry date (actual date student started receiving services in the ESOL program), and basis of entry are correctly entered on the ISIS "J" screen.

The team will review the list of ELL students with six semesters or more and follow the guidelines as stated in the District LEP Plan and Procedures Manual.

The Principal directed the team to conduct mini self-reviews of selected cumulative records for ELL students for compliance utilizing the Division of Bilingual Education and World Languages Procedures Manual. The results will be shared with the Assistant Principal prior to the Principal conducting a final review of the documents. Any anomalies will be corrected immediately.


If you have any questions, please contact me.

cc: Dr. Daniel Tosado
Ms. Cynthia Gracia
Mr. Robert Kalinsky

MEMORANDUM

November 9, 2010

TO: Ms. Valtena G. Brown, Region Superintendent
Region V

FROM: Dr. Columbus Williams, Jr., Principal 
West Homestead Elementary School

**SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF WEST
HOMESTEAD ELEMENTARY SCHOOL**

The following is in response to relevant findings in the school audit report for West Homestead Elementary School.

RECOMMENDATION:

1. **To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, ESOL staff and administration should review ESOL Program Record Folders to make certain that the information is accurate and that all pertinent forms are completed and filed in the folders immediately after the information is entered into ISIS.**

Responsible Person (s): Principal, Assistant Principal, Registrar, and ESOL Teachers

Management Response:

In order to ensure all ELL folders contain current IEP/EP's and Matrix of Service forms which have been properly completed, reviewed and updated, the principal has implemented the following immediate actions and strategies.

The Principal will assume an active role in monitoring all ELL student folders for accuracy and in order to ensure that SPED folders are in full compliance with the guidelines established by the State of Florida, Department of Education and the District.

The Principal, Assistant Principal, ESOL Chairperson and Registrar reviewed the Local Education Agency (LEA) Implementation Guide, and the Matrix of Services Handbook 2004 Revised Edition, requirements to ensure strict adherence to the established procedures for the maintenance of ELL folders, to include documents relevant to FTE funding. Additionally, The Principal held an ELL compliance meeting where notations were reviewed with all ESOL staff. Copies of notations were disseminated to appropriate staff.

The Principal implemented a synchronized sequence of events to be executed immediately upon registering and/or testing students that are identified as ESOL. The Assistant Principal and the ESOL department chairperson will work with teachers to ensure that the cumulative records of all ESOL students are in compliance using the ELL Cumulative Record Checklist (FM-7069).

If the student is a new arrival to the school from another Miami-Dade County School, the registrar will check the computer to determine the student's ESOL status. If it is determined that the student is an active ESOL student, the registrar will contact the sending school and request the LEP folder. When the LEP folder is received, the folder will be forwarded to the assistant principal for a comprehensive review. The Principal will be notified, in writing by the Assistant Principal, of any missing and/or non-compliance documents. Missing documents will be formally requested, via letter, from the sending school's principal.

Students who are tested by the ESOL Teacher and determined to be ESOL will be properly documented, using a LEP checklist, by the ESOL teachers. The ESOL teachers will complete all documents and

forward them to the Assistant Principal for review. The Assistant Principal will conduct a comprehensive review of each LEP folder to determine the status of the folder. Folders that do not comply with District standards will be returned to the ESOL Teacher. The Assistant Principal will document and discuss the errors with the ESOL teacher and request that the errors be corrected immediately. If the folder meets District standards, the folder will be forwarded to the Registrar for data input into ISIS. The folder will be reviewed by the Assistant Principal and/or ESOL Chairperson. Once the registrar inputs the data, the registrar will file the folder in the LEP file cabinet.

Monitoring of LEP folders will be conducted on a quarterly basis. First, a complete accounting of every ESOL student at the school will be conducted by the school's LEP Review Team. The LEP Review Team will consist of the assistant principal and two ESOL teachers. The review team will determine if all of the LEP folders are accounted for. Appropriate measures will be used to locate all missing folders. During the review of the LEP folders, a LEP Monitoring Checklist will be used to review each record. All of the LEP folders that are out-of-compliance will be annotated and placed in the non-compliance bin. Once all of the folders have been reviewed, the review team will correct the non-compliance folders. Finally, the principal will randomly select and review 10 percent of the LEP folders. All of the randomly selected folders must meet District standards. If all of the selected folders do not meet the standard, the review team will be required to review all of the folders for errors. After the second review and correction of the folders, the principal will again randomly select 10 percent of the folders for review. This process will continue until there is a zero percent error rate. At the beginning of the second semester, the principal will request a Region V review of the LEP folders.


If you have questions pertaining to this process, please call me at (305) 248-0812.

cc: Dr. Daniel Tosado
Ms. Cynthia Gracia
Mr. Robert Kalinsky

MEMORANDUM

November 9, 2010

TO: Ms. Valtena G. Brown, Region Superintendent
Region V

FROM: Susan J. Lyle, Principal
Dr. Edward L. Whigham Elementary 

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF DR. EDWARD L. WHIGHAM ELEMENTARY SCHOOL

The following is in response to relevant findings in the school audit report for Dr. Edward L. Whigham Elementary School.

RECOMMENDATIONS

- 1.1 Discuss the procedures for handling and safeguarding collections and for turning over collections for deposit with the entire school staff to create awareness and understanding of the requirements and expectations.
- 1.2 Ensure that deposit bags awaiting the armored car pickup service are maintained in a secure, restricted area.
- 1.3 Designate staff and an administrator to the process of handling the deposits and require that staff inform Principal of any discrepancies with any deposit bags or the armored car service.
- 1.4 Monitor school cafeteria deposits to ensure that deposits are submitted on a daily basis and picked up by the armored car service personnel.
- 1.5 Periodically review the armored car service pick up log to ensure that bags picked up for deposit are duly signed for; and promptly discuss any discrepancies with the armored car service.
- 1.6 Consistently utilize the "Collections/Deposits Log" (FM-7249) to document the placement and removal of deposit bags to be picked up by the armored car service and periodically review the form to ensure that this documentation is accurate and complete.

Responsible Person (s): Principal, Assistant Principal, Treasurer, Cafeteria Manager

Management Response:

In order to ensure that all collections of monies are handled in a secure manner, the Principal implemented the following corrective actions and preventive strategies in regard to the school site policies and procedures for safeguarding school and cafeteria deposits.

The Principal met with the entire staff and reviewed the procedures for turning over collections for deposit to create awareness and understanding of requirements and expectations for the safe handling of all monies.

The Principal implemented systematic measures that will enable her to monitor and safeguard the procedures for depositing funds from the cafeteria. The Cafeteria Manager or authorized designee will turn into the school Treasurer on a daily basis all cafeteria funds in a sealed bag. In the absence of the treasurer, the funds can only be turned in to the Principal or Assistant Principal.

The cafeteria log will be signed stating the amount of the deposit and date by the Cafeteria Manager or Designee and the Treasurer or Administrator. A secure location has been identified, where the sealed bag will be placed with restricted access. The Collections/Deposits Log will be completed at the time the

The teams will conduct a mini self audit of selected cumulative records for compliance using the SPED Program Standards Review (FM-7069) and the Gifted-FTE pre-Audit Checklist before each FTE period.

In addition, at every IEP and EP review the SPED /Gifted Teacher and the Assistant Principal will complete the SPED Program Standards Review form or Gifted-FTE Pre Audit Checklist to assure accuracy. These forms will be kept for reference.

The SPED Services Data Input Sheet (FM-6487) will be accurately completed at all meetings and given to the team to review. The Assistant Principal will review the form and submit it to the registrar for recording purposes.

A data log will be maintained by the Registrar to ensure all SPED and gifted services information is input accurately and in a timely manner. A print out of the screen displaying data entered will be attached and filed in the log. The Principal will randomly monitor and review a percentage of SPED records on a quarterly basis.

On the comment section of the SPED Program Standards Review (FM-7069) form, a line indicating a review of the Easy IEP on-line system will be added to assure that all incoming and annual IEPs have been correctly input in the system.

The SPED team and gifted team will meet with the Registrar to ensure the student's schedule in ISIS reflects information on the IEP/EP. Collaboration/Consultation logs will be kept and reviewed by the SPED Chairperson. The Assistant Principal and Principal will review logs on a quarterly basis.

The Assistant Principal and Principal will conduct daily classroom visitations to ensure SPED students are receiving required services.


If you have any further questions, please contact me.

cc: Dr. Daniel Tosado
Ms. Cynthia Gracia
Mr. Robert Kalinsky
Mr. Steffond Cone

MEMORANDUM

November 9, 2010

TO: Dr. Carmen B. Marinelli, Region Superintendent
Region Center I

FROM: Eric Acosta, Principal 
Palm Springs Middle School

SUBJECT: ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF PALM SPRINGS
MIDDLE SCHOOL FOR THE 2009-2010 FISCAL YEAR

The cited audit findings for the period of July 1, 2009 through June 30, 2010 have been carefully reviewed by the Principal. As a result the Principal has established action plans comprised of definite strategies to implement in order to prevent recurrence.

Recommendations:

- 1.1. Review with staff the Title I program requirements regarding the hiring of substitutes paid with Title I funds to cover non-Title I instructional staff.

Person(s) Responsible: Principal, Assistant Principal, Treasurer, Payroll Clerk

Management Response:

The Principal met with Assistant Principal, Treasurer and Payroll Clerk to review the Title I budget focusing on procedures for using Title I substitute funds and a corrective action plan was developed.

The Principal directed the Treasurer to monitor the available funds in the Title I budget bi-weekly to ensure funds are being adequately utilized and the Payroll Clerk to monitor the substitute payroll on a weekly basis to ensure Title I substitute funds are being properly utilized.

The Principal directed the Assistant Principal in charge of Title I to review the Title I substitute account on a monthly basis with the Payroll Clerk to ensure substitute funds are being properly utilized.

The Assistant Principal and the Payroll Clerk will review the "I" payroll utilizing Form 7090, Temporary Instructor Daily Payroll Attendance Sheet, bi-weekly prior to submitting it to the Principal for final approval.

Recommendations:

- 2.1. If possible, the transferred equipment cited above should be returned back to the school.
- 2.2. In the future, ensure that Title I Administrative Office is contacted to request approval in writing prior to any transfer or disposal of equipment.
- 2.3. Ensure that Title I labels are affixed to equipment purchased with Title I funds.
- 2.4. Discuss with school staff responsible for the management of property those requirements related to the disposal/transfer of equipment purchased with Title I Program funds to create awareness and understanding of the requirements.

Person(s) Responsible: Principal, Assistant Principal, Treasurer,
Microsystems Technician

Management Response:

The Principal contacted the Principal who received the goods and arranged the return of the property back to the school.

The Principal met with selected personnel and Assistant Principal and reviewed the Property Control Procedures for Title I focusing on procedures for discarding obsolete property and a corrective action plan was established as outlined in the Title I Administration Handbook.

A meeting was held with all staff to review the established property control procedures.

The Principal directed all staff to properly protect property located in their work area. The staff was also directed to immediately report any discrepancies as related to missing property to their Department Chair, the Assistant Principal in charge of property and the Principal. The Principal issued a memorandum indicating the importance of safeguarding all doors and windows as they exit classrooms or buildings to avoid future occurrences.

A Property Inventory Confirmation Form will be completed by all staff as part of Opening of Schools Procedures. In addition, an End-of-Year Property Inventory Confirmation Form will be completed by all staff.

It is expected that after implementation of the above mentioned recommendations, future audit exceptions will be avoided.


For further information regarding this response, please contact Mr. Eric Acosta, at (305) 821-2460.

cc: Dr. Daniel Tosado
Ms. Jennifer Andreu
Ms. Cynthia Gracia
Mr. Richard Vidal

MEMORANDUM

November 8, 2010

TO: Dr. Carmen B. Marinelli, Region Superintendent
Region Center I

FROM: Jose Bueno, Principal 
Hialeah-Miami Lakes Senior High School

SUBJECT: **ADMINISTRATIVE RESPONSE TO THE INTERNAL AUDIT REPORT OF HIALEAH-
MIAMI LAKES SENIOR HIGH SCHOOL FOR THE 2009-2010 FISCAL YEAR**

The cited audit findings for the period of July 1, 2009 through June 30, 2010 have been carefully reviewed by the Principal. As a result the Principal has established corrective and preventive measures in order to prevent future occurrences

Recommendations:

- 1.1. Review with staff the procedures for documenting leave, especially when substitutes are required to cover instructional personnel.
- 1.2. Ensure that payroll of employees injured while at work is reported following the proper write-in transaction procedures and that the number of days is properly monitored.
- 1.3. Strengthen the overall review of payroll an ancillary documentation to ensure that the documentation supports the payroll reported.

Responsible Person(s): Principal, Assistant Principal, Payroll Clerk

Management Response:

The Principal met with Principal's designee and Payroll Clerk and reviewed the Payroll Processing Procedures Manual and Weekly Briefing #6707 which establishes procedures for documenting, recording and reporting payroll. A corrective plan was established.

The Principal instituted a plan along with the Payroll Clerk and Principal's Designee to systematically review all payrolls and address areas of concerns. Any anomalies will be corrected immediately.

In addition, a new Payroll Clerk has been assigned for 2010-2011 fiscal year and form 7090, Temporary Instructors Daily Payroll Attendance Sheet will be utilized and reviewed bi weekly by the Principal's designee prior to the Principal approving payroll..

Recommendations:

- 2.1. Review the responsibilities of the Community Involvement Specialist with appropriate staff to create awareness and ensure an understanding of the duties and responsibilities associated with the position.
- 2.2. Ensure that the CIS maintains adequate recordkeeping of parental activities, monthly reports and weekly schedules, and strengthen the review of records maintained by the CIS.

Responsible Person(s):

Principal, Assistant Principal, Community Involvement Specialist

Management Response:

The Principal met with the Assistant Principal assigned to Title I and the CIS and reviewed job responsibilities with the CIS and recordkeeping procedures. The Principal will meet periodically with the Assistant Principal and CIS and review the daily CIS log to ensure that procedures are adhered to, and any discrepancies will be addressed immediately. In addition, the Principal contacted the Title I Project Administrator in order to establish a mentoring relationship with the CIS.

The Principal reviewed Section F of the Title I Administration Handbook with appropriate staff and the handbook was distributed to Title I employees and a signed receipt acknowledging receipt has been filed for future audits. The Principal directed the CIS to provide the administrator with weekly schedules, contact logs and school-parent compacts data report to facilitate the monitoring process and compliance of this requirement..

It is expected that after implementation of the above mentioned recommendations, future audit exceptions will be avoided.

For further information regarding this response, please contact Mr. Jose Bueno, Principal, at (305) 823-1330.

cc: Dr. Daniel Tosado
Ms. Jennifer Andreu
Ms. Cynthia Gracia
Mr. Richard Vidal

MEMORANDUM

November 9, 2010

TO: Nikolai P. Vitti, Assistant Superintendent
Education Transformation Office

FROM: Rennina Turner, Principal
Miami Central Senior High School

SUBJECT: MIAMI CENTRAL SENIOR HIGH SCHOOL—LOCATION 7251 AUDIT RESPONSE
FOR THE 2009 - 10 FISCAL YEAR

The cited audit findings for the period of July 1, 2009 through June 30, 2010, have been carefully reviewed by the Principal. As a result, the Principal has established an action plan comprised of definite strategies to implement in order to prevent recurrence.

- 1.1 Review the disbursement function with staff to ensure awareness and understanding of the procedures.
- 1.2 Designate an administrator to monitor the disbursement function.
- 1.3 Enforce utilization of the purchase ordering system to authorize Internal Fund purchases prior to making them.
- 1.4 Ensure that sufficient funds are available in the accounts prior to authorizing any purchase.
- 1.5 Require that at least three telephone quotes be obtained and included as part of the ancillary documentation, to show that the lowest bid was selected in those instances where an individual purchase exceeds \$1,000 but is less than \$5,000.
- 1.6 Strengthen review of disbursement function to ensure that deadlines for processing payments are observed and acknowledgement of receipt of goods is evident on all invoices.
- 1.7 Enforce utilization of the Complimentary List [FM-6679] to document any time that purchased goods/services are distributed to staff and/or students free of charge.

The Principal has thoroughly reviewed the findings cited in the Internal Funds Audit Report for the 2009 – 2010 fiscal year. There was inadequate control over disbursements resulting in an outstanding liability for \$3,800, dated June 29, 2010. A meeting was conducted with the Treasurer to review, develop and implement a corrective action plan and identify strategies to monitor and ensure future compliance when making purchases and payments to vendors in a timely manner. In addition to the aforementioned, the outstanding unpaid invoice was paid November 9, 2010.

During the meeting, the Principal reviewed Section II, Chapters 4 and 5 of the Manual of Internal Fund Accounting, which established the procedures for internal fund purchases as well as the procedures for making disbursements and maintaining proper accountability and documentation for audit purposes. The Principal instructed the Treasurer to closely monitor the process to ensure accurate procedures are adhered to in a timely manner. The Principal will verify that the procedures are followed as purchase requests are made.

The Principal also instructed the Treasurer to monitor and comply with the disbursement of funds procedures, acknowledging that sufficient, uncommitted funds are available in the internal fund accounting structure where the expenditures are going to be charged.

The Principal, along with the Treasurer will participate in the District supported Money Matters Support Program. The Principal will meet periodically with the Treasurer to review compliance with all procedures related to internal funds purchases and the procedures for making disbursements and maintaining proper accountability and documentation as well as all District weekly briefings relating to Internal Fund purchases.

In addition, the following strategies will also be implemented in order to prevent recurrence in regards to the payroll.

- 2.1 Review payroll procedures with school's staff and administration, particularly as they relate to payroll reporting, recordkeeping, and the preparation of leave cards to ensure understanding and awareness of the procedures.**
- 2.2 Strengthen the supervision over the payroll function and the review of the payroll records to ensure that documentation supports the payroll reported, and that all records are signed by the administration and the employees.**

The Principal has thoroughly reviewed the findings cited in the Internal Funds Audit Report for the 2009 – 2010 fiscal year. There was inadequate reporting and documenting of payroll. A meeting was conducted with the Payroll Clerk and the Cafeteria Manager to review, develop and implement a corrective action plan identifying strategies to monitor and ensure future compliance when reporting and documenting payroll.

During the meeting, the Principal reviewed the Payroll Processing Procedures Manual and Payroll Highlights which establish the procedures for documenting, recording, and reporting the payroll. The Principal instructed the Payroll Clerk as well as the Cafeteria Manager to closely monitor the process to ensure that accurate procedures are adhered to. The Principal will verify that the procedures are followed when reviewing payroll prior to submission.

The Principal also instructed the Payroll Clerk and the Cafeteria Manager to monitor and comply with the procedures set forth when documenting, recording and reporting payroll, acknowledging staff signatures on payroll sheets and providing Leave Cards when participating in Temporary Duty.

The Principal, Payroll Clerk and Cafeteria Manager will participate in the District supported Money Matters Support Program. The Principal will meet periodically with the Payroll Clerk and Cafeteria Manager to review compliance with all procedures related to the reporting and documenting of payroll and all District weekly briefings relating to the procedures for Processing Payroll.


It is expected that after implementation of the above mentioned recommendations, future audit exceptions will be avoided. If additional information is needed, please contact me at (305) 691-5747.

cc: Ms. Martha Montiel

MEMORANDUM

November 9, 2010

TO: Mr. Robert G. Gornito, Administrative Director
District/School Operations

FROM: Gloria F. Evans, Principal 
D. A. Dorsey Educational Center

SUBJECT: RESPONSES TO AUDIT REPORT FOR 2008-2009 AND 2009-2010 SCHOOL YEARS

The cited audit findings for the 2009-2010 school year have been carefully reviewed by the Principal. As a result the Principal has established an action plan comprised of strategies to implement in order to prevent a recurrence.

- 1.1 Discuss the bookkeeping procedures with the Treasurer to create awareness and understanding of the requirements and expectations.
- 1.2 Designate an administrator to ensure the proper accountability and management of the recording of interest, funds transfers, bank charges/credits or similar transactions required to properly reconcile the checking account.
- 1.3 Ensure that districts resources and any additional training are made available to ensure that transactions related to the checking account and monthly reconciliations and stale-dated checks are resolved on a timely manner.
- 1.4 Periodically meet with the designated Assistant Principal and the Treasurer to ensure compliance with the Manual of Internal Fund Accounting guidelines.

The Principal met with the Treasurer and the Assistant Principals and reviewed Section II, Chapter 1, Section II, Chapter 7 and Section V, Chapter 1 of the Manual of Internal Fund Accounting which establishes the guidelines for the posting of transaction related to the checking accounts and savings or investment account of the school.

The Principal reviewed the procedures involving transactions involving the recording of interest, funds transfers, bank charges/credits or similar transactions required to properly reconcile the checking account with the Treasurer and Assistant Principals.

The Principal directed the Treasurer to oversee the checking account and posting to MSAF. Furthermore, the Principal established the following procedures and reviewed with the Assistant Principal and Treasurer: (1) the Treasurer will present to the Principal all MSAF postings to the checking account bi-weekly; and (2) the Principal or designee will compare the MSAF postings to the checking account to the bank statement to assure that the postings accurately reflect the funds received for the month; and (3) any discrepancies will be corrected immediately.

The Principal will collaborate with district office to ensure that the Treasurer be provided a mentor provided by the district and attend training to ensure that pending transactions related to the checking account and monthly reconciliations and stale-dated checks are timely resolved.

- 2.1 Review the posting procedures with the responsible personnel to ensure that monies are posted in a timely manner.
- 2.2 Periodically meet with the Assistant Principal to ensure that all implemented procedures are being followed.
- 2.3 Review the inventory of pre-numbered forms and ensure that they are complete and correct.

The Principal reviewed Section II, Chapter 2 of the Manual of Internal Fund Accounting which establishes the policies and procedures regarding the timely receipting and posting of monies generated from Internal Fund activities with the Treasurer and the Assistant Principals.

The Principal directed the Assistant Principal and the Treasurer to review on a monthly basis all student sales of transportation passes by comparing invoices and credits to receipts posted. Any anomalies will be corrected immediately. Additionally, any passes ordered and not sold by the 5th day of the month are to be returned to the vendor to receive proper credit. A report analyzing the bus pass credits from one month to the next will be provided to the Principal on a monthly basis.

Additionally, to address the Scholarship funds the following procedures were implemented and reviewed with the Registrar and Assistant Principal to implement and ensure accurate accounting for bus passes paid for with Scholarship Funds: (1) Each scholarship student will pick up a Scholarship Disbursement Agreement Form from the registrar. The registrar will indicate the funds available after subtracting the cost of tuition. (2) The student will obtain the title of the book needed for the course from the instructor and report to the bookstore clerk/cashier to get an Authorization for Charge Book and Supplies Form, (3) the books are purchased prior to the disbursement of funds for

bus passes or other items. If the student has available funds for the bus pass, the cost of the bus pass will be processed from these funds. (4) Students whose scholarship funds are not available prior to the purchase of bus passes must pay for the passes and keep the original receipt for reimbursement. Passes will not be purchased if funds are not presented at the time of purchase. (5) All forms will be completed in their entirety prior to filing. (6) All forms with expenditures for bus passes will be submitted to the designated Assistant Principal prior to the purchase of bus passes.

The Principal established procedures and reviewed with the Treasurer regarding pre-numbered forms to ensure accuracy. The Treasurer will conduct a check of all issued receipt books. (2) During the third trimester, on or before June 15, all receipt books will be collected. These procedures will assure that all receipt books are accounted. The designated Assistant Principal will review the inventory with the Treasurer to guarantee accuracy. Any anomalies will be corrected immediately.

- 3.1 Review procedures for receipt of goods and ensure that all invoices indicate the receipt of the goods and services.
- 3.2 Designate an administrator to review and ensure that all internal funds disbursements are posted to the MSAF system on a timely manner.
- 3.3 Ensure that Internal Funds procedures are followed in the timely payment of invoices.
- 3.4 Ensure that disbursements are processed only from original invoices.
- 3.5 The P-card Monthly Reconciliations (FM-5825) were not processed on a timely manner.

The Principal reviewed with the Treasurer Section II, Chapters 4 and 5 of the Manual of Internal Fund Accounting which require that disbursements made with the checks issued from the school's checking account have proper documentation in the forms of an original invoice itemizing the items purchased or the services rendered, or equivalent documentation as provided by the vendor. On a bi-weekly basis the Treasurer will review with the Principal all internal funds disbursements posted to the MSAF system. The Principal will review all documentations, including invoices for "goods received" notations at the time checks are presented for signature. In addition, the Principal reviewed Section III, Chapter 9 of the Manual of Internal Fund Accounting with the Treasurer and the Assistant Principal regarding the P-card guidelines. Effective immediately, upon receipt at the Principal's office, the P-card statement will be stamped with the date received prior to forwarding it to the Treasurer. The Treasurer will submit the P-card Monthly Reconciliation to the Principal no later than 5 days after the statement is received to ensure that monthly reconciliations are processed within 10 days of the receipt of the statement. In the absence of the Principal, the Principal's Designee will perform these functions.

- 3.6 A review of the Tuition Cash Transmittal Reports for the 2008-09 and 2009-10 fiscal years disclosed that tuition fees collected at the school were not timely remitted to the District. Delays of 30 days to almost four months were noted in several instances.

The Principal has developed internal procedures to ensure the timely transmission of Tuition Cash Transmittals. Effective immediately, the Tuition Cash Transmittal Report will be presented to the principal on the fifth day of the month. The report will be reviewed by the Principal and the Treasurer to ensure that collections are accurately reflected in the monthly reconciliation for the Cash Transmittal to occur by the tenth day of the month.

- 3.7 Our review of the Fund 9 reconciliations for the 2008-09 and 2009-10 fiscal years disclosed that Fund 9 expenditures were not being processed for reimbursement on a timely basis, once the school's 25% threshold was being reached. In addition, several Fund 9 reconciliations contained minor errors and funds were not replenished by the end of the fiscal year.

The Principal established a schedule to review Fund 9 reconciliations on the fifteenth day of each month to monitor the accuracy of the monthly report prior to submission to the District office. The Treasurer will keep the running total of the Fund 9 expenditures and report such expenditures to the Principal on a bi-weekly basis to adhere to the established threshold of twenty-five percent, prior to Fund 9 replenishments.

For further information regarding this response, please contact me at (305) 693-2495.

GFE:dlv

cc: Mr. Freddie Woodson
Dr. Daniel Tosado

MEMORANDUM

November 10, 2010
CBM# 011/2010-2011

TO: Mr. Freddie Woodson, Deputy Superintendent
District/School Operations

FROM: Carmen B. Marinelli, Region Superintendent *C.B. Marinelli*
Region Center I

SUBJECT: RESPONSE TO INTERNAL AUDIT REPORTS OF REGION CENTER I SCHOOLS

The following is a response to relevant findings in the school audit reports of Benjamin Franklin Elementary School, Miami Park Elementary School, Palm Springs Middle School and Hialeah-Miami Lakes Senior High School.

Region Center I has reviewed the audit responses for the above mentioned schools. As a result of the audit findings, the following support activities will be implemented at the Region level:

Benjamin Franklin Elementary School

- 1.1. Discuss receipting and depositing procedures with staff for understanding and awareness of the requirements.
- 1.2. Provide the necessary support to the Treasurer for making deposits more frequently.
- 1.3. Strengthen the review and oversight over the receipting, collecting and depositing functions to ensure that monies are timely receipted, deposited and properly recorded.
- 1.4. Ensure that the Collections/Deposits Log (FM-7249) is utilized to document those deposit packages awaiting the armored car pickup service.
- 1.5. Plan and allocate staff and resources accordingly to ensure the proper accountability and management of field trip funds.
- 1.6. Discuss and reinforce the procedures relative to the accounting of field trips revenues through the internal funds of the school and the posting of transactions to the accounts.
- 1.7. Institute a schedule for the collection of field trip funds to prevent commingling of funds from the different activities.
- 1.8. Periodically monitor field trips accounts to ensure compliance with bookkeeping guidelines.
 - The Region Center I Administrative Director will periodically review the field trip accounts at the school.
 - The affected Principal has been required to address specific fiscal management in her job targets on the Performance Planning and Assessment System Planning Form and provide progress points and evidence of progress to improve business and professional standards for effectiveness and efficiency.

Miami Park Elementary School

- 1.1. Discuss the procedures for handling receipting and collecting monies, and turning over collections for deposit with the entire school staff to create awareness and ensure understanding of the requirements and expectations.
- 1.2. Ensure that school staff and any school-allied organizations such as the PTSA understand that financial activities of the school and the allied organization must be conducted separately. Specifically, school employees cannot handle money or merchandise for a

school-allied organization chartered at the school where they are employed. Similarly, any invoices corresponding to PTSA activities must be addressed to the school-allied organization and not the school.

- 1.3. Ensure that any potential activities of the school allied organization are brought to the attention of the school administration for approval and the proper approval forms are completed, signed and filed with the school records.
 - The Region Center I Business Administrative Director instructed the Principal not to commingle PTSA funds with school funds.
 - The Region Center I Administrative Director will periodically review the fund raising accounts at the school.
- 2.1. Discuss and reinforce the procedures relative to the accounting of field trips revenues through the internal funds of the school and the posting of the transactions to the accounts.
- 2.2. Institute a schedule for the collection of field trip funds to prevent commingling of funds from the different activities.
- 2.3. Direct staff to refrain from paying vendors directly from the cash collected from any of the school activities.
- 2.4. Periodically monitor field trips accounts to ensure compliance with bookkeeping guidelines.
 - The Region Center I Business Administrative Director directed the Principal not to ever pay invoices with cash.
 - The Region Center I Business Administrative Director has reviewed the schedule for the collection of field trip funds.
- 3.1. Provide the EESAC Committee with a copy of the Miami-Dade County's Educational Excellence School Advisory Council (EESAC) Resource Guide.
- 3.2. Discuss the EESAC budgetary process with the EESAC Committee for understanding and awareness of the requirements.
- 3.3. Ensure that the official committee minutes include clear and accurate description as to the use of the funds and the corresponding approval prior to making any expenditure.
- 3.4. Ensure that a quorum based on the school's bylaws is determined before approving the use of EESAC funds.
- 3.5. Update the school's bylaws on file and ensure that the information is up-to-date and relevant.
 - The Region Center I Business Administrative Director will periodically review EESAC meeting minutes to ensure compliance.

Palm Springs Middle School

- 1.1. Review with staff the Title I program requirements regarding the hiring of substitutes paid with Title I funds to cover non-Title I instructional staff.
 - The Region Center I Business Administrative Director instructed the Principal to thoroughly review the Payroll Processing Procedures Manual and the Title I Administration Handbook.
 - The Region Center I Administrative Director will periodically review the "I" payroll to ensure accuracy.
- 2.1. If possible, the transferred equipment cited above should be returned back to the school.
- 2.2. In the future, ensure that Title I Administrative Office is contacted to request approval in writing prior to any transfer or disposal of equipment.
- 2.3. Ensure that Title I labels are affixed to equipment purchased with Title I funds.

- 2.4. **Discuss with school staff responsible for the management of property those requirements related to the disposal/transfer of equipment purchased with Title I Program funds to create awareness and understanding of the requirements.**
- The Region Center I Business Administrative Director immediately contacted the Principal of the receiving school and had all Title I equipment returned back to the school.
 - The Region Center I Administrative Director will periodically review property to ensure Title I equipment is labeled.

Hialeah-Miami Lakes Senior High School

1.1. **Review with staff the procedures for documenting leave, especially when substitutes are required to cover instructional personnel.**

1.2. **Ensure that payroll of employees injured while at work is reported following the proper write-in transaction procedures and that the number of days is properly monitored.**

1.3. **Strengthen the overall review of payroll an ancillary documentation to ensure that the documentation supports the payroll reported.**

- The Region Center I Business Administrative Director instructed the Principal to thoroughly review the Payroll Processing Procedures Manual.
- The Region Center I Administrative Director will periodically review the payroll to ensure accuracy.

2.1. **Review the responsibilities of the Community Involvement Specialist with appropriate staff to create awareness and ensure an understanding of the duties and responsibilities associated with the position.**

2.2. **Ensure that the CIS maintains adequate recordkeeping of parental activities, monthly reports and weekly schedules, and strengthen the review of records maintained by the CIS.**

- The Region Center I Business Administrative Director instructed the Principal to thoroughly review the M-DCPS Title I Administration Handbook.
- The Region Center I Business Administrative Director directed the Principal to monitor the CIS parent contact log and schedule on a weekly basis.

Additionally, the effected Principals will participate in the District's Money Matters Support Program. Region Center I staff will continue to work the Principals to promote efficient fiscal practices.


For further information regarding this response, please contact me at (305) 687-6565.

cc: Dr. Daniel Tosado
Ms. Jennifer Andreu
Ms. Cynthia Gracia
Mr. Richard Vidal

M E M O R A N D U M

November 10, 2010
VGB/2009-10#022

TO: Mr. Freddie Woodson, Deputy Superintendent
District/School Operations

FROM: Mrs. Valtena G. Brown, Region Superintendent 
Region V

SUBJECT: AIR BASE ELEMENTARY SCHOOL, GOULDS ELEMENTARY SCHOOL, IRVING AND BEATRICE PESKOE ELEMENTARY SCHOOL, WEST HOMESTEAD ELEMENTARY SCHOOL AND DR. EDWARD L. WHIGHAM ELEMENTARY SCHOOL RESPONSE TO AUDIT EXCEPTIONS FOR THE 2009-2010 FISCAL YEAR

Please find attached the responses to the internal funds audit for the 2009-2010 fiscal year for the five schools listed; Air Base Elementary School, Goulds Elementary School, Irving and Beatrice Peskoe Elementary School, West Homestead Elementary School and Dr. Edward L. Whigham Elementary School. The following support activities will be implemented at the Region level:

GOULDS ELEMENTARY SCHOOL

Payroll for Temporary Instructors - Recommendations 1.1, 1.2

The Region V Business/Personnel Director will meet with the principal quarterly to review payroll processing procedures. The Administrative Director will review payroll processes during regular visits to the school and will review completed payrolls with the principal to ensure compliance with established procedures. The principal will forward payroll for temporary instructors to the Administrative Director periodically in order to ensure that those instances where the Temporary Instructor is not being charged against a teacher, that a memorandum of explanation is kept on file.

Title I hourly and Non-salary Accounts - Recommendations 2.1, 2.2, 2.3, 2.4

The Region V Business/Personnel Director will request a copy of the spreadsheet utilized by the principal after each payroll cycle in order to provide an additional monitoring mechanism of the Title I Hourly and Non-Salary Accounts. The Administrative Director will review and request that the principal process transfer of funds as appropriate. The Title I Hourly Fund calculator created by the Principal will be reviewed bi-weekly in order to best project expenditures for the fiscal year. This will provide for timely transfers as appropriate to ensure that the school has revenues to cover projected annual expenditures.

Administrative Director will review the spending plans for Title I programs in order to best utilize available resources and to target specific academic areas. Shopping Cart and Open Purchase Orders will be reviewed with the Principal on a monthly basis to ensure that invoices are paid prior to the closing of the fiscal year.

Recordkeeping of Title I Activities and the Community Involvement Specialist Responsibilities - Recommendations 3.1, 3.2, 3.3

The Region V Business/Personnel Director will review Title I recordkeeping procedures with the Principal. The Administrative Director will review with the Principal the documentation to ensure that the Community Involvement Specialist carries out his or her responsibilities in accordance with procedures delineated in the Title I Administration Handbook for 2010-2011.

IRVING AND BEATRICE PESKOE ELEMENTARY SCHOOL / WEST HOMESTEAD ELEMENTARY SCHOOL

Discrepancies in English Language Learners' (ELL) Student Records Resulted in Potential FTE Funding Disallowances – Recommendation

The Region V Administrative Director for Business/Personnel will solicit assistance from the Bilingual Department, as well as the Region personnel responsible for ELL compliance, to conduct mini reviews quarterly in selected areas of the ELL Program to ensure compliance at Irving and Beatrice Peskoe Elementary and West Homestead Elementary Schools. The Region V Business/Personnel Director will review the results of the mini reviews with the Principals and facilitate any corrections as necessary. The Region V Administrative Director will direct the Principals to prepare a check list in cooperation with the Bilingual Department to ensure that all ELL records are carefully reviewed in order to comply with established procedures.

AIR BASE ELEMENTARY SCHOOL & DR. EDWARD L. WHIGHAM ELEMENTARY SCHOOL

Inadequate Controls Over Safeguarding of Cafeteria Deposits – Recommendations 1.1, 1.2, 1.3, 1.4, 1.5, 1.6

The Region V Business/Personnel Director will meet with the Principals of Air Base Elementary and Dr. Edward L. Whigham Elementary Schools to review processes and procedures for handling and safeguarding of cafeteria deposits. The Administrative Director will review procedures put in place during quarterly visits and periodic unannounced visits to the schools, in order to support the efforts of these Principals to provide maximum security with regards to cafeteria deposits. The Region V Superintendent will request that regular site visits be completed by the Department of Food and Nutrition and that feedback be provided to the Region V Business/Personnel Director. The Region will further request that the Controller's Office provide timely information in regards to cafeteria deposit discrepancies.

Discrepancies in Special Education Student Records (Dr. Edward L. Whigham Elementary School) - Recommendations 2.1, 2.2, 2.3

The Region V Business/Personnel Director will solicit assistance from the Division of Special Education as well as the Region V Director for Exceptional Student Education and his staff, to conduct mini reviews each semester to ensure that Gifted and SPED folders contain current EP's/IEPS, and to ensure maintenance of service forms have been properly completed. The Region staff will provide necessary training for the Principal and appropriate staff members to guarantee accuracy of SPED information.

School staff will utilize a Records Review Checklist to further ensure compliance with SPED records and the Gifted-FTE Pre Audit Checklist to ensure accuracy.

The Region Business/Personnel Director will review personnel assigned to exceptional education programs to make sure that teachers assigned to SPED classrooms are consistently providing services to SPED students.

The Region V Instructional Supervisor for Exceptional Student Education will randomly review and monitor a percentage of SPED records and EP's and will report these findings to the Region Advocacy Director and the Region V Business/Personnel Director. Immediate corrective actions will be put in place as necessary.

Additionally, the effected principals will participate in the District's Money Matters Support Program during the 2010-2011 school year. The Principals will be required to address the specific audit findings in their job targets on the Performance Planning and Assessment System Planning Form and provide progress points and evidence of progress to ensure effective and efficient practices.


If you need additional information, please contact me at (305) 252-3041. Thank you for your continued support and assistance.

Cc Dr. Daniel Tosado
Ms. Cynthia Gracia
Mr. Steffond Cone
Mr. Robert L. Kalinsky
Ms. Helene Chait

MEMORANDUM

November 19, 2010

TO: Mr. Freddie Woodson, Deputy Superintendent
District/School Operations

FROM: 
Robert G. Gornito, Administrative Director
District/School Operations

SUBJECT: DISTRICT/SCHOOL OPERATIONS—ADULT AND COMMUNITY
EDUCATION'S RESPONSE TO D.A. DORSEY EDUCATIONAL CENTER'S
AUDIT EXCEPTIONS FOR THE 2008-2009 AND 2009-2010 SCHOOL YEARS

Attached please find the response to the internal funds audit for the 2008-2009 and 2009-2010 fiscal years for D.A. Dorsey Educational Center. District/School Operations—Adult and Community Education staff has reviewed the audit exceptions cited. The following activities will be implemented:

- The Principal will confer with District/School Operations—Adult and Community Education staff to ensure compliance with all guidelines found in the Manual of Internal Fund Accounting to prevent future exceptions in the Internal Fund accounts by conducting bi-monthly school site reviews.
- Staff from District/School Operations—Adult and Community Education have reviewed selected areas of the Internal Funds procedures to include student bus pass reconciliations, deposits and disbursements on a bi-monthly basis during the 2010-2011 school year with the school Principal. Particular attention will be provided to the timely processing of deposits and disbursements.
- The Principal will participate, effective immediately, in the district's mandatory Money Matters Support Program.

District/School Operations—Adult and Community Education will continue to work with the Principal to review records and ensure that all guidelines are being observed, therefore, promoting efficient fiscal practices. Should you have any questions, please contact me at 305 995-7582.


RGG:dlv
M027

cc: Dr. Daniel Tosado
Ms. Cynthia Gracia

MEMORANDUM

November 9, 2010

TO: Jose Montes de Oca, Chief Auditor
Office of Management and Compliance Audits

FROM: Nikolai P. Vitti, Assistant Superintendent 
Education Transformation Office

SUBJECT: **ADMINISTRATIVE RESPONSE TO INTERNAL AUDIT REPORT OF
MIAMI CENTRAL SENIOR HIGH SCHOOL**

The following is submitted in response to the Internal Audit Report of Miami Central Senior High School.

RECOMMENDATIONS

Inadequate Controls Over Disbursements

- 1.1 Review the disbursement function with staff to ensure awareness and understanding of the procedures.
- 1.2 Designate an administrator to monitor the disbursement function.
- 1.3 Enforce utilization of the purchase ordering system to authorize Internal Fund purchases prior to making them.
- 1.4 Ensure that sufficient funds are available in the accounts prior to authorizing any purchase.
- 1.5 Require that at least three telephone quotes be obtained and included as part of the ancillary documentation, to show that the lowest bid was selected in those instances where an individual purchase exceeds \$1,000 but is less than \$5,000.
- 1.6 Strengthen review of disbursement function to ensure that deadlines for processing payments are observed and acknowledgement of receipt of goods is evident on all invoices.
- 1.7 Enforce utilization of the Complimentary List [FM-6679] to document any time that purchased goods/services are distributed to staff and/or students free of charge.
 - The ETO Business/Personnel Administrative Director will conduct site reviews to ensure compliance with all guidelines found in Section II, Chapters 4 and 5 of the Manual of Internal Fund Accounting, ensuring procedures for making purchases and disbursements are adhered and proper documentation is maintained.
 - The ETO Business/Personnel Administrative Director will meet with the Principal to review that all purchases are made in accordance with School Board Rule 6G-X13-3C-1.7, Payment for Goods and Services. Additionally, Purchase Order Requisition Logs, Invoices, and all related documentation will be reviewed to ensure that record keeping procedures are intact, organized and dealt with in a timely manner.

- 2.1 Review payroll procedures with schools staff and administration, particularly as they relate to payroll reporting, recordkeeping, and the preparation of leave cards to ensure understanding and awareness of the procedures.
- 2.2 Strengthen the supervision over the payroll function and the review of the payroll records to ensure that documentation supports the payroll reported, and that all records are signed by the administration and the employees.
- The ETO Business/Personnel Administrative Director will review and monitor the systematic approach developed to ensure that payroll procedures are properly maintained. This will include a review of the calculations of hours recorded for hourly employees, verify that the daily payroll corresponds to employee's actual attendance, identify appropriate leave types on leave cards, attach appropriate documentation to leave cards, etc.
 - The ETO Business/Personnel Administrative Director will conduct bi-monthly site-reviews to ensure compliance with all guidelines found in the Payroll Processing Procedures Manual.
 - The Principal will participate, effective immediately, in the District's mandatory Money Matters Support Program.

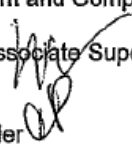
The Education Transformation Office will continue to work with the Principal to promote efficient fiscal practices. Should you have any questions, please contact me at (305) 995-1930.


cc: Martha Montiel, Administrative Director

MEMORANDUM

RHH:33
November 16, 2010
305-995-1225

TO: Mr. Jose F. Montes de Oca, Chief Auditor
Office of Management and Compliance Audits

FROM: Richard H. Hinds, Associate Superintendent and Chief Financial Officer
Financial Services 

BY: Connie Pou, Controller 
Office of the Controller, Cost and Business Services Section

**SUBJECT: RESPONSE TO THE INTERNAL AUDIT – SCHOOL AUDIT OF AIR
BASE AND DR. EDWARD L. WHIGHAM ELEMENTARY SCHOOLS**

Attached is a response to the above mentioned audit report.

Should you have any questions or need clarifications, please do not hesitate to contact me at 305-995-1225, or Ms. Connie Pou, Controller, Office of the Controller, at 305-995-2001.

RHH:as

Attachment

cc: Ms. Connie Pou

Observation #1: INADEQUATE CONTROLS OVER SAFEGUARDING OF CAFETERIA DEPOSITS

DR. EDWARD L. WHIGHAM ELEMENTARY SCHOOL:

- 1.7 *Ensure that cafeteria deposit discrepancies are duly notified to affected school site and District administration and promptly resolved.*

Management concurs with the recommendation and will communicate any discrepancies to the school's Principal and to Food & Nutrition on a timely basis. Additionally, staff is working with ITS to develop reports and system enhancements in SAP that will facilitate the reconciliation process of daily deposits for over 350 school cafeterias. It is anticipated that with the development of these reports and system enhancements the Food Service Accounting Unit will be in a position to notify the school's Principal and Food & Nutrition of any discrepancy within 10 business days.

Observation #1: INADEQUATE CONTROLS OVER CAFETERIA DEPOSITS

AIR BASE ELEMENTARY SCHOOL:

- 1.6 *Ensure that cafeteria deposit discrepancies are duly notified to affected school site and District administration and promptly resolved.*

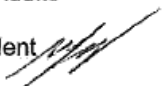
Management concurs with the recommendation and will communicate any discrepancies to the school's Principal and to Food & Nutrition on a timely basis. Additionally, staff is working with ITS to develop reports and system enhancements in SAP that will facilitate the reconciliation process of daily deposits for over 350 school cafeterias. It is anticipated that with the development of these reports and system enhancements the Food Service Accounting Unit will be in a position to notify the school's Principal and Food & Nutrition of any discrepancy within 10 business days.



MEMORANDUM

November 18, 2010
MMM#004/2010-11

TO: Mr. Jose F. Montes de Oca, Chief Auditor
Office of Management and Compliance Audits

FROM: Marcos M. Moran, Assistant Superintendent 
District/School Operations

SUBJECT: **AUDIT RESPONSE OF CAFETERIA DEPOSIT ACTIVITY, AIR
BASE ELEMENTARY AND DR. EDWARD L. WHIGHAM
ELEMENTARY**

In response to the Cafeteria Deposit Activity conducted by the Office of Management and Compliance Audits, the Department of Food and Nutrition has summarized its response to the finding outlined in the report.

Attached please find recommendations prepared by Ms. Penny Parham, Administrative Director, and staff from the Department of Food and Nutrition; this administrator concurs with the actions outlined in the plan.

If you have any questions, please contact me at 305-995-1456.

Thank you for your continued support and assistance.

MMM:mvo
Attachment

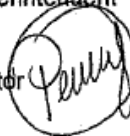
DEPARTMENT OF FOOD AND NUTRITION

MEMORANDUM

November 18, 2010
PP/2010-2011/#2026
786-275-0420

TO: Dr. Marcos M. Moran, Assistant Superintendent
District/School Operations

FROM: Penny Perham, Administrative Director
Department of Food and Nutrition



SUBJECT: **AUDIT RESPONSE OF CAFETERIA DEPOSIT ACTIVITY, AIR BASE
ELEMENTARY AND DR. EDWARD L. WHIGHAM ELEMENTARY**

In response to the Cafeteria Deposit Activity conducted by the Office of Management and Compliance Audits, the Department of Food and Nutrition has summarized its response to the finding outlined in the report. The finding has been addressed and corrective action has been established.

Recommendations:

Strengthen monitoring over cafeteria deposit activity.

Responsible Department: Department of Food and Nutrition

Management Response:

To strengthen the monitoring over cafeteria deposit activity, the Department of Food and Nutrition has implemented the following: programs to reduce the volume of cash handled in the cafeteria; requested and received bank reconciliation reports from the Food Service Accounting office; and updated and revised internal procedures regarding bank deposits at the site level.

To decrease the total volume of cash handled in the cafeteria the Department of Food and Nutrition has initiated an on-line payment program, pre-paid student meal accounts, and cash-less reimbursable vending machines. The on-line payment program, www.paypams.com, has been in operation since August 2006 and has collected a total of \$8.3 million in on-line cafeteria payments. This program allows parents to pay by credit or debit card. In school year 2010/2011 total collections from on-line payments was \$2.9 million. Additionally, all student meal accounts allow for pre-payment for both meals and a la carte purchases. Pre-paid accounts are also available and encouraged for staff and adults at the school. The Department of Food and Nutrition has secured a grant for reimbursable meal vending machines that will dispense meals by student ID and

will not accept cash. The cash-less reimbursable meal vending machines will begin installation at senior high schools in January 2011.

The Department of Food and Nutrition has requested notifications from the Food Service Accounting Office regarding the bank reconciliation discrepancies of daily deposits for school sites. Food Service Accounting anticipates that with the development of new reports and system enhancements the Food Service Accounting Unit will be in a position to notify the school's Principal and The Department of Food and Nutrition of any discrepancy within ten business days for administrative follow-up at the site.

The Department of Food and Nutrition has also revised and updated internal operating procedures E-5: Cash Counting Procedures and E-12: Preparing Bank Deposits for the start of the 2010/2011 school year. All food service managers were trained in the revised procedures at district in-service meetings held on August 17, 2010, August 18, 2010 and September 9, 2010. The procedures were updated to indicate step by step cash counting, and preparation of the deposit bag for school site managers.

The Department of Food and Nutrition now requires all site supervisors to complete a Cash Control Compliance review at all assigned school sites. On September 2, 2009, the Food and Nutrition Site Supervisor of Air Base Elementary resigned and this position could not be filled until August 12, 2010. The school site assigned to the retired supervisor was added to the current staff's workload. Food Service Site Supervisors are required to submit the electronic Cash Control Compliance report for each school supervised effective with school year 2010/2011.

To strengthen controls over the cafeteria deposit activity, the Department of Food and Nutrition has reduced the volume of cash handled at sites, improved bank reconciliation reporting received from the Food Service Accounting Office to the Department, and enhanced procedures and monitoring at the school site level.

If additional information is required, please feel free to contact me at 786-275-0420.

PP:ayw

cc: Ms. Olga Botero

MEMORANDUM

November 16, 2010

TO: Mr. Jose Montes de Oca, Chief Auditor
Office of Management and Compliance Audits

FROM: Freddie Woodson, Deputy Superintendent
District/School Operations

SUBJECT: **DISTRICT/SCHOOL OPERATIONS' RESPONSE TO SCHOOLS IN REGION I,
REGION V AND D.A. DORSEY EDUCATIONAL CENTER**

District/School Operations has reviewed the audit exceptions cited for the 2008-2009 and 2009-2010 fiscal years for Air Base Elementary School, Goulds Elementary School, Irving and Beatrice Peskoe Elementary School, West Homestead Elementary School, Dr. Edward L. Whigham Elementary School, D. A. Dorsey Educational Center, Benjamin Franklin Elementary, Palm Springs Middle School, Hialeah Miami Lakes Senior High and Miami Park Elementary School.

- District/School Operations will review results quarterly of the District/Region Business Directors reviews of selected areas of Payroll, Internal Funds, Student Bus Pass Reconciliations, deposits and disbursements. Discrepancies will be investigated through the appropriate District/Regional Center office.
- District/School Operations will review the spreadsheet of projected expenditures on a monthly basis in order to monitor the timely transfers and avoid over expenditures of Title I hourly and non-salary accounts. Additionally, will request from the Region Business Directors written documentation of reviews held with Principal regarding Title I Program policies and procedures.
- District/School Operations will work cooperatively with the Region in providing assistance from District's Bilingual Department and Food & Nutrition office, respectively. Furthermore, District/School Operations will keep on file Region results of the mini-reviews held with Principals in selected areas noted in these schools' audit responses.
- The Money Matters Support Program will provide information on the proper implementation of Title I Policies and Procedures; Internal Funds and appropriate purchases; properly completing and updating the ELL documents to reduce the probability of consequential funding disallowances, and adequate controls with Food Service deposits.

District/School Operations will continue to work with principals to promote efficient fiscal practices. Should you have any questions, please contact me at (305) 995-2938.

 FW

FW:cg
M159

cc: Dr. Daniel Tosado
Region Superintendents
Region Business Directors

The School Board of Miami-Dade County, Florida, adheres to a policy of nondiscrimination in employment and educational programs/activities and programs/activities receiving Federal financial assistance from the Department of Education, and strives affirmatively to provide equal opportunity for all as required by:

Title VI of the Civil Rights Act of 1964 - prohibits discrimination on the basis of race, color, religion, or national origin.

Title VII of the Civil Rights Act of 1964, as amended - prohibits discrimination in employment on the basis of race, color, religion, gender, or national origin.

Title IX of the Education Amendments of 1972 - prohibits discrimination on the basis of gender.

Age Discrimination in Employment Act of 1967 (ADEA), as amended - prohibits discrimination on the basis of age with respect to individuals who are at least 40.

The Equal Pay Act of 1963, as amended - prohibits sex discrimination in payment of wages to women and men performing substantially equal work in the same establishment.

Section 504 of the Rehabilitation Act of 1973 - prohibits discrimination against the disabled.

Americans with Disabilities Act of 1990 (ADA) - prohibits discrimination against individuals with disabilities in employment, public service, public accommodations and telecommunications.

The Family and Medical Leave Act of 1993 (FMLA) - requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons.

The Pregnancy Discrimination Act of 1978 - prohibits discrimination in employment on the basis of pregnancy, childbirth, or related medical conditions.

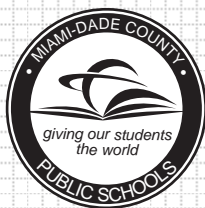
Florida Educational Equity Act (FEEA) - prohibits discrimination on the basis of race, gender, national origin, marital status, or handicap against a student or employee.

Florida Civil Rights Act of 1992 - secures for all individuals within the state freedom from discrimination because of race, color, religion, sex, national origin, age, handicap, or marital status.

School Board Rules 6Gx13- 4A-1.01, 6Gx13- 4A-1.32, and 6Gx13- 5D-1.10 - prohibit harassment and/or discrimination against a student or employee on the basis of gender, race, color, religion, ethnic or national origin, political beliefs, marital status, age, sexual orientation, social and family background, linguistic preference, pregnancy, or disability.

Veterans are provided re-employment rights in accordance with P.L. 93-508 (Federal Law) and Section 295.07 (Florida Statutes), which stipulate categorical preferences for employment.

**INTERNAL AUDIT REPORT
SELECTED SCHOOLS
DECEMBER 2010**



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