



## ***Miami-Dade County Public Schools***

# ***Internal Audit Report Selected Schools/Centers***

*The Financial Statements Were Fairly Stated  
For Most Schools/Centers In This Report.*

*At Seven Schools/Centers, Controls Over  
The Bookkeeping Of The Internal Funds;  
The Supervision Over The Disbursement  
And Payroll Functions; Compliance With FTE  
Procedures And Title I Program Guidelines;  
And The Management Of Property Need  
Improvement. At One Of These  
Schools/Centers, We Discovered A  
Misappropriation Of Funds.*

*Property Inventory Results Were Satisfactory  
For Most Schools/Centers Reported Herein.*

**December 2016**

## **THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA**

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# Miami-Dade County Public Schools

*giving our students the world*

**Superintendent of Schools**  
**Alberto M. Carvalho**

**Chief Auditor**  
**Jose F. Montes de Oca, CPA**

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**Mari Tere Rojas**

November 28, 2016

The Honorable Chair and Members of The School Board of Miami-Dade County, Florida  
Members of The School Board Audit and Budget Advisory Committee  
Mr. Alberto M. Carvalho, Superintendent of Schools

Ladies and Gentlemen:

This report includes the audit results of 60 schools/centers currently reporting to the North Region Office, the Central Region Office, the South Region Office, the Office of Adult/Vocational, Alternative and Community Education Centers or the Division of Exceptional Student Education. The audit period of 48 of 60 schools/centers is two fiscal years ended June 30, 2016, while the audit period of the remaining 12 schools/centers is a one fiscal year ended June 30, 2016. At 22 schools/centers, there was a change of Principal since the prior audit. This group of school audits also includes the results of the first audit of the Internal Funds corresponding to BioTECH@Richmond Heights 9-12 High School.

The main objectives of these audits were to express an opinion on the financial statements of the schools/centers, evaluate compliance with District policies and procedures, and ensure that assets were properly safeguarded. The audits included a review of internal funds at all 60 schools/centers. On a selected basis, we reviewed Title I Program procedures and Full-Time Equivalent (FTE) reporting and student records. Mostly as a follow-up to prior audit findings, we reviewed Payroll's time and attendance and documentation procedures, the Purchasing Card Program procedures and documentation, and certain aspects of school site data security. The audits also included the results of property inventories at all schools/centers reported herein.

Audit results proved satisfactory at 53 of the 60 schools/centers reported herein. Notwithstanding the individual school findings included in this report, the financial statements of most of the schools/centers reported herein were fairly stated. At one of the seven schools/centers with findings, we assisted the Office of the Inspector General (OIG) substantiate one of their cases where the former Athletic Director admitted to mishandling collections received from student-athletes to pay for athletic insurance and fees. The results of that audit are included herein. During the audit, the former Athletic Director decided to retire from the school system. The OIG case, which was referred to the State Attorney's Office, resulted in that the former Athletic Director was charged with Grand Theft, 3<sup>rd</sup> Degree and was taken to jail. At the other six schools/centers, our audits pointed to deficiencies in the execution of the bookkeeping function, improper controls over the disbursement of funds, lapses in compliance with the reporting and documenting of payroll, non-compliance with certain Title I Program guidelines, discrepancies with FTE records and procedures, and inadequate controls over the management of property. Property inventory results for most schools/centers reported herein were satisfactory.

We discussed the audit findings with school, region and district administrations, and their responses are included in this report. In closing, we would like to thank the schools/centers' 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



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## EXECUTIVE SUMMARY

The Office of Management and Compliance Audits has completed the audits of 60 schools/centers, of which 17 report to the North Region Office, 14 report to the Central Region Office, 27 report to the South Region Office, one reports to the Office of Adult/Vocational, Alternative and Community Education Centers within School Operations, and one reports to the Division of Exceptional Student Education within the District. For 48 of the 60 schools/centers reported herein, the scope of our audits constituted two fiscal years ended June 30, 2016. For the remaining 12 schools/centers, the scope of the audit was one fiscal year ended June 30, 2016. At 22 schools/centers, there was a change of Principal since the prior audit. In addition, this group includes the first audit results of the Internal Funds corresponding to BioTECH@Richmond Heights 9-12 High School.

The audits disclosed that 53 of the 60 schools/centers reported herein maintained their records in good order and in accordance with prescribed policies and procedures. The seven schools/centers with audit findings and the affected areas are as follows:

Work Loc. No.	School/Center	Region Office	Total Findings Per School/Center	Finding Per Category						
				Misappropriation of Funds	Bookkeeping	Disbursements	Payroll	Title I Program	FTE	Property
5481	1.Treasure Island Elementary	North	3		1	1	1			
8151	2.Robert Renick Ed. Center	North	2		1	1				
1801	3.Fairlawn Elementary	Central	1						1	
2661	4.Kensington Park Elementary	Central	1						1	
6031	5.Brownsville Middle	Central	2					1		1
6011	6.Georgia Jones-Ayers Middle	Central	1					1		
6081	7.Cutler Bay Senior	South	1	1						
	<b>Total</b>	<b>7</b>	<b>11</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>1</b>

As depicted in the table above, at one of the schools, we identified a misappropriation of funds. This was an investigative case spearheaded by the Office of the Inspector General (OIG), where internal audit staff assisted the OIG with the audit of the internal funds of the school; and where we discovered that the former Athletic Director had misappropriated student collections related to student-athlete insurance. The results of that audit are included herein. During the audit, the former Athletic Director retired from the school system. The OIG investigation resulted in that the former Athletic Director was charged with Grand Theft, 3<sup>rd</sup> Degree and was taken to jail. At the other six schools, we noted certain deficiencies in the execution of the bookkeeping function, improper controls over the disbursement of funds, lapses in compliance with the reporting and documenting of payroll, non-compliance with certain Title I Program guidelines, discrepancies with FTE records and procedures, and inadequate controls over the management of property.

A Summary Schedule of Audit Findings listing audit results of current and prior audit periods for all schools/centers in this report is presented on pages 28-33. Responses are included following the recommendations in the *Findings and Recommendations* section of this report (Pages 52-103); and in the Appendix section in memorandum format (Pages 115-139).

*Notwithstanding the conditions and findings reported herein, at 59 of the 60 schools/centers reported herein, the financial statements present fairly, in all material respects, the changes in fund balances arising from the financial transactions of the schools/centers during the 2014-2015 and 2015-2016 fiscal years up to the MSAF End Date (depending on the school audited, as noted in the Accounting System Conversion Schedule on pages 40-43), on the cash basis of accounting; and from the eSAS System Available Conversion Date (depending on the school audited, as noted in the Accounting System Conversion Schedule on pages 40-43) up to June 30, 2016, on the full accrual basis of accounting. At Robert Renick Educational Center, due to the material bookkeeping deficiencies disclosed in the audit finding, which happened between December 1, 2015 and June 30, 2016 under the eSAS system, and which affected total receipts and disbursements reported for the 2015-2016 fiscal year, the financial statement did not fairly represent the changes in fund balances from its financial transactions.*

*As of June 30, 2015, for 48<sup>1</sup> schools/centers reported herein, total combined receipts and disbursements amounted to \$10,955,029.49 and \$(10,934,995.37), respectively; while total combined cash and investments amounted to \$1,899,806.74 (Pages 10-14).*

*As of June 30, 2016, for all 60 schools/centers reported herein, total combined receipts and disbursements amounted to \$12,457,479.32 and \$(12,381,437.58), respectively; while total combined Fund Balance amounted to \$2,198,188.19 (Pages 15-20).*

*Notwithstanding the conditions and findings reported herein, as of June 30, 2016, the internal control structure at 59 of the 60 schools/centers generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the individual schools/centers. At Robert Renick Educational Center, our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was not functioning as designed by the school administration. With respect to the items tested, the school was not in compliance with the policies and procedures in the Manual of Internal Fund Accounting.*

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

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<sup>1</sup>This report includes 48 schools/centers with two-year audits (2014-2015 and 2015-2016) and 12 schools/centers with one-year audits (2015-2016).

## INTERNAL FUNDS

### *Implementation Of New Accounting System At K-12 Centers*

In March 2016, the District migrated the bookkeeping of the internal funds of all K-12 centers from a legacy bookkeeping system (referred to as the MSAF system) to a web-based full accrual accounting system. The new system is named the *Electronic Student Accounting System* by the District (otherwise referred to as the eSAS system)<sup>2</sup>.

The deployment to the new system was accomplished in tiers, where K-12 schools/centers were segregated into four different groups (the first being the pilot group followed by three cohorts). Each group migrated into the new bookkeeping system according to the following schedule under the direction and guidance of various district departments (i.e., Accounting, Treasury Management, Information Technology Services (ITS)), and with technical assistance from the software vendor. Regarding the 60 schools/centers in this report, the summarized group configuration and overall deployment schedule was as follows:

Group Designation	MSAF (Legacy) System End Date	eSAS System Available For Conversion	No. Of Schools/Centers In This Report
Pilot	9/29/2015	10/1/2015	6
Cohort 1	11/24/2015	12/1/2015	5
Cohort 2	1/27/2016	2/1/2016	26
Cohort 3	2/24/2016	3/1/2016	23
Total Schools/Centers			60

Consequently, the schools in this report converted from the cash basis system of accounting to the new full-accrual system on different dates, and these dates are reflected in the Opinion to the financial statements during the year of conversion (2015-2016). Please, refer to Accounting System Conversion Schedule on pages 40-43 for dates specific to each school/center reported herein.

### *Internal Funds-Summary Of Audit Results And Financial Statements' Opinion*

Internal funds records and procedures were reviewed at all 60 schools/centers. At 57 of the 60 schools/centers, we determined there was general compliance with the procedures established in the *Manual of Internal Fund Accounting*. At the following three schools/centers we found that:

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<sup>2</sup> Please, refer to *Background Section* on pages 106-108 for additional details.

- At Treasure Island Elementary, we identified various bookkeeping errors (which included the late posting of adjusting entries) and incomplete internal funds' supporting documentation. Regarding the bookkeeping discrepancies, it appears that this was the result of a lack of bookkeeping experience, since nothing came to our attention to indicate a misappropriation of funds. Associated conditions included late posting of receipts; late deposits; and documentation related to deposits that was incomplete. Regarding disbursements, we noted instances where the original invoice was not on file and/or the check requisition was incomplete or missing; payments to vendors were not made in a timely manner; and the invoice/receipt supporting the disbursement did not reflect acknowledgement of receipt of goods and/or services to indicate that the goods/services had been received and payment was in order (Pages 52-60).
- At Robert Renick Educational Center, the school's accounting records were converted to the eSAS automated accounting system in November 2015. Our review of this activity for the 2015-2016 fiscal year disclosed numerous bookkeeping errors which materially affected the financial statement and required adjustments to accurately represent the financial activity for the fiscal year. Other conditions included late posting of receipts; late deposits; and documentation related to deposits and fundraising activities that was incomplete. Regarding disbursements, we noted instances where the invoice/receipt supporting the disbursement did not reflect acknowledgement of receipt services to indicate that the goods/services had been received and payment was in order; and individual purchases of \$1,000 or more that were not supported with three documented written quotations, one of which must have been a certified minority enterprise. In addition, the school improperly used Instructional Materials and Supplies (Fund 9) revenue to purchase office furniture with a cost of approximately \$2,000, and the furniture was not tagged for inventory control purposes. An Incoming Control Equipment Form was completed and submitted to the District at the request of the auditor (Pages 64-73).
- At Cutler Bay Senior, the Office of the Inspector General (OIG) contacted our office to request our assistance with the audit of the internal funds of the school. The OIG had received an anonymous complaint alleging that the school's Athletic Director<sup>3</sup> had collected cash from the student-athletes to cover athletic insurance and an additional "athletic" fee; however, did not issue official receipts to the students, and did not deposit the collections in the internal funds of the school. During our audit, we were able to substantiate that in 2015-2016 the Athletic Director received monies from the students for athletic insurance and the "athletic fee" and did not issue official receipts to document the collections. The Athletic Director admitted to internal audit staff that he collected monies from the students and deposited the collections in his personal checking account. We also reviewed the activity for the 2014-2015 school year, and although collections related to athletic insurance were posted to the

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<sup>3</sup> This refers to the school's Athletic Director during the 2014-2015 and 2015-2016 fiscal years up to March 11, 2016 when he retired from the school system.



account, we identified a shortfall based on the number of participating student-athletes. Additional discrepancies involving the former Athletic Director included purchases of athletic sportswear merchandise that were made without the authorization of the school administration, and monetary shortfalls related to some of the fundraisers sponsored by him. During discussion of these additional discrepancies, he decided to retire from the school system.

The results of our findings were reported to the OIG for their consideration and follow-up. Subsequently, upon completion of the OIG investigation, in October 2016, the former Athletic Director was arrested and charged with Grand Theft, 3<sup>rd</sup> Degree.

We reviewed the athletic insurance activity for the 2016-2017 fiscal year up to the time of our visit (under the new Athletic Director) and our review did not identify any monetary discrepancies (Pages 95-103).

## **PROPERTY**

The results of physical inventories of property items with an individual cost of \$1,000 or more are reported for all 60 schools/centers reported herein. In addition, we are including the results of physical inventories of seven schools/centers that were pending publication since our last report in September 2016.

At these 67 schools/centers, Property Audits staff inventoried a total of 14,083 equipment items with a total approximate cost of \$36.2 million. Of the 67 inventories, 63 proved satisfactory. Results for four schools/centers disclosed that 14 equipment items with a total depreciated value of \$228 and a total acquisition cost of \$18,818 could not be located (refer to Property Schedule on Pages 44-50).

- At Brownsville Middle, during the previous audit, the school was cited because of capitalized property that could not be accounted for during the property audit, and the Principal provided a corrective action plan. However, our most recent property inventory, which we conducted in July-September 2016, continued to disclose discrepancies with the inventory. Specifically, of 335 property items (with an individual cost of \$1,000 or more) totaling approximately \$756,000, the school could not account for eight computer equipment items with an acquisition cost of approximately \$8,100. The items in question were fully depreciated (Pages 87-89).

Property inventories also include the review of property losses reported by the schools/centers through the Plant Security Report process.

Our analysis of Plant Security Report losses disclosed that five items with a total depreciated value of \$64 and a total acquisition cost of \$7,288 were reported missing at one of the 67 schools/centers. Items consisted of computers (Page 51).

## PAYROLL

We reviewed current payroll records and procedures at the following ten schools/centers. Most were selected as a follow-up to a prior audit exception:

Schools/Centers	Region	Schools/Centers	Region
Treasure Island Elementary	North	Georgia Jones-Ayers Middle	Central
M. A. Milam K-8 Center	North	Campbell Drive K-8 Center	South
North Miami Beach Senior	North	Frank C. Martin K-8 Center	South
Coconut Grove Elementary	Central	Cutler Bay Senior	South
Poinciana Park Elementary	Central	Ruth Owens Krusé Educational Center	South

At nine of the ten schools/centers, there was general compliance with the *Payroll Processing Procedures Manual*.

- At Treasure Island Elementary, payroll records were disorganized. We found instances where the leave cards were not on file to support the leave reported, or the leave cards were not signed by the administrator/delegate and/or employee; the attendance of an instructional staff member that also works at another school was not properly documented in the attendance rosters; and the Temporary Instructors Pool and Emergency Substitute roster was not properly completed (Pages 61-63).

## PURCHASING CREDIT CARD (P-CARD) PROGRAM

We reviewed current P-Card Program's procedures and records at the following ten schools/centers. Most were selected as a follow-up to a prior audit exception:

Schools/Centers	Region	Schools/Centers	Region
Carol City Elementary	North	Lenora B. Smith Elementary	Central
Barbara J. Hawkins Elementary	North	Georgia Jones-Ayers Middle	Central
Treasure Island Elementary	North	Cutler Bay Senior	South
North Miami Beach Senior	North	Miami Arts Studio 6-12 @ Zelda Glazer	South
Poinciana Park Elementary	Central	Neva King Cooper Educational Center	South

At all ten schools/centers, there was general compliance with the *Purchasing Credit Card Program Policies & Procedures Manual*.

## TITLE I PROGRAM EXPENDITURES AND PROCEDURES

A review of Title I Program expenditures and procedures corresponding to the 2015-2016 fiscal year was conducted at the following four schools/centers:

Schools/Centers	Region	Audit Period	Total Expenditures
Sweetwater Elementary	Central	2015-2016	\$ 472,122
Brownsville Middle	Central	2015-2016	492,684
Georgia Jones-Ayers Middle	Central	2015-2016	689,541
Campbell Drive K-8 Center	South	2015-2016	323,178
Total Title I Program Expenditures			\$ 1,977,525

At these four schools/centers, aggregate expenditures incurred under various Title I programs amounted to approximately \$1.98 million. Two of the four schools/centers were compliant with Title I Program documentation and procedures. At the following two schools/centers we identified the following:

- At Brownsville Middle, the school had not implemented controls over the Title I Program equipment inventory. Specifically, the school was not keeping track of the capitalized and non-capitalized Title I equipment purchased during the audit year and previous years. We also noted that Title I capitalized and non-capitalized equipment purchased in the 2015-2016 fiscal year was not identified with the Title I sticker labels (Pages 83-86).
- At Georgia Jones-Ayers Middle, during the prior audit, under the tenure of the former school administration, we identified certain non-compliant issues with Title I Program guidelines. This audit-follow up identified some similar issues, namely, that the school was not keeping track of the capitalized and non-capitalized Title I equipment purchased during the audit year and previous years; that records maintained by the Community Involvement Specialist were incomplete and some duties questionable; that the location of the Parent Resource Center was not clearly distinguished from the rest of the main office; and that parent sign-in sheets were not evident (Pages 90-94).

## FULL-TIME-EQUIVALENT (FTE) FUNDING

The following 13 schools/centers were selected for these audits:

Schools/Centers	Region	Survey Period (SP)	FTE Funding
Carol City Elementary	North	2015-2016 SP 3	\$ 1,073,950
Highland Oaks Middle	North	2015-2016 SP 3	2,657,755
North Miami Beach Senior	North	2015-2016 SP 3	4,322,086
Robert Renick Educational Center	North	2015-2016 SP 3	694,176
Fairlawn Elementary	Central	2015-2016 SP 3	1,796,771
Kensington Park Elementary	Central	2015-2016 SP 3	3,182,609
Poinciana Park Elementary	Central	2015-2016 SP 3	945,608
Marjory S. Douglas Elementary	South	2015-2016 SP 3	2,798,455
Christina M. Eve Elementary	South	2015-2016 SP 3	2,224,389
Gloria Floyd Elementary	South	2015-2016 SP 3	1,742,413
Oliver Hoover Elementary	South	2015-2016 SP 3	2,004,127
Claude Pepper Elementary	South	2015-2016 SP 3	1,731,598
Royal Palm Elementary	South	2015-2016 SP 3	1,600,490
<b>Total FTE Funding</b>			<b>\$ 26,774,427</b>

The total FTE funding amounted to approximately \$26.8 million for the 13 schools/centers combined. FTE records reviewed corresponded to the 2015-2016 fiscal year Survey Period 3 (February), as noted in the table above.

Our FTE reviews disclosed that 11 of 13 schools/centers were generally compliant with District policy.

- At Fairlawn Elementary and Kensington Park Elementary, a review of a sample of ELL student folders disclosed discrepancies in several student folders sampled. Regarding Kensington Park Elementary, we also noted some discrepancies in the FTE related to Exceptional Student Education (Pages 74-77 and 78-82, respectively).

## DATA SECURITY

We reviewed the report titled “*Authorized Applications for Employees by Locations Report*” at the following six schools/centers. Most were conducted as a follow-up to a prior exception.

Schools/Centers	Region
American Senior	North
Sweetwater Elementary	Central
Brownsville Middle	Central
Georgia Jones-Ayers Middle	Central
Snapper Creek Elementary	South
Cutler Bay Senior	South

Data security procedures were reviewed at the time of our audit visit which took place during the 2016-2017 school year. Our review disclosed that all six schools/centers generally complied with the review of the report and with the requirements for granting staff's 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, 2015; as well as total receipts, disbursements and Fund Balance as of June 30, 2016 for all schools/centers included herein. It also provides the audit opinion regarding the schools/centers' financial statements:

# **CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2015**

The Condensed Annual Financial Reports and Total Cash and Investments as of June 30, 2015 for 48 of the 60 schools/centers are as follows:

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
North Region Office Schools/Centers									
0681	Carol City Elementary	\$ 23,484.15	\$ 12,475.16	\$ (13,937.65)	\$ 22,021.66	\$ 13,432.22	\$ 8,589.44	\$ -	\$ 22,021.66
3781	Barbara J. Hawkins Elementary	13,829.27	20,102.48	(22,781.97)	11,149.78	3,264.19	7,885.59	-	11,149.78
5481	Treasure Island Elementary	15,098.68	42,060.29	(38,475.56)	18,683.41	16,697.12	1,986.29	-	18,683.41
5991	Charles D. Wyche, Jr. Elementary	16,653.93	127,069.75	(132,116.00)	11,607.68	618.03	10,989.65	-	11,607.68
3421	M. A. Milam K-8 Center	17,240.63	122,230.89	(120,996.26)	18,475.26	9,878.93	8,596.33	-	18,475.26
6241	Highland Oaks Middle	25,424.64	307,380.06	(313,617.41)	19,187.29	2,231.85	16,955.44	-	19,187.29
7011	American Senior	210,421.94	555,195.80	(520,642.99)	244,974.75	16,385.30	228,589.45	-	244,974.75
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	114,986.34	489,970.84	(503,532.38)	101,424.80	43,817.22	57,607.58	-	101,424.80
7541	North Miami Beach Senior	183,345.14	371,874.31	(379,297.40)	175,922.05	30,976.74	144,945.31	-	175,922.05
7049	Westland Hialeah Senior	133,606.83	396,007.34	(398,321.83)	131,292.34	36,973.17	94,319.17	-	131,292.34

# CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2015

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
8151	Robert Renick Educational Center	18,447.49	33,114.83	(31,002.92)	20,559.40	7,790.71	12,768.69	-	20,559.40
<u>Central Region Office Schools/Centers</u>									
0841	Coconut Grove Elementary	37,471.15	258,574.74	(264,684.45)	31,361.44	7,920.99	23,440.45	-	31,361.44
1801	Fairlawn Elementary	26,205.04	138,128.06	(139,842.34)	24,490.76	7,146.16	17,344.60	-	24,490.76
2661	Kensington Park Elementary	12,253.48	270,132.68	(271,131.07)	11,255.09	7,113.11	4,141.98	-	11,255.09
4501	Poinciana Park Elementary	4,755.26	11,612.94	(11,245.29)	5,122.91	3,478.10	1,644.81	-	5,122.91
5041	Silver Bluff Elementary	25,328.53	194,353.08	(202,139.90)	17,541.71	6,217.82	11,323.89	-	17,541.71
5431	Sweetwater Elementary	18,297.48	182,232.94	(183,275.20)	17,255.22	10,053.44	-	7,201.78	17,255.22
6031	Brownsville Middle	25,414.04	43,269.30	(39,835.22)	28,848.12	8,705.40	20,142.72	-	28,848.12
6011	Georgia Jones-Ayers Middle	21,183.15	42,401.16	(44,314.56)	19,269.75	818.18	18,451.57	-	19,269.75
<u>South Region Office Schools/Centers</u>									
0671	Calusa Elementary	22,837.14	479,650.47	(475,220.44)	27,267.17	15,886.29	11,380.88	-	27,267.17

**CONDENSED ANNUAL FINANCIAL REPORTS  
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2015**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
1371	Marjory S. Douglas Elementary	16,591.98	503,420.47	(502,474.83)	17,537.62	4,910.87	12,626.75	-	17,537.62
1691	Christina M. Eve Elementary	62,909.84	309,105.88	(304,719.95)	67,295.77	12,239.03	55,056.74	-	67,295.77
2021	Gloria Floyd Elementary	12,242.35	203,013.58	(203,755.53)	11,500.40	1,581.64	9,918.76	-	11,500.40
2521	Oliver Hoover Elementary	19,141.20	332,772.10	(334,483.61)	17,429.69	2,107.96	15,321.73	-	17,429.69
2891	William Lehman Elementary	31,150.38	319,871.37	(314,318.11)	36,703.64	7,461.94	29,241.70	-	36,703.64
4221	Palmetto Elementary	25,193.89	430,100.73	(423,196.06)	32,098.56	23,759.72	8,338.84	-	32,098.56
0831	Claude Pepper Elementary	25,409.52	215,119.46	(215,686.16)	24,842.82	4,357.74	20,485.08	-	24,842.82
4441	Pine Lake Elementary	2,428.03	8,202.77	(8,572.50)	2,058.30	1,627.18	431.12	-	2,058.30
4741	Royal Green Elementary	24,126.46	160,328.68	(162,995.78)	21,459.36	9,991.28	11,468.08	-	21,459.36
4761	Royal Palm Elementary	13,763.69	289,159.77	(288,271.85)	14,651.61	4,824.50	9,827.11	-	14,651.61
5121	Snapper Creek Elementary	39,165.47	81,734.32	(78,376.37)	42,523.42	12,712.02	29,811.40	-	42,523.42



# CONDENSED ANNUAL FINANCIAL REPORTS AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2015

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
0651	Campbell Drive K-8 Center	8,173.91	28,914.62	(28,393.51)	8,695.02	2,104.48	6,590.54	-	8,695.02
1331	Devon Aire K-8 Center	27,101.23	599,448.00	(600,736.03)	25,813.20	4,274.87	21,538.33	-	25,813.20
2701	Kenwood K-8 Center	16,055.94	390,904.05	(391,575.30)	15,384.69	4,809.84	10,574.85	-	15,384.69
2881	Leewood K-8 Center	30,806.20	419,023.24	(419,219.78)	30,609.66	11,387.34	19,222.32	-	30,609.66
3101	Frank C. Martin K-8 Center	21,083.18	275,915.00	(279,482.83)	17,515.35	5,322.66	12,192.69	-	17,515.35
6001	Herbert A. Ammons Middle	50,232.06	330,224.82	(324,435.21)	56,021.67	14,204.15	41,817.52	-	56,021.67
6801	Riviera Middle	27,970.63	67,607.27	(61,466.59)	34,111.31	17,526.35	16,584.96	-	34,111.31
7008	BioTECH@Richmond Heights 9-12 High <sup>1</sup>	-	19,386.50	(15,578.81)	3,807.69	3,807.69	-	-	3,807.69
7051	G. Holmes Braddock Senior	135,631.58	774,470.56	(786,421.80)	123,680.34	22,084.05	101,596.29	-	123,680.34
6081	Cuttler Bay Senior	20,281.91	86,037.65	(78,834.35)	27,485.21	12,418.79	15,066.42	-	27,485.21
7171	Medical Academy Science and Technology Senior	29,151.97	162,205.64	(154,008.38)	37,349.23	7,006.63	30,342.60	-	37,349.23
6052	Miami Arts Studio 6-12 @ Zelda Glazer	43,864.17	228,562.99	(227,949.92)	44,477.24	43,960.19	517.05	-	44,477.24

Note:

(1) This is the first audit conducted at this school. The school opened a Money Market Pool Fund Account during the 2016-2017 fiscal year.

**CONDENSED ANNUAL FINANCIAL REPORTS  
AND TOTAL CASH AND INVESTMENTS AS OF JUNE 30, 2015**

Work Loc. No.	Schools/Centers	Beginning Balance	Receipts	Disbursements	End Balance	Cash	Investments		Total Cash and Investments
							Money Market Pool Fund	Other	
7029	TERRA Environmental Research Institute	161,778.83	581,280.66	(578,428.48)	164,631.01	31,800.88	132,830.13	-	164,631.01
0921	Neva King Cooper Educational Center	20,878.73	16,033.50	(19,395.28)	17,516.95	11,827.77	5,689.18	-	17,516.95
8181	Ruth Owens Kruse Educational Center	22,201.11	20,197.88	(19,429.30)	22,969.69	2,344.96	20,624.73	-	22,969.69
<u>Alternative Education Center</u>									
8141	Juvenile Justice Center	20,081.68	2,857.76	(2,815.66)	20,123.78	5,081.68	15,042.10	-	20,123.78
<u>Special Education Center</u>									
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	6,072.37	1,293.10	(3,562.55)	3,802.92	771.70	3,031.22	-	3,802.92
<b>TOTALS</b>		<b>\$ 1,879,772.62</b>	<b>\$ 10,955,029.49</b>	<b>\$(10,934,995.37)</b>	<b>\$1,899,806.74</b>	<b>\$ 535,712.88</b>	<b>\$ 1,356,892.08</b>	<b>\$ 7,201.78</b>	<b>\$ 1,899,806.74</b>

## CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2016

The Condensed Annual Financial Reports and Fund Balance as of June 30, 2016 for the 60 schools/centers reported herein are as follows:

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Receipts	Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
North Region Office Schools/Centers											
0681	Carol City Elementary	\$ 22,021.66	\$ 11,734.04	\$ (12,162.77)	\$ 21,592.93	\$ 12,938.71	\$ 8,654.22	\$ -	\$ -	\$ -	\$ 21,592.93
2161	Golden Glades Elementary	8,129.09	9,772.32	(9,492.74)	8,408.67	7,703.57	705.10	-	-	-	8,408.67
2241	Gratigny Elementary	10,732.25	12,684.49	(10,371.10)	13,045.64	7,345.84	5,699.80	-	-	-	13,045.64
3781	Barbara J. Hawkins Elementary	11,149.78	16,824.00	(17,798.30)	10,175.48	3,670.61	7,945.06	-	-	(1,440.19)	10,175.48
3141	Meadowlane Elementary	18,123.50	41,895.97	(39,635.32)	20,384.15	12,570.20	7,813.95	-	-	-	20,384.15
4301	Parkview Elementary	12,916.77	7,321.38	(9,538.30)	10,699.85	6,314.08	4,385.77	-	-	-	10,699.85
5481	Treasure Island Elementary	18,683.41	37,888.59	(42,917.04)	13,654.96	11,645.35	2,009.61	-	-	-	13,654.96
5991	Charles D. Wyche, Jr. Elementary	11,607.68	158,336.54	(136,447.86)	33,496.36	22,413.20	11,083.16	-	-	-	33,496.36
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center	25,694.09	186,040.53	(180,486.12)	31,248.50	28,132.78	3,115.72	-	-	-	31,248.50

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2016**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Receipts	Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
3421	M. A. Milam K-8 Center	18,475.26	148,974.18	(148,565.65)	18,883.79	10,222.61	8,661.18	-	-	-	18,883.79
6611	Country Club Middle	33,644.15	70,803.76	(71,224.71)	33,223.20	5,723.73	27,499.47	-	-	-	33,223.20
6241	Highland Oaks Middle	19,187.29	247,914.36	(250,480.35)	16,621.30	4,559.30	12,062.00	-	-	-	16,621.30
7011	American Senior	244,974.75	650,516.24	(646,496.38)	248,994.61	48,885.40	200,109.21	-	-	-	248,994.61
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	101,424.80	469,939.34	(472,630.65)	98,733.49	32,422.99	66,310.50	-	-	-	98,733.49
7541	North Miami Beach Senior	175,922.05	374,961.50	(375,668.10)	175,215.45	29,172.46	146,042.99	-	-	-	175,215.45
7049	Westland Hialeah Senior	131,292.34	386,005.65	(403,790.98)	113,507.01	18,469.42	95,037.59	-	-	-	113,507.01
8151	Robert Renick Educational Center	20,559.40	16,756.35	(23,543.56)	13,772.19	6,929.62	6,842.57	-	-	-	13,772.19
<u>Central Region Office Schools/Centers</u>											
0841	Coconut Grove Elementary	31,361.44	272,587.37	(258,347.21)	45,601.60	22,021.25	23,617.25	-	-	(36.90)	45,601.60
1561	Earlington Heights Elementary	11,389.72	12,594.72	(11,492.60)	12,491.84	4,954.98	7,536.86	-	-	-	12,491.84
1801	Fairlawn Elementary	24,490.76	184,563.20	(188,260.14)	20,793.82	3,318.39	17,475.43	-	-	-	20,793.82

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2016**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Receipts	Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
1841	Flagami Elementary	13,798.17	14,064.27	(11,075.37)	16,787.07	7,564.20	9,222.87	-	-	-	16,787.07
2661	Kensington Park Elementary	11,255.09	259,828.25	(255,005.89)	16,077.45	11,904.21	4,173.24	-	-	-	16,077.45
4071	Agenorla S. Paschal/Olinda Elementary	5,553.36	14,135.93	(15,264.31)	4,424.98	1,501.05	2,923.93	-	-	-	4,424.98
4501	Poinciana Park Elementary	5,122.91	12,023.30	(11,817.32)	5,328.89	3,671.67	1,657.22	-	-	-	5,328.89
4721	Rockway Elementary	14,517.72	162,514.81	(163,552.68)	13,479.85	3,507.15	9,972.70	-	-	-	13,479.85
5041	Silver Bluff Elementary	17,541.71	207,186.93	(207,574.02)	17,154.62	5,745.29	11,409.33	-	-	-	17,154.62
0081	Lenora B. Smith Elementary	12,922.46	9,844.01	(10,825.52)	11,940.95	6,606.46	5,334.49	-	-	-	11,940.95
5431	Sweetwater Elementary	17,255.22	166,276.99	(164,526.41)	19,005.80	11,785.97	-	7,219.83	-	-	19,005.80
6031	Brownsville Middle	28,848.12	35,807.55	(39,710.47)	24,945.20	4,637.83	20,307.37	-	-	-	24,945.20
6011	Georgia Jones-Ayers Middle	19,269.75	24,367.73	(23,889.70)	19,747.78	4,176.21	15,571.57	-	-	-	19,747.78
6881	South Miami Middle	54,918.43	515,745.74	(516,767.83)	53,896.34	17,538.28	36,358.06	-	-	-	53,896.34
<u>South Region Office Schools/Centers</u>											
0671	Calusa Elementary	27,267.17	494,277.59	(494,887.14)	26,657.62	15,190.91	11,466.71	-	-	-	26,657.62

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2016**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Receipts	Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
1371	Marjory S. Douglas Elementary	17,537.62	496,824.94	(496,076.08)	18,286.48	5,564.46	12,722.02	-	-	-	18,286.48
1691	Christina M. Eve Elementary	67,295.77	346,920.59	(340,390.08)	73,826.28	18,354.24	55,472.04	-	-	-	73,826.28
2021	Gloria Floyd Elementary	11,500.40	197,825.26	(198,996.50)	10,329.16	335.59	9,993.57	-	-	-	10,329.16
2521	Oliver Hoover Elementary	17,429.69	333,714.58	(329,350.58)	21,793.69	6,356.40	15,437.29	-	-	-	21,793.69
2891	William Lehman Elementary	36,703.64	337,421.79	(334,492.65)	39,632.78	10,170.52	29,462.26	-	-	-	39,632.78
4221	Palmetto Elementary	32,098.56	435,391.01	(428,661.30)	38,828.27	30,426.52	8,401.75	-	-	-	38,828.27
0831	Claude Pepper Elementary	24,842.82	209,013.97	(208,382.94)	25,473.85	4,834.24	20,639.61	-	-	-	25,473.85
4441	Pine Lake Elementary	2,058.30	6,818.65	(6,173.56)	2,703.39	2,269.03	434.36	-	-	-	2,703.39
4741	Royal Green Elementary	21,459.36	192,268.21	(190,049.33)	23,678.24	12,123.63	11,554.61	-	-	-	23,678.24
4761	Royal Palm Elementary	14,651.61	262,830.35	(260,985.48)	16,496.48	6,595.25	9,901.23	-	-	-	16,496.48
5121	Snapper Creek Elementary	42,523.42	67,172.92	(70,149.78)	39,546.56	9,510.30	30,036.26	-	-	-	39,546.56
0651	Campbell Drive K-8 Center	8,695.02	33,003.97	(31,845.19)	9,853.80	5,225.77	4,628.03	-	-	-	9,853.80
1331	Devon Aire K-8 Center	25,813.20	618,975.32	(621,414.90)	23,373.62	1,672.83	21,700.79	-	-	-	23,373.62

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2016**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Receipts	Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
2701	Kenwood K-8 Center	15,384.69	393,348.00	(392,441.35)	16,291.34	5,636.74	10,654.60	-	-	-	16,291.34
2881	Leewood K-8 Center	30,609.66	439,667.89	(437,407.80)	32,869.75	13,502.43	19,367.32	-	-	-	32,869.75
3101	Frank C. Martin K-8 Center	17,515.35	278,685.75	(277,609.30)	18,591.80	6,307.15	12,284.65	-	-	-	18,591.80
6001	Herbert A. Ammons Middle	56,021.67	296,608.87	(299,169.93)	53,460.61	11,257.68	42,202.93	-	-	-	53,460.61
6801	Riviera Middle	34,111.31	69,126.61	(63,579.71)	39,658.21	23,861.03	15,797.18	-	-	-	39,658.21
7008	BioTECH@Richmond Heights 9-12 High <sup>1</sup>	3,807.69	49,245.01	(39,715.89)	13,336.81	13,336.81	-	-	-	-	13,336.81
7051	G. Holmes Braddock Senior	123,680.34	766,770.59	(788,051.80)	102,399.13	5,036.70	97,362.43	-	-	-	102,399.13
6081	Cutler Bay Senior	27,485.21	180,833.63	(182,190.98)	26,127.86	10,947.80	15,180.06	-	-	-	26,127.86
7171	Medical Academy Science and Technology Senior	37,349.23	178,895.90	(169,220.73)	47,024.40	8,360.46	38,663.94	-	-	-	47,024.40
6052	Miami Arts Studio 6-12 @ Zelta Glazer	44,477.24	412,582.65	(400,620.16)	56,439.73	55,918.77	520.96	-	-	-	56,439.73
7029	TERRA Environmental Research Institute	164,631.01	577,557.23	(549,107.01)	193,081.23	38,769.58	154,311.65	-	-	-	193,081.23
0921	Neva King Cooper Educational Center	17,516.95	12,777.70	(14,817.67)	15,476.98	9,744.87	5,732.11	-	-	-	15,476.98

Note:

(1) This is the first audit conducted at this school. The school opened a Money Market Pool Fund Account during the 2016-2017 fiscal year.

# **CONDENSED ANNUAL FINANCIAL REPORTS AND FUND BALANCE AS OF JUNE 30, 2016**

Work Loc. No.	Schools/Centers	Annual Financial Report				Fund Balance					
		Beginning Balance	Receipts	Disbursements	End Balance	Checking	Money Market Pool Fund	Other Investments	Accounts Receivable	Accounts Payable	Total Fund Balance
8181	Ruth Owens Krusé Educational Center	22,969.69	25,244.25	(22,558.29)	25,655.65	1,388.98	24,266.67	-	-	-	25,655.65
Alternative Education Center											
8141	Juvenile Justice Center	20,123.78	2,119.18	(1,990.88)	20,252.08	5,096.52	15,155.56	-	-	-	20,252.08
Special Education Center											
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	3,802.92	1,646.87	(1,741.17)	3,708.62	654.54	3,054.08	-	-	-	3,708.62
TOTALS		\$2,122,146.45	\$12,457,479.32	\$(12,381,437.58)	\$2,198,188.19	\$716,502.56	\$1,475,942.89	\$ 7,219.83	\$ -	\$(1,477.09)	\$2,198,188.19



## AUDIT OPINION

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

Notwithstanding the conditions and findings reported herein, at 59 of the 60 schools/centers reported herein, the financial statements present fairly, in all material respects, the changes in fund balances arising from the financial transactions of the schools/centers during the 2014-2015 and 2015-2016 fiscal years up to the MSAF End Date (depending on the school audited, as noted in the Accounting System Conversion Schedule on pages 40-43), on the cash basis of accounting; and from the eSAS System Available Conversion Date (depending on the school audited, as noted in the Accounting System Conversion Schedule on pages 40-43) up to June 30, 2016, on the full accrual basis of accounting. At Robert Renick Educational Center, due to the material bookkeeping deficiencies disclosed in the audit finding, which happened between December 1, 2015 and June 30, 2016 under the eSAS system, and which affected total receipts and disbursements reported for the 2015-2016 fiscal year, the financial statement did not fairly represent the changes in fund balances from its financial transactions.

As of June 30, 2015, for 48<sup>4</sup> schools/centers reported herein, total combined receipts and disbursements amounted to \$10,955,029.49 and \$(10,934,995.37), respectively; while total combined cash and investments amounted to \$1,899,806.74 (Pages 10-14).

As of June 30, 2016, for all 60 schools/centers reported herein, total combined receipts and disbursements amounted to \$12,457,479.32 and \$(12,381,437.58), respectively; while total combined Fund Balance amounted to \$2,198,188.19 (Pages 15-20).

Notwithstanding the conditions and findings reported herein, as of June 30, 2016, the internal control structure at 59 of the 60 schools/centers generally functioned as designed by the District and implemented by the school administration, except for those conditions reported at the individual schools/centers. At Robert Renick Educational Center, our assessment of the controls in place to promote compliance with the Manual of Internal Fund Accounting indicated that the internal control structure at the school was not functioning as designed by the school administration. With respect to the items tested, the school was not in compliance with the policies and procedures in the Manual of Internal Fund Accounting.

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

*Maria T. Gonzalez*

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

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<sup>4</sup> This report includes 48 schools/centers with two-year audits (2014-2015 and 2015-2016) and 12 schools/centers with one-year audit (2015-2016).

## INTERNAL CONTROLS RATING

The internal control ratings for the seven schools/centers reported herein **with audit exceptions** are depicted as follows:

CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>North Region Office Schools/Centers</u>							
Treasure Island Elementary		✓			✓		Likely to impact.
Robert Renick Educational Center			✓			✓	Impacted Operations.
<u>Central Region Office Schools/Centers</u>							
Fairlawn Elementary		✓			✓		Likely to impact.
Kensington Park Elementary		✓			✓		Likely to impact.
Brownsville Middle		✓			✓		Likely to impact.
Georgia Jones-Ayers Middle		✓			✓		Likely to impact.
<u>South Region Office School/Center</u>							
Cutler Bay Senior			✓			✓	Impacted Operations.

## INTERNAL CONTROLS RATING

The internal control ratings for the 53 schools/centers reported herein **without audit exceptions** are depicted as follows:

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
<u>North Region Office Schools/Centers</u>							
Carol City Elementary	✓			✓			Not Likely to impact.
Golden Glades Elementary	✓			✓			Not Likely to impact.
Gratigny Elementary	✓			✓			Not Likely to impact.
Barbara J. Hawkins Elementary	✓			✓			Not Likely to impact.
Meadowlane Elementary	✓			✓			Not Likely to impact.
Parkview Elementary	✓			✓			Not Likely to impact.
Charles D. Wyche, Jr. Elementary	✓			✓			Not Likely to impact.
Norman S. Edelcup/Sunny Isles Beach K-8 Center	✓			✓			Not Likely to impact.
M. A. Milam K-8 Center	✓			✓			Not Likely to impact.
Country Club Middle	✓			✓			Not Likely to impact.
Highland Oaks Middle	✓			✓			Not Likely to impact.

## INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
American Senior	✓			✓			Not Likely to impact.
Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	✓			✓			Not Likely to impact.
North Miami Beach Senior	✓			✓			Not Likely to impact.
Westland Hialeah Senior	✓			✓			Not Likely to impact.
<u>Central Region Office Schools/Centers</u>							
Coconut Grove Elementary	✓			✓			Not Likely to impact.
Earlington Heights Elementary	✓			✓			Not Likely to impact.
Flagami Elementary	✓			✓			Not Likely to impact.
Agenoria S. Paschal/Olinda Elementary	✓			✓			Not Likely to impact.
Poinciana Park Elementary	✓			✓			Not Likely to impact.
Rockway Elementary	✓			✓			Not Likely to impact.
Silver Bluff Elementary	✓			✓			Not Likely to impact.
Lenora B. Smith 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	
Sweetwater Elementary	✓			✓			Not Likely to impact.
South Miami Middle	✓			✓			Not Likely to impact.
<u>South Region Office Schools/Centers</u>							
Calusa Elementary	✓			✓			Not Likely to impact.
Marjory S. Douglas Elementary	✓			✓			Not Likely to impact.
Christina M. Eve Elementary	✓			✓			Not Likely to impact.
Gloria Floyd Elementary	✓			✓			Not Likely to impact.
Oliver Hoover Elementary	✓			✓			Not Likely to impact.
William Lehman Elementary	✓			✓			Not Likely to impact.
Palmetto Elementary	✓			✓			Not Likely to impact.
Claude Pepper Elementary	✓			✓			Not Likely to impact.
Pine Lake Elementary	✓			✓			Not Likely to impact.
Royal Green 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	
Royal Palm Elementary	✓			✓			Not Likely to impact.
Snapper Creek Elementary	✓			✓			Not Likely to impact.
Campbell Drive K-8 Center	✓			✓			Not Likely to impact.
Devon Aire K-8 Center	✓			✓			Not Likely to impact.
Kenwood K-8 Center	✓			✓			Not Likely to impact.
Leewood K-8 Center	✓			✓			Not Likely to impact.
Frank C. Martin K-8 Center	✓			✓			Not Likely to impact.
Herbert A. Ammons Middle	✓			✓			Not Likely to impact.
Riviera Middle	✓			✓			Not Likely to impact.
BioTECH@Richmond Heights 9-12 High	✓			✓			Not Likely to impact.
G. Holmes Braddock Senior	✓			✓			Not Likely to impact.
Medical Academy Science and Technology Senior	✓			✓			Not Likely to impact.
Miami Arts Studio 6-12 @ Zelda Glazer	✓			✓			Not Likely to impact.

## INTERNAL CONTROLS RATING

SCHOOLS/CENTERS	PROCESS & IT CONTROLS			POLICY & PROCEDURES COMPLIANCE			EFFECT
	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	SATISFACTORY	NEEDS IMPROVEMENT	INADEQUATE	
TERRA Environmental Research Institute	✓			✓			Not Likely to impact.
Neva King Cooper Educational Center	✓			✓			Not Likely to impact.
Ruth Owens Krusé Educational Center	✓			✓			Not Likely to impact.
<u>Alternative Education Center</u>							
Juvenile Justice Center	✓			✓			Not Likely to impact.
<u>Special Education Center</u>							
Thena C. Crowder Early Childhood Diagnostic & Special Education Center	✓			✓			Not Likely to impact.

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

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

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
North Region Office Schools/Centers						
5481	Treasure Island Elementary	2014-2015 2015-2016	3	<ul style="list-style-type: none"><li>• Bookkeeping</li><li>• Disbursements</li><li>• Payroll</li></ul>	None	
8151	Robert Renick Educational Center	2014-2015 2015-2016	2	<ul style="list-style-type: none"><li>• Bookkeeping</li><li>• Disbursements</li></ul>	None	
Central Region Office Schools/Centers						
1801	Fairlawn Elementary	2014-2015 2015-2016	1	<ul style="list-style-type: none"><li>• FTE</li></ul>	None	
2661	Kensington Park Elementary <sup>(a)</sup>	2014-2015 2015-2016	1	<ul style="list-style-type: none"><li>• FTE</li></ul>	None	
6031	Brownsville Middle <sup>(b)</sup>	2014-2015 2015-2016	2	<ul style="list-style-type: none"><li>• Title I Program Property</li><li>• Property</li></ul>	2	<ul style="list-style-type: none"><li>• Property</li><li>• Data Security</li></ul>
6011	Georgia Jones-Ayers Middle <sup>(c)</sup>	2014-2015 2015-2016	1	<ul style="list-style-type: none"><li>• Title I Program Property and CIS</li></ul>	4	<ul style="list-style-type: none"><li>• Payroll</li><li>• P-Card</li><li>• Title I Program</li><li>• CIS</li></ul>
South Region Office School/Center						
6081	Cutler Bay Senior	2014-2015 2015-2016	1	<ul style="list-style-type: none"><li>• Misappropriation</li></ul>	None	
TOTAL			11		6	

Notes:

(a) Change of Principal at this school after May 2016. Findings happened under tenure of former school administration.

(b) Prior and current audit findings happened under same school administration.

(c) Prior audit findings happened under tenure of former school administration. Current findings happened under tenure of current school administration.



## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

Summary of findings of the 53 schools/centers reported herein **without audit exceptions** are as follows:

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
<u>North Region Office Schools/Centers</u>						
0681	Carol City Elementary	2014-2015 2015-2016	None		2	<ul style="list-style-type: none"><li>• Bookkeeping</li><li>• P-Card</li></ul>
2161	Golden Glades Elementary	2015-2016	None		None	
2241	Gratigny Elementary	2015-2016	None		None	
3781	Barbara J. Hawkins Elementary	2014-2015 2015-2016	None		3	<ul style="list-style-type: none"><li>• Bookkeeping</li><li>• Disbursements (Int. Funds &amp; P-Card)</li><li>• Grants</li></ul>
3141	Meadowlane Elementary	2015-2016	None		None	
4301	Parkview Elementary	2015-2016	None		None	
5991	Charles D. Wyche, Jr. Elementary	2014-2015 2015-2016	None		None	
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center	2015-2016	None		None	
3421	M. A. Milam K-8 Center	2014-2015 2015-2016	None		1	<ul style="list-style-type: none"><li>• Payroll</li></ul>
6611	Country Club Middle	2015-2016	None		None	
6241	Highland Oaks Middle	2014-2015 2015-2016	None		1	<ul style="list-style-type: none"><li>• Disbursements</li></ul>

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
7011	American Senior	2014-2015 2015-2016	None		3	<ul style="list-style-type: none"> <li>• Athletic Fund</li> <li>• Property Disposal</li> <li>• Data Security</li> </ul>
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	2014-2015 2015-2016	None		None	
7541	North Miami Beach Senior	2014-2015 2015-2016	None		2	<ul style="list-style-type: none"> <li>• Payroll</li> <li>• P-Card</li> </ul>
7049	Westland Hialeah Senior	2014-2015 2015-2016	None		1	<ul style="list-style-type: none"> <li>• FTE</li> </ul>
<u>Central Region Office Schools/Centers</u>						
0841	Coconut Grove Elementary	2014-2015 2015-2016	None		2	<ul style="list-style-type: none"> <li>• ASC Program</li> <li>• Payroll</li> </ul>
1561	Earlington Heights Elementary	2015-2016	None		None	
1841	Flagami Elementary	2015-2016	None		None	
4071	Agenoria S. Paschal/Olinda Elementary	2015-2016	None		None	
4501	Poinciana Park Elementary	2014-2015 2015-2016	None		2	<ul style="list-style-type: none"> <li>• Payroll</li> <li>• P-Card</li> </ul>
4721	Rockway Elementary	2015-2016	None		None	
5041	Silver Bluff Elementary	2014-2015 2015-2016	None		None	
0081	Lenora B. Smith Elementary	2015-2016	None		None	

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
5431	Sweetwater Elementary	2014-2015 2015-2016	None		2	<ul style="list-style-type: none"> <li>Title I Program</li> <li>Data Security</li> </ul>
6881	South Miami Middle	2015-2016	None		None	
<u>South Region Office Schools/Centers</u>						
0671	Calusa Elementary	2014-2015 2015-2016	None		None	
1371	Marjory S. Douglas Elementary	2014-2015 2015-2016	None		None	
1691	Christina M. Eve Elementary	2014-2015 2015-2016	None		None	
2021	Gloria Floyd Elementary	2014-2015 2015-2016	None		None	
2521	Oliver Hoover Elementary	2014-2015 2015-2016	None		None	
2891	William Lehman Elementary	2014-2015 2015-2016	None		None	
4221	Palmetto Elementary	2014-2015 2015-2016	None		None	
0831	Claude Pepper Elementary	2014-2015 2015-2016	None		None	
4441	Pine Lake Elementary	2014-2015 2015-2016	None		1	<ul style="list-style-type: none"> <li>Misappropriation</li> </ul>
4741	Royal Green Elementary	2014-2015 2015-2016	None		1	<ul style="list-style-type: none"> <li>ASC Program Collections</li> </ul>

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
4761	Royal Palm Elementary	2014-2015 2015-2016	None		None	
5121	Snapper Creek Elementary	2014-2015 2015-2016	None		3	<ul style="list-style-type: none"> <li>• Pre-K Program</li> <li>• Data Security</li> <li>• FTE</li> </ul>
0651	Campbell Drive K-8 Center	2014-2015 2015-2016	None		1	<ul style="list-style-type: none"> <li>• Payroll</li> </ul>
1331	Devon Aire K-8 Center	2014-2015 2015-2016	None		None	
2701	Kenwood K-8 Center	2014-2015 2015-2016	None		None	
2881	Leewood K-8 Center	2014-2015 2015-2016	None		1	<ul style="list-style-type: none"> <li>• ASC Program Collections</li> </ul>
3101	Frank C. Martin K-8 Center	2014-2015 2015-2016	None		1	<ul style="list-style-type: none"> <li>• Payroll</li> </ul>
6001	Herbert A. Ammons Middle	2014-2015 2015-2016	None		None	
6801	Riviera Middle	2014-2015 2015-2016	None		2	<ul style="list-style-type: none"> <li>• Property</li> <li>• FTE</li> </ul>
7008	BioTECH@Richmond Heights 9-12 High	2014-2015 2015-2016	None		N/A-First Audit.	
7051	G. Holmes Braddock Senior	2014-2015 2015-2016	None		None	
7171	Medical Academy Science and Technology Senior	2014-2015 2015-2016	None		None	
6052	Miami Arts Studio 6-12 @ Zelda Glazer	2014-2015 2015-2016	None		2	<ul style="list-style-type: none"> <li>• Infant/Toddler Program</li> <li>• Disbursements (Internal Funds &amp; P-Card)</li> </ul>

## SUMMARY SCHEDULE OF AUDIT FINDINGS CURRENT AND PRIOR AUDIT PERIODS

WORK LOC. NO.	SCHOOLS/CENTERS	AUDIT PERIOD	CURRENT AUDIT PERIOD FINDINGS		PRIOR AUDIT PERIOD FINDINGS	
		Fiscal Year(s)	Total Per Center	Area Of Findings	Total Per Center	Area Of Findings
7029	TERRA Environmental Research Institute	2014-2015 2015-2016	None		None	
0921	Neva King Cooper Educational Center	2014-2015 2015-2016	None		1	• P-Card
8181	Ruth Owens Krusé Educational Center	2014-2015 2015-2016	None		1	• Payroll
<u>Alternative Education Center</u>						
8141	Juvenile Justice Center	2014-2015 2015-2016	None		None	
<u>Special Education Center</u>						
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	2014-2015 2015-2016	None		None	
<b>TOTAL</b>			<b>None</b>		<b>33</b>	

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Listed below are the names of the former and current principals/administrators, as applicable for the seven schools/centers **with audit exceptions**. The **highlighted table cell represents the principal(s)/administrator(s) in charge of the school/center during the audit period**:

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
<u>North Region Office Schools/Centers</u>			
5481	Treasure Island Elementary	Ms. Dalia Villar	N/A = No Change of Principal Since Prior Audit.
8151	Robert Renick Educational Center	Ms. Paulette Covin-Fredrik	N/A = No Change of Principal Since Prior Audit.
<u>Central Region Office Schools/Centers</u>			
1801	Fairlawn Elementary	Ms. Heather D. Tyler	N/A = No Change of Principal Since Prior Audit.
2661	Kensington Park Elementary <sup>(a)</sup>	Ms. Susana Suarez	Ms. Angeles Fleites (Through May 2016; retired).
6031	Brownsville Middle	Ms. Ebony N. Dunn	N/A = No Change of Principal Since Prior Audit.
6011	Georgia Jones-Ayers Middle <sup>(a)</sup>	Mr. Bernard O. Edwards	Ms. Bridget L. McKinney (Through June 2015; presently Principal on Special Assignment).
<u>South Region Office School/Center</u>			
6081	Cutler Bay Senior <sup>(a)</sup>	Mr. Lucas J. De La Torre	Ms. Maritza M. Garcia (Through June 2015; presently Principal at Meadowlane Elementary School).

Note:

(a) Change of Principal at this school since prior audit (22 schools/centers).

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Listed below are the names of the former and current principals/administrators, as applicable for the 53 schools/centers **without audit exceptions**. **The highlighted table cell represents the principal(s)/administrator(s) in charge of the school/center during the audit period:**

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
<u>North Region Office Schools/Centers</u>			
0681	Carol City Elementary	Dr. Thalya Watkins	N/A = No Change of Principal Since Prior Audit.
2161	Golden Glades Elementary <sup>(a)</sup>	Mr. Jason H. Allen	Dr. Crystal J. Spence (Through June 2016; presently Principal at Parkview Elementary).
2241	Gratigny Elementary	Ms. Bisleixis Tejeiro	N/A = No Change of Principal Since Prior Audit.
3781	Barbara J. Hawkins Elementary	Ms. Rhonda Y. Williams	N/A = No Change of Principal Since Prior Audit.
3141	Meadowlane Elementary <sup>(a)</sup>	Ms. Maritza M. Garcia	Dr. Kevin P. Hart (Through March 2016; retired).
4301	Parkview Elementary <sup>(a)</sup>	Dr. Crystal J. Spence	Dr. Edith C. Hall (Through June 2016; retired).
5991	Charles D. Wyche, Jr. Elementary	Dr. Barbara L. Johnson	N/A = No Change of Principal Since Prior Audit.
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center <sup>(a)</sup>	Dr. Adam L. Kosnitzky	Dr. Annette H. Weissman (Through May 2016; retired).
3421	M. A. Milam K-8 Center	Ms. Anna M. Hernandez	N/A = No Change of Principal Since Prior Audit.
6611	Country Club Middle <sup>(a)</sup>	Ms. Cynthia M. Prado	Mr. Jose R. Fernandez (Through June 2016; presently Principal at North Twin Lakes Elementary).
6241	Highland Oaks Middle	Ms. Cheryl L. Kushi	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (22 schools/centers).

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
7011	American Senior	Mr. Francisco E. Garnica	N/A = No Change of Principal Since Prior Audit.
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus <sup>(a)</sup>	Mr. Christopher J. Shinn	Ms. Lisa B. Garcia (Through August 2016; presently Principal at Hialeah-Miami Lakes Senior).
7541	North Miami Beach Senior	Mr. Randy A. Milliken	N/A = No Change of Principal Since Prior Audit.
7049	Westland Hialeah Senior	Ms. Giovanna M. Blanco	N/A = No Change of Principal Since Prior Audit.
<u>Central Region Office Schools/Centers</u>			
0841	Coconut Grove Elementary	Ms. Julissa Piña	N/A = No Change of Principal Since Prior Audit.
1561	Earlington Heights Elementary <sup>(a)</sup>	Mr. Jackson J. Nicolas	Ms. Linette Tellez (Through June 2016; presently Principal at South Hialeah Elementary).
1841	Flagami Elementary <sup>(a)</sup>	Ms. Maria C. Mason	Ms. Aileen Vega (Through June 2016; presently Principal at Coral Park Elementary).
4071	Agenoria S. Paschal/Olinda Elementary <sup>(a)</sup>	Ms. Jennifer D. Savigne	Mr. Adrian Montes (Through August 2016; presently Principal at Redland Elementary).
4501	Poinciana Park Elementary	Dr. Amrita J. Prakash	N/A = No Change of Principal Since Prior Audit.
4721	Rockway Elementary <sup>(a)</sup>	Ms. Denise Vigoa	Ms. Mayra Barreira (Through June 2016; presently Principal at Silver Bluff Elementary).

Note:

(a) Change of Principal at this school/center since prior audit (22 schools/centers).



## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
5041	Silver Bluff Elementary <sup>(a)</sup>	Ms. Mayra Barreira	Ms. Maria C. Mason (Through September 2014; on leave) Ms. Zuyin C. Companioni (Through July 2015; presently Principal at Kinloch Park Elementary) Ms. Maria C. Mason (Return from leave) (Through June 2016; presently Principal at Flagami Elementary).
0081	Lenora B. Smith Elementary <sup>(a)</sup>	Ms. Shawntai K. Dalton	Dr. Contessa S. Bryant (Through August 2016; presently Executive Director, Community Services at 5000 Role Models).
5431	Sweetwater Elementary	Ms. Janet P. Olivera	N/A = No Change of Principal Since Prior Audit.
6881	South Miami Middle <sup>(a)</sup>	Ms. Fabiola V. Izaguirre	Mr. Juan C. Boue (Through August 2016; presently Principal at Ronald W. Reagan/Doral Senior).
<u>South Region Office Schools/Centers</u>			
0671	Calusa Elementary	Ms. Carmen B. Fuentes	N/A = No Change of Principal Since Prior Audit.
1371	Marjory S. Douglas Elementary	Ms. Moraima Almeida-Perez	N/A = No Change of Principal Since Prior Audit.
1691	Christina M. Eve Elementary	Ms. Lidia M. Gonzalez	N/A = No Change of Principal Since Prior Audit.
2021	Gloria Floyd Elementary <sup>(a)</sup>	Ms. Mayte M. Dovale	Mr. Todd W. Morrow (Through June 2016; resigned).
2521	Oliver Hoover Elementary	Ms. Mercy Aguilar	N/A = No Change of Principal Since Prior Audit.
2891	William Lehman Elementary	Ms. Maria C. Cruz	N/A = No Change of Principal Since Prior Audit.
4221	Palmetto Elementary	Mr. Eric Torres	N/A = No Change of Principal Since Prior Audit.

Note:

(a) Change of Principal at this school/center since prior audit (22 schools/centers).

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
0831	Claude Pepper Elementary	Dr. Annette M. Diaz	N/A = No Change of Principal Since Prior Audit.
4441	Pine Lake Elementary	Ms. Crystal C. Coffey	N/A = No Change of Principal Since Prior Audit.
4741	Royal Green Elementary	Ms. Alba M. Misas	N/A = No Change of Principal Since Prior Audit.
4761	Royal Palm Elementary	Ms. Marta Garcia	N/A = No Change of Principal Since Prior Audit.
5121	Snapper Creek Elementary	Dr. Mirta R. Segredo	N/A = No Change of Principal Since Prior Audit.
0651	Campbell Drive K-8 Center	Ms. Thelma Fornell	N/A = No Change of Principal Since Prior Audit.
1331	Devon Aire K-8 Center	Mr. Brian Hamilton	N/A = No Change of Principal Since Prior Audit.
2701	Kenwood K-8 Center	Mr. Rodolfo Rodriguez	N/A = No Change of Principal Since Prior Audit.
2881	Leewood K-8 Center	Mr. Bart D. Christie	N/A = No Change of Principal Since Prior Audit.
3101	Frank C. Martin K-8 Center	Ms. Felicia K. Joseph	N/A = No Change of Principal Since Prior Audit.
6001	Herbert A. Ammons Middle	Ms. Maria Costa	N/A = No Change of Principal Since Prior Audit.
6801	Riviera Middle <sup>(a)</sup>	Mr. Jorge A. Rivas	Dr. Winston A. Whyte (Through May 2016; retired).
7008	BioTECH@Richmond Heights 9-12 High <sup>(b)</sup>	Mr. Daniel M. Mateo (Principal)	Mr. Daniel M. Mateo (Assistant Principal) (Through November 2015) Mr. Jose L. Sirven (Principal) (Through June 2016; presently Principal at TERRA Environmental Research Institute).

Notes:

(a) Change of Principal at this school/center since prior audit (22 schools/centers).

(b) Two Principals during two-year audit period. First audit at this school.

## LIST OF SCHOOL PRINCIPALS/ADMINISTRATORS

Work Loc. No.	Schools/Centers	Current Principal(s)/Administrator(s)	Former Principal(s)/Administrator(s)
7051	G. Holmes Braddock Senior	Mr. Manuel S. Garcia	N/A = No Change of Principal Since Prior Audit.
7171	Medical Academy Science and Technology Senior	Ms. Lisa S. Noffo	N/A = No Change of Principal Since Prior Audit.
6052	Miami Arts Studio 6-12 @ Zelda Glazer	Dr. Miguel A. Balsera	N/A = No Change of Principal Since Prior Audit.
7029	TERRA Environmental Research Institute <sup>(a)</sup>	Mr. Jose L. Sirven	Ms. Caridad H. Montano (Through June 2016; retired).
0921	Neva King Cooper Educational Center	Dr. Tracy E. Roos	N/A = No Change of Principal Since Prior Audit.
8181	Ruth Owens Krusé Educational Center <sup>(a)</sup>	Ms. Nicole Berge-MacInnes	Dr. Angel L. Rodriguez (Through July 2016; presently Family Liaison Officer at the Department of Family Support Services).
<u>Alternative Education Center</u>			
8141	Juvenile Justice Center <sup>(a)</sup>	Mr. Alberto Iber	Mr. Steven Payne (Through July 2015; presently Assistant Principal at Miami McArthur South) Dr. Theron A. Clark (Through January 2016; presently Principal at Education Alternative Outreach Program).
<u>Special Education Center</u>			
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center <sup>(a)</sup>	Ms. Kathryn Cadieux, Site Administrator	Dr. Ann M. Sasseville, Site Administrator (Through July 2016; presently Executive Director, Pre-K SPED).

Note:

(a) Change of Principal at this school/center since prior audit (22 schools/centers).

## ACCOUNTING SYSTEM CONVERSION SCHEDULE

Not all the schools/centers within the same group migrated to the new system on the same date. Although the system was available on the dates noted below for each of the pilot group/cohort groups, schools/centers were directed not to input any information until they attended the “Go Live” meeting scheduled at ITS, where Treasurers were given guidance on how to migrate to the new system and initialize the financial information in the new system. The table below summarizes the information for the 60 schools/centers reported herein:

Work Loc. No.	School/Centers	Group Designation	MSAF End Date	eSAS Available Conversion Date	“Go Live” Session Scheduled Date
<u>North Region Office Schools/Centers</u>					
0681	Carol City Elementary	Cohort 2	01/27/16	02/01/16	02/03/16
2161	Golden Glades Elementary	Cohort 2	01/27/16	02/01/16	02/04/16
2241	Gratigny Elementary	Cohort 2	01/27/16	02/01/16	02/04/16
3781	Barbara J. Hawkins Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
3141	Meadowlane Elementary	Cohort 2	01/27/16	02/01/16	02/04/16
4301	Parkview Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
5481	Treasure Island Elementary	Cohort 3	02/24/16	03/01/16	03/03/16
5991	Charles D. Wyche, Jr. Elementary	Cohort 3	02/24/16	03/01/16	03/03/16
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center	Cohort 1	11/24/15	12/01/15	12/03/15
3421	M. A. Milam K-8 Center	Cohort 2	01/27/16	02/01/16	02/04/16
6611	Country Club Middle	Cohort 1	11/24/15	12/01/15	12/02/15
6241	Highland Oaks Middle	Cohort 2	01/27/16	02/01/16	02/05/16
7011	American Senior	Cohort 3	02/24/16	03/01/16	02/05/16
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	Pilot	09/29/15	10/01/15	10/05/15
7541	North Miami Beach Senior	Cohort 2	01/27/16	02/01/16	02/05/16
7049	Westland Hialeah Senior	Cohort 2	01/27/16	02/01/16	02/05/16

## ACCOUNTING SYSTEM CONVERSION SCHEDULE

Work Loc. No.	School/Centers	Group Designation	MSAF End Date	eSAS Available Conversion Date	"Go Live" Session Scheduled Date
8151	Robert Renick Educational Center	Cohort 1	11/24/15	12/01/15	12/03/15
<u>Central Region Office Schools/Centers</u>					
0841	Coconut Grove Elementary	Cohort 2	01/27/16	02/01/16	02/03/16
1561	Earlington Heights Elementary	Cohort 2	01/27/16	02/01/16	02/03/16
1801	Fairlawn Elementary	Cohort 2	01/27/16	02/01/16	02/04/16
1841	Flagami Elementary	Cohort 2	01/27/16	02/01/16	02/04/16
2661	Kensington Park Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
4071	Agenoria S. Paschal/Olinda Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
4501	Poinciana Park Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
4721	Rockway Elementary	Cohort 3	02/24/16	03/01/16	03/03/16
5041	Silver Bluff Elementary	Cohort 3	02/24/16	03/01/16	03/03/16
0081	Lenora B. Smith Elementary	Pilot	09/29/15	10/01/16	10/05/15
5431	Sweetwater Elementary	Cohort 3	02/24/16	03/01/16	03/03/16
6031	Brownsville Middle	Cohort 2	01/27/16	02/01/16	02/05/16
6011	Georgia Jones-Ayers Middle	Cohort 2	01/27/16	02/01/16	02/05/16
6881	South Miami Middle	Cohort 1	11/24/15	12/01/15	12/02/15
<u>South Region Office Schools/Centers</u>					
0671	Calusa Elementary	Cohort 2	01/27/16	02/01/16	02/03/16
1371	Marjory S. Douglas Elementary	Cohort 2	01/27/16	02/01/16	02/03/16
1691	Christina M. Eve Elementary	Cohort 2	01/27/16	02/01/16	02/04/16
2021	Gloria Floyd Elementary	Cohort 2	01/27/16	02/01/16	02/04/16

## ACCOUNTING SYSTEM CONVERSION SCHEDULE

Work Loc. No.	School/Centers	Group Designation	MSAF End Date	eSAS Available Conversion Date	"Go Live" Session Scheduled Date
2521	Oliver Hoover Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
2891	William Lehman Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
4221	Palmetto Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
0831	Claude Pepper Elementary	Cohort 2	01/27/16	02/01/16	02/03/16
4441	Pine Lake Elementary	Cohort 3	02/24/16	03/01/16	03/02/16
4741	Royal Green Elementary	Cohort 3	02/24/16	03/01/16	03/03/16
4761	Royal Palm Elementary	Cohort 3	02/24/16	03/01/16	03/03/16
5121	Snapper Creek Elementary	Cohort 3	02/24/16	03/01/16	03/03/16
0651	Campbell Drive K-8 Center	Cohort 2	01/27/16	02/01/16	02/03/16
1331	Devon Aire K-8 Center	Pilot	09/29/15	10/01/15	10/05/15
2701	Kenwood K-8 Center	Cohort 2	01/27/16	02/01/16	02/04/16
2881	Leewood K-8 Center	Cohort 2	01/27/16	02/01/16	02/04/16
3101	Frank C. Martin K-8 Center	Cohort 2	01/27/16	02/01/16	02/04/16
6001	Herbert A. Ammons Middle	Pilot	09/29/15	10/01/15	10/05/15
6801	Riviera Middle	Cohort 2	01/27/16	02/01/16	02/05/16
7008	BioTECH@Richmond Heights 9-12 High	Cohort 3	02/24/16	03/01/16	03/03/16
7051	G. Holmes Braddock Senior	Pilot	09/29/15	10/01/15	10/01/15
6081	Cutler Bay Senior High School	Cohort 2	01/27/16	02/01/16	02/05/16
7171	Medical Academy Science and Technology Senior	Cohort 1	11/24/15	12/01/15	12/03/15
6052	Miami Arts Studio 6-12 @ Zelda Glazer	Cohort 2	01/27/16	02/01/16	02/05/16
7029	TERRA Environmental Research Institute	Pilot	09/29/15	10/01/15	10/05/15

## ACCOUNTING SYSTEM CONVERSION SCHEDULE

Work Loc. No.	School/Centers	Group Designation	MSAF End Date	eSAS Available Conversion Date	"Go Live" Session Scheduled Date
0921	Neva King Cooper Educational Center	Cohort 3	02/24/16	03/01/16	03/02/16
8181	Ruth Owens Krusé Educational Center	Cohort 3	02/24/16	03/01/16	03/03/16
<u>Alternative Education Center</u>					
8141	Juvenile Justice Center	Cohort 3	02/24/16	03/01/16	03/03/16
<u>Special Education Center</u>					
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	Cohort 3	02/24/16	03/01/16	03/02/16
<b>TOTAL</b>		<b>60 schools/centers</b>			

## PROPERTY SCHEDULE

The results of the property inventories of the 67 schools/centers reported herein are as 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		
North Region Office Schools/Centers								
0681	Carol City Elementary	183	\$ 360,904	-	\$ -	\$ -	1	\$ 1,342
2161	Golden Glades Elementary	105	229,822	-	-	-	-	-
2241	Gratigny Elementary	159	410,488	-	-	-	-	-
3781	Barbara J. Hawkins Elementary	82	241,929	-	-	-	-	-
3141	Meadowlane Elementary	135	278,169	-	-	-	-	-
4301	Parkview Elementary	61	184,241	-	-	-	-	-
5481	Treasure Island Elementary	140	283,375	-	-	-	-	-
5991	Charles D. Wyche, Jr. Elementary	163	314,628	-	-	-	-	-
0092	Norman S. Edelcup/Sunny Isles Beach K-8 Center	204	599,792	-	-	-	-	-
3421	M. A. Milam K-8 Center	250	552,855	-	-	-	-	-



## PROPERTY SCHEDULE

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		
6611	Country Club Middle	391	848,241	-	-	-	-	-
6241	Highland Oaks Middle	223	604,517	1	2,108	228	-	-
7011	American Senior	436	1,270,709	-	-	-	4	7,246
7048	Alonzo and Tracy Mourning Senior High Biscayne Bay Campus	356	1,312,781	-	-	-	-	-
7541	North Miami Beach Senior	551	1,367,839	-	-	-	-	-
7049	Westland Hialeah Senior	387	1,349,670	-	-	-	-	-
8151	Robert Renick Educational Center	139	375,504	-	-	-	-	-
<u>Central Region Office Schools/Centers</u>								
0841	Coconut Grove Elementary	85	198,755	-	-	-	-	-
1561	Earlington Heights Elementary	167	325,433	-	-	-	-	-
1801	Fairlawn Elementary	104	266,441	-	-	-	-	-

## PROPERTY SCHEDULE

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		
1841	Flagami Elementary	107	257,319	-	-	-	-	-
2661	Kensington Park Elementary	210	581,220	-	-	-	-	-
4071	Agenoria S. Paschal/Olinda Elementary	120	254,855	-	-	-	-	-
4501	Poinciana Park Elementary	184	406,034	-	-	-	-	-
4721	Rockway Elementary	120	264,735	-	-	-	-	-
5041	Silver Bluff Elementary	144	389,594	-	-	-	-	-
0081	Lenora B. Smith Elementary	123	314,519	-	-	-	-	-
5431	Sweetwater Elementary	280	571,523	-	-	-	-	-
6031	Brownsville Middle	335	756,203	8	8,148	0	4	9,215
6011	Georgia Jones-Ayers Middle	240	695,968	-	-	-	-	-
6881	South Miami Middle	321	777,108	-	-	-	-	-

## PROPERTY SCHEDULE

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		
South Region Office Schools/Centers								
0271	Bent Tree Elementary <sup>(a)</sup>	157	337,593	-	-	-	-	-
0671	Calusa Elementary	103	301,668	-	-	-	-	-
1371	Marjory S. Douglas Elementary	127	349,628	-	-	-	-	-
1691	Christina M. Eve Elementary	117	298,607	-	-	-	-	-
5061	Dr. Carlos J. Finlay Elementary <sup>(a)</sup>	134	418,946	-	-	-	-	-
2021	Gloria Floyd Elementary	151	323,444	-	-	-	1	1,419
2521	Oliver Hoover Elementary	181	413,406	-	-	-	-	-
2891	William Lehman Elementary	121	301,361	-	-	-	-	-
4221	Palmetto Elementary	121	309,298	-	-	-	-	-
0831	Claude Pepper Elementary	108	280,333	-	-	-	-	-

Note:

(a) Property inventory results pending since school audit results reported in September 2016 (7 schools/centers).

## PROPERTY SCHEDULE

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		
4441	Pine Lake Elementary	139	362,631	-	-	-	-	-
4741	Royal Green Elementary	129	353,726	-	-	-	-	-
4761	Royal Palm Elementary	146	304,913	-	-	-	-	-
5121	Snapper Creek Elementary	106	247,778	-	-	-	-	-
5951	Whispering Pines Elementary <sup>(a)</sup>	157	358,472	-	-	-	-	-
0651	Campbell Drive K-8 Center	254	482,078	-	-	-	-	-
1331	Devon Aire K-8 Center	358	704,479	-	-	-	-	-
2701	Kenwood K-8 Center	294	625,075	-	-	-	-	-
2881	Leewood K-8 Center	202	537,483	-	-	-	-	-
3101	Frank C. Martin K-8 Center	264	595,058	-	-	-	-	-
6001	Herbert A. Ammons Middle	317	655,455	-	-	-	-	-
6221	Hammocks Middle <sup>(a)</sup>	310	683,876	-	-	-	-	-

Note:

(a) Property inventory results pending since school audit results reported in September 2016 (7 schools/centers).

## PROPERTY SCHEDULE

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		
6801	Riviera Middle	473	1,009,631	-	-	-	-	-
6901	W. R. Thomas Middle <sup>(a)</sup>	317	751,518	-	-	-	-	-
7008	BioTECH@Richmond Heights 9-12 High	108	288,334	-	-	-	-	-
7051	G. Holmes Braddock Senior	641	1,897,313	-	-	-	-	-
6081	Cutler Bay Senior	318	667,338	-	-	-	-	-
7171	Medical Academy Science and Technology Senior	117	352,986	-	-	-	-	-
6052	Miami Arts Studio 6-12 @ Zelda Glazer	190	711,273	-	-	-	-	-
7041/7061/ 7091/7551	School For Advanced Studies—aggregate of property from all campuses <sup>(a)</sup>	33	69,766	1	1,793	0	-	-
7741	Southwest Miami Senior <sup>(a)</sup>	671	2,226,731	-	-	-	-	-
7029	TERRA Environmental Research Institute	379	1,577,568	-	-	-	-	-
0921	Neva King Cooper Educational Center	78	218,258	-	-	-	-	-
8181	Ruth Owens Krusé Educational Center	149	342,847	-	-	-	-	-

Note:

(a) Property inventory results pending since school audit results reported in September 2016 (7 schools/centers).

## PROPERTY SCHEDULE

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		
<u>Alternative Education Center</u>								
8141	Juvenile Justice Center	45	87,123	-	-	-	-	-
<u>Special Education Center</u>								
2531	Thena C. Crowder Early Childhood Diagnostic & Special Education Center	63	145,939	4	6,769	0	-	-
TOTAL		14,083	\$ 36,237,104	14	\$ 18,818	\$ 228	10	\$ 19,222

## PROPERTY SCHEDULE

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

Work Location No.	Schools/Centers	No. Of Plant Security Reports	Total Items	Total Amount At Cost	CATEGORY (AT COST)	Total Depreciated Value
					Computers	
4501	Poinciana Park Elementary	2	5	\$ 7,288	\$ 7,288	\$ 64
TOTAL		2	5	\$ 7,288	\$ 7,288	\$ 64

## **FINDINGS AND RECOMMENDATIONS**

### **1. Inadequate Controls Over The Bookkeeping Function Disclosed Posting/Deposit Delays And Other Bookkeeping Discrepancies *Treasure Island Elementary School***

Our review of financial records corresponding to the 2014-2015 and 2015-2016 fiscal years disclosed posting transaction delays, bookkeeping errors and incomplete internal funds' supporting documentation. Most discrepancies happened between October 2014 and June 2016 under the tenure of the current bookkeeper. As a result of these discrepancies, we revised the financial statements to accurately represent the results of transactions. Although this individual has worked for several years in the school system, this was the first time that she performed the bookkeeping duties. Regarding the bookkeeping discrepancies, it appears that this was the result of a lack of bookkeeping experience, since nothing came to our attention to indicate a misappropriation of funds. At the present time, the individual continues working at the school in the same capacity. Details of our findings follow:

#### ***Adjusting Entries in Bank Reconciliations Not Timely Processed***

Section II and Section V of the *Manual of Internal Fund Accounting* establish the guidelines for the posting of transactions to the automated system related to the checking account and any savings or investment account(s) of the school. These transactions relate to the recording of interest, bank charges/credits, the transmittal of revenues from the District to the internal funds checking account for vending commissions and similar transactions associated with the checking account. The *Manual* also delineates timelines that must be observed when processing school checks that remain outstanding in the bank reconciliations for a period of time (three months or more).

- 1.1. Our review of the monthly bank reconciliations disclosed a variety of adjusting entries, some of which resulted from bookkeeping errors, while others represented bank charges and credits that were not posted in a timely manner. Some of the adjustments carried in the bank reconciliations for several months corresponded to bank service fees, bank interest and money market interest earned.



The monthly bank reconciliations listed 63 checks with an aggregate value of approximately \$375 that were outstanding for almost a year. According to the check posting descriptions, these were intended to reimburse parents of students for field trip collections that exceeded the cost of the field trip. We found that *although the checks were posted to the system, they were never written* since these were errors that were pending correction. We referred this matter to the Internal Funds Business Manager to assist the school with the correction.

#### *Instructional Materials and Supplies (Fund 9) Account Not Timely Replenished and Related Discrepancies*

The Instructional Materials and Supplies Account (Fund 9) was established in the internal funds of the school to provide purchasing flexibility at the school site level. To obtain revenue for the Fund 9 account, schools are allowed to transfer specified amounts of their allocated tax dollar budget funds for materials and supplies purchases. Regarding internal fund purchases charged to Fund 9 revenue, Section III, Chapter 9 of the *Manual of Internal Fund Accounting* provides the guidelines over Fund 9. According to the guidelines, all Fund 9 expenditures must be reported by June 30, *regardless of the amount spent*. Our review of the Fund 9 account disclosed that:

- 1.2. During the 2015-2016 fiscal year, the school did not replenish the Fund 9 account in a timely manner. The account had an established amount of \$10,000; however, at June 30, 2016, the school had spent approximately \$5,900 and funds had not been replenished.

#### *Late Posting of Receipts, Late Deposits and Incomplete Documentation*

Section II, Chapters 2 and 3 of the *Manual of Internal Fund Accounting* establish the policies and procedures regarding the collection process, receipting and depositing of monies generated from Internal Fund activities. Individual collections of \$15 or more must also be supported by issuing official school board forms/receipts. For this purpose, schools generally use the Official Pre-numbered Official Teachers' receipt Book [FM-0976] Board of public Instruction (BPI Receipt).

From our review of a random sample of 16 deposit packages for the two-year audit period totaling approximately \$33,800 we noted the following discrepancies:

- 1.3. In all 16 instances, the posting and/or deposit of collections was not made in a timely manner. The delays ranged from a few days to almost three months. One instance also disclosed that official teachers' (BPI) receipts were not issued for individual collections of \$15 or more.

- 1.4. Collections posted to a field trip account did not include supporting documentation. These corresponded to three deposits totaling \$945. The source of the collection could not be verified.

*Weekly Briefing No. 5164 Policies and Procedures on the Safeguarding Funds at Schools* implemented utilization of the Collections/Deposits Log [FM-7249]. Consistent use of this form is required to ensure that the school administration is fully aware of any collections held at the school overnight or over the weekend pending deposit. According to the *Weekly Briefing* procedures, schools must log the deposit and sign the form by two designated individuals at the time the funds are placed in the secure area, and when funds are removed from the safe area for deposit. However,

- 1.5. The Collections/Deposit Log was not on file for both the 2014-2015 and 2015-2016 fiscal years.

## **RECOMMENDATIONS**

- 1.1. **School staff and administration should review receipting procedures for understanding and awareness of the requirements. This also includes the procedures for documenting the receipts and the deposits.**
- 1.2. **School administration and staff (bookkeeper) would benefit from additional training in Internal Funds to improve bookkeeping procedures and the monitoring of the internal funds of the school.**

### **Going forward:**

- 1.3. **The school administration should periodically review the internal funds records with the bookkeeper to strengthen control over the bookkeeping of the funds and the financial records, and resolve discrepancies in a timely manner.**
- 1.4. **The school administration should review the monthly reconciliation with the bookkeeper to ensure understanding, and to ensure that pending adjustments are processed and cleared from the reconciliations in a timely manner.**
- 1.5. **The school administration should monitor the Fund 9 account to ensure that funds are available before approving disbursements, and the account can be timely replenished (before the closing of the year).**

- 1.6. The school administration should implement use of the Collections/Deposits Log [FM-7249], review periodically and maintain on file.

**Person(s) Responsible:**

**Principal And Bookkeeper**

**Management Response:**

The Principal reviewed the guidelines as stated in the *Manual of Internal Fund Accounting* with the Treasurer to ensure understanding and awareness of bookkeeping functions to avoid posting delays and to ensure adjustments are processed and cleared from reconciliations in a timely manner.

The Principal and the Treasurer have met and communicated with the District's Business Manager on various occasions and the Business Manager will continue to provide support. Also, the Principal and Treasurer will attend additional Internal Funds and e-SAS trainings to improve and strengthen bookkeeping procedures.

Additionally, the Principal has established and strengthened policies and procedures with the Treasurer to ensure that as soon as the Fund 9 account reaches the 25% threshold, the account will be replenished.

The Principal is meeting with the Treasurer bi-weekly to review the monthly financial reports for accuracy. Also, the Principal has directed the Treasurer to maintain a running checkbook balance and the Principal reviews the checkbook regularly to ensure that this procedure is being implemented. She is strengthening controls over the bookkeeping of the funds and the financial records, and resolving discrepancies in a timely manner.

Furthermore, in order to ensure future misplacement of any documents and to strengthen the organization of the Treasurer, the Principal has made changes in the setting by assigning the Treasurer a very exclusive private office. Also, the burden of the substitute locator was removed from the Treasurer's responsibility list.

Finally, the Principal has implemented the use of the collection/deposits logs which will be reviewed weekly with the Treasurer maintained on file.

**Person(s) Responsible:**

**North Region Office Administration**

**Management Response:**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Treasurer, to ensure deposits and bookkeeping functions are timely and accurate. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Treasurer.

The Principal was instructed to schedule and attend (with the Treasurer) an Internal Funds training session with the Business Manager and attend a District e-SAS training to in turn strengthen the organization over the bookkeeping functions.

The Principal was instructed to meet weekly with the Treasurer to strengthen the organization of the school's financial records. She will review all records for accuracy, resolve discrepancies in a timely manner and seek additional assistance if needed.

The North Region Office Financial Human Capital assigned the Treasurer a mentor Treasurer to serve as an immediate liaison to answer questions or concerns she may have regarding her bookkeeping responsibilities.

Furthermore, the Principal has been instructed to attend School Operations' Money Does Matter Support Program sessions. Lastly, the North Region Office Financial Human Capital Director will ensure that the "In-House Review Teams" within each feeder pattern assist the school to provide additional support in this area.

**Person(s) Responsible:****School Operations Administration****Management Response:**

School Operations has reviewed the audit exceptions cited in the 2014-2015 and 2015-2016 fiscal year(s) audit reports of the following schools reporting to the North Region, Central Region and South Region Offices: Robert Renick Educational Center, Treasure Island Elementary, Fairlawn Elementary, Kensington Park Elementary, Brownsville Middle, Georgia Jones-Ayers Middle, and Cutler Bay Senior High School. The following preventive actions will be taken through School Operations:

- Monitor mini-review reports conducted at affected schools submitted by the Region Superintendent to ensure that collections are properly receipted, documented, and timely deposited. Discrepancies with the aforementioned areas will be investigated through the appropriate Region Office;
- Coordinate collaboratively with the Region Offices, the Bilingual and Exceptional Student Education District Offices and develop a compliance team that will conduct mini-review of records to ensure documents are properly maintained.
- School Operations will coordinate monthly presentations from the Bilingual Education and Exceptional Student Education district offices on policies, procedures and recordkeeping best practices through Scaled Leadership Meetings.
- Coordinate and provide information to school site administrators and staff on best business practices, including related financial areas of concern through Money DOES Matter Support Program.
- School Operations in collaboration with the Region Office will continue to provide support to the schools by assigning a Fiscal Review Team to conduct financial reviews, periodically.

**2. Inadequate Controls Over  
Disbursements  
Resulted In Supporting  
Documentation That  
Was Incomplete  
And Late Vendor  
Payments  
*Treasure Island Elementary School***

Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting* establish the policies and procedures for making disbursements. According to these procedures, the disbursement must be supported by a properly completed check requisition, and the invoice supporting the disbursement must be itemized and signed to indicate that goods/services have been received and payment is in order. A vendor statement is not appropriate documentation for supporting a disbursement.

Regarding the timing for issuing payments to vendors, the *Manual* also requires that any arrangements with the vendors to remit payment past 30 days of receipt of goods/services be included in the records as evidence/support. Accordingly, it is the responsibility of the Principal, or his/her designee to review all supporting documentation prior to signing the check thereby authorizing the payment.

Our review of a sample of 29 disbursements for the two-year audit period totaling approximately \$21,750 (which included the purchase of items such as reading materials, pictures, food/snacks/refreshments, office supplies and custodial and cleaning supplies), disclosed the following discrepancies:

- 2.1. In 19 instances, the original invoice was not on file and/or check requisition was incomplete or missing. In some cases where the original invoice was not evident, the school paid from a contract or vendor statement. We were able to contact the vendors to obtain copies of invoices, or in some cases, the school provided the invoices in question after-the-fact during a subsequent audit visit to the school.
- 2.2. In 13 instances, the payment to a vendor was not made in a timely manner. Delays ranged up to nine months. In one of these instances, the invoice dated a year prior to the audit visit for reading materials for approximately \$680, had not been paid.
- 2.3. In nine instances, the invoice/receipt supporting the disbursement did not reflect acknowledgement of receipt of goods and/or services to indicate that the goods/services had been received and payment was in order.

## RECOMMENDATIONS

- 2.1. The school administration should discuss the disbursement documentation requirements with appropriate staff to ensure that: 1) check requisitions are completed and filed; 2) invoices are obtained to document/support all purchases; and 3) the invoices are signed to indicate acknowledgment of receipt of goods/services. In addition, the school administration should discuss the timelines for paying vendors.
- 2.2. The school administration should ensure that all disbursement documentation accompanies a check requisition before signing a check. The school administration should not sign a check unless it is properly supported with an invoice and any other ancillary documentation; and should bring to the attention of the bookkeeper those instances where documentation is incomplete/missing for immediate corrective action.
- 2.3. Going forward, the school administration should review the disbursements periodically to ensure compliance; and should monitor the timelines for making payments to ensure that vendors are paid in a timely manner.

**Person(s) Responsible:**

**Principal And Bookkeeper**

**Management Response:**

The Principal reviewed the guidelines as stated in the *Manual of Internal Fund Accounting* with the Treasurer, to ensure understanding and awareness of properly completing check requisitions and invoices supporting disbursements.

The Principal will meet bi-weekly with the Treasurer to strengthen controls and ensure proper organization and avoid misplacement of any invoices/documentation. The Principal will ensure that all check requisitions are completed and filed, that invoices are obtained to support purchases and that they are signed as acknowledgement of receipt of goods/services. Also, the Principal will ensure that the vendors are paid in a timely manner.

The Principal is monitoring all disbursements closely to ensure that every order's packing slip is stamped and receipted upon delivery. Also, copies of invoices with corresponding purchase order numbers will be sent to accounts payable for final processing and disbursement to vendor.

**Person(s) Responsible:****North Region Office Administration****Management Response:**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Treasurer, to ensure disbursements are organized and vendor payments are timely and accurate. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Treasurer.

The Principal was instructed to alleviate any job assignments outside of the Treasurer's responsibility list to ensure that she can solely focus on processing and maintaining organized financial records.

The Principal was instructed to meet weekly with the Treasurer to ensure that all disbursements present the proper documentation including the check requisition and invoice and that no checks are signed without this needed documentation.

**Person(s) Responsible:****School Operations Administration****Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Treasure Island Elementary School.



**3. Inadequate Recordkeeping,  
Documenting, And  
Reporting Of Payroll  
*Treasure Island Elementary School***

The *Payroll Processing Procedures Manual* establishes 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.

Regarding the documenting and approving of leave, full-time employees must complete leave cards to support the leave taken; and the leave cards must be signed by the employee and an administrator.

In addition, payroll procedures delineate the requirements for completing the *Temporary Instructors (Pool & Emergency Substitutes) & Paraprofessional Substitutes Daily Payroll Attendance Sheets* [FM-7090]. According to the instructions, temporary instructors are required to sign in/out on a daily basis in the attendance roster; and the name of absent employee and the account structure used must be included as part of the documentation.

At this school, the Principal supervises and approves the payroll. The bookkeeper was also the individual in charge of inputting and processing the payroll.

Our review of two pay periods in May-June 2016 disclosed that *payroll records very disorganized*. In addition, we found the following discrepancies:

- 3.1. In 15 instances, the leave cards of full-time employees (instructional) were not on file to support the leave reported. This represented a total of 19.5 days of various types of leave.
- 3.2. In four instances, leave cards of full-time employees (non-instructional) were not signed by the administrator/delegate and/or employee. This represented a total of 5.5 days of various types of leave.
- 3.3. The Temporary Instructors Pool and Emergency Substitute roster was not properly completed. In seven instances, the roster was missing information such as accounting structure charged and the absent employee's name.
- 3.4. The attendance of an instructional staff member that also works at another school was not properly documented. According to the school, this individual

worked five days at another location and was reported present those five days; however, there were no attendance rosters or documentation on file to indicate that the individual was in attendance at the other location.

## **RECOMMENDATIONS**

- 3.1. The school administration should discuss payroll procedures with faculty/staff and the payroll preparer to ensure understanding of the payroll procedures for completing/signing/filing/retaining leave cards as part of the payroll records.**
- 3.2. The school administration should discuss payroll procedures with the payroll preparer to ensure understanding of the payroll procedures for the proper filing of payroll records; and the proper completion of attendance rosters for Temporary Instructors Pool and Emergency Substitutes.**
- 3.3. The school administration should implement procedures for recording the attendance of employees working off-site to ensure that the school maintains a complete record of their personal attendance.**

**Person(s) Responsible:**

**Principal,  
Assistant Principal, Payroll Clerk**

## **Management Response:**

The Principal has reviewed the *Payroll Processing Procedures Manual* with the Assistant Principal and Payroll Clerk to ensure awareness and understanding of the proper procedures for recording, reporting, and filing payroll records (inclusive of leave cards).

The Principal and Payroll Clerk have completed a comprehensive review with faculty and staff on the importance of following attendance procedures when completing leave cards. The Principal has strengthened the organization of the record keeping and proper recording of staff attendance.

The Principal has assigned the Assistant Principal to assist in reviewing the leave cards for accuracy and the proper completion of all attendance rosters and for Temporary Instructors.

The Principal has implemented changes to allow for better tracking of leave cards, proper documentation of staff, and ensuring the accounting structures are charged correctly.

The Principal and the Treasurer will implement procedures for recording the attendance of employees working off-site to ensure that the school maintains a complete record of their personal attendance.

**Person(s) Responsible:**

**North Region Office Administration**

**Management Response:**

The North Region Office Human Capital Director and the Principal established an organized plan for the Principal to implement and monitor with affected staff. The Principal will thoroughly review the *Payroll Processing Procedures Manual* with the Assistant Principal and the Payroll Clerk to ensure a greater understanding of the proper procedures for recording, reporting and filing payroll records.

The Principal was instructed to review the proper procedures with the faculty and staff to fully understand the importance of completing leave cards appropriately. The Principal was also instructed to communicate with the principals of the other schools where staff serves as an itinerant to maintain complete records of their attendance.

The Principal was instructed to assign the Assistant Principal to assist with the payroll review process and devise a plan to meet with the Payroll Clerk regularly to ensure that attendance is being recorded accurately and in a timely manner and that all leave cards are completed properly.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Treasure Island Elementary School.

**4. Inadequate Controls  
Over The Bookkeeping Function  
Disclosed Posting/Deposit Delays  
And Other Bookkeeping  
Discrepancies  
*Robert Renick Educational Center***

In November 2015, the school's accounting records were converted to the eSAS automated accounting system. Our review of the activity for the 2015-2016 fiscal year disclosed numerous bookkeeping errors which materially affected the financial statement and required adjustments to accurately represent the financial activity for the fiscal year. In order to identify the errors, internal audit staff was required to perform a thorough review of all transactions. In addition, internal audit staff had to re-schedule the audit visit since school staff was not ready for the audit when initially contacted before the closing of the 2015-2016 fiscal year.

During the prior audit, which took place between August and September 2014, we identified some bookkeeping discrepancies, posting delays and incomplete supporting documentation and fundraising documentation, and discussed these matters with the Principal for her information and follow-up. However, during this audit, we found the following material discrepancies:

*Bookkeeping Deficiencies:*

- 4.1. We determined that the bookkeeping errors were due to the bookkeeper's misunderstanding of the general ledger's accounting structures<sup>5</sup> that should be used to post receipt and disbursement transactions. The errors also resulted from her misunderstanding of the type of transaction that should be processed in the system when transferring funds between internal fund accounts<sup>6</sup>. These errors understated total receipts and overstated total disbursements by approximately \$11,400, respectively; while transfers between accounts were miscoded as receipts/disbursements totaling approximately \$1,500<sup>7</sup>.
- 4.2. Images of cancelled checks were not available for audit for the months of January 2015, March 2015, and March 2016.

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<sup>5</sup> An example of such error would be selecting a revenue accounting structure to post an expenditure and vice versa.

<sup>6</sup> Transfers of funds between internal fund accounts are posted separately from revenues and expenditures since they do not affect the bottom line; they represent transfers of funds from one internal fund account to another. In this case, the transaction selected would erroneously codify the intended transfer as a revenue in one account and as an expenditure in the other account, thus causing equal amounts of overstatement and understatement of revenues/expenditures in the affected accounts.

<sup>7</sup> Net transfers (total transfer-in minus total transfer-out transactions) amounted to zero.

- 4.3. In four instances, interest earned by the School Board Money Market investment account was not posted to the system in a timely manner. Delays ranged from one to three months. In one other instance, the interest earned was posted twice in error.

*Late Posting of Receipts, Late Deposits and Incomplete Documentation*

*Section II, Chapters 2 and 3 of the Manual of Internal Fund Accounting* establish the policies and procedures regarding the collection process, receipting and depositing of monies generated from Internal Fund activities. Individual collections of \$15 or more must also be supported by issuing official school board forms/receipts. For this purpose, schools generally use the Official Pre-numbered Official Teachers' receipt Book [FM-0976] Board of public Instruction (BPI Receipt).

From our review of a random sample of ten deposit packages for the two-year audit period totaling approximately \$4,000, we noted the following discrepancies:

- 4.4. In five instances, the posting and/or deposit of collections were not made in a timely manner. Delays ranged from one to 15 days.
- 4.5. In three instances, official teacher's (BPI) receipts were not issued for individual collections of \$15 or more. In four instances, BPI receipts were issued; however, they were not attached to deposit packages. In three other instances, the MSAF computer-generated receipt (which is part of the MSAF deposit package) was not available for audit, or not attached to a deposit package or to a receipt book.

*Weekly Briefing No. 5164 Policies and Procedures on the Safeguarding Funds at Schools* implemented utilization of the Collections/Deposits Log [FM-7249]. Consistent use of this form is required to ensure that the school administration is fully aware of any collections held at the school overnight or over the weekend pending deposit. According to the *Weekly Briefing* procedures, schools must log the deposit and sign the form by two designated individuals at the time the funds are placed in the secure area, and when funds are removed from the safe area for deposit. *A similar item was discussed with the administration during the prior audit.* However,

- 4.6. The Collections/Deposits Log [FM-7249] was not on file for audit for the 2014-2015 school year. For the 2015-2016 school year, the form was not properly maintained. We also noted three instances where deposits that remained overnight at the school pending delivery to the bank were not recorded in the deposit log.

### *Incomplete Records Associated With Fundraising Activities*

Section IV, Chapter 2 of the *Manual of Internal Fund Accounting* provides the guidelines for the fundraising activities of the school. Pursuant to these guidelines, the school must maintain a *Fundraising Activities Log* to record all fundraising activities. Each activity must be properly approved by the school administration using the *Application for Fundraising*; and a *Student Activity Operating Report* must be prepared at the completion of the activity summarizing all the associated financial transactions. All these documents must be signed by the school administration and staff assigned to oversee the fundraisers to indicate that all reports have been reviewed and they concur with the results. Our review of fundraisers disclosed the following discrepancies:

- 4.7. Although the school had only a few number of fundraising activities, *we again found that the Fundraising Activities Log was not completed and a Student Activity Operating Report was either not properly completed, or not filed.* From our sample of three fundraisers reviewed, we noted that the Application for Fundraising was not on file and a *Certificate of Disposal* was not prepared for perishable inventory.

### **RECOMMENDATIONS**

- 4.1. **School staff and administration should review receipting procedures for understanding and awareness of the requirements. This also includes the procedures for documenting the receipts, the deposits as well as procedures over fundraising activities.**
- 4.2. **School administration and staff (bookkeeper) would benefit from additional training in Internal Funds to improve bookkeeping procedures and the monitoring of the internal funds of the school.**

#### **Going forward:**

- 4.3. **The school administration should periodically review the internal funds records with the bookkeeper to strengthen control over the bookkeeping of the funds, the financial records, the fundraisers, and resolve discrepancies in a timely manner.**
- 4.4. **The school administration should implement use of the Collections/Deposits Log [FM-7249], review periodically and maintain on file.**
- 4.5. **All fundraising records should be completed and kept on file.**

**Person(s) Responsible:**

**Principal And Bookkeeper**

**Management Response:**

The Principal reviewed the guidelines as stated in the *Manual of Internal Fund Accounting* with the Assistant Principal, Treasurer, faculty and staff, to ensure understanding and awareness of receipting and deposit procedures and the process that must be followed in regards to fundraising activities.

The Principal scheduled an Internal Funds training session with the school's Business Manager for her and the Treasurer to participate in to improve the bookkeeping procedures and monitoring of the internal funds of the school. Also, the Principal and Treasurer will attend additional District e-SAS trainings.

The Principal has established and strengthened policies and procedures for a check and balance system. She conducts scheduled weekly meetings with the Treasurer to review all fundraisers, financial and bookkeeping records and will address discrepancies and seek further assistance if needed in a timely manner.

The Principal has strengthened the overall fundraising activity process to ensure that she approves all activities first, followed by region approval if applicable. During her weekly meetings with the Treasurer, she will ensure that the club sponsors do not take action on any activity until all necessary approvals have been provided. Fundraising guideline packets have been issued to each sponsor and the activity form will be placed on file with the treasurer and the activity date placed on the school calendar. Furthermore, the Principal and Treasurer will ensure that staff utilizes the Collections/Deposits Log (Form-7249).

**Person(s) Responsible:**

**North Region Office Administration**

**Management Response:**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Treasurer, to ensure that bookkeeping functions are timely and accurate. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Treasurer.

The Principal was instructed to schedule and attend (with the Treasurer) an Internal Funds training session with the Business Manager and attend a District e-SAS training to in turn strengthen the organization over the bookkeeping functions.

The Principal was instructed to meet weekly with the Treasurer to review all fundraising and bookkeeping records to be prepared to address any discrepancies and seek further assistance in a timely manner.

The North Region Office Financial Human Capital Director assigned the Treasurer a mentor Treasurer to serve as an immediate liaison to answer questions or concerns she may have regarding her bookkeeping responsibilities.

Furthermore, the Principal has been instructed to attend School Operations' Money Does Matter Support Program sessions. Lastly, the North Region Office Financial Human Capital Director will ensure that the "In-House Review Teams" within each feeder pattern assist the school to provide additional support in this area.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Robert Renick Educational Center.



**5. Inadequate Controls  
Over Disbursements  
Resulted In Documentation  
That Was Incomplete And  
Non-Compliant With  
District Policy  
*Robert Renick Educational Center***

*During this audit follow-up of prior issues at the school, we again identified non-compliance with disbursement documentation requirements.*

According to procedures in Section II, Chapters 4 and 5 of the *Manual of Internal Fund Accounting*, a disbursement must be supported with a properly completed check requisition, and the invoice supporting the disbursement must be itemized and signed to indicate that goods/services have been received and payment is in order. A vendor statement is not appropriate documentation for supporting a disbursement. In addition, only purchases of items for school use and for which the school will claim and maintain ownership are exempt from sales tax, and purchase orders are required for all purchases of goods, supplies merchandise, etc., costing \$100 or more.

Regarding the timing for issuing payments to vendors, procedures also require that any arrangements with the vendors to remit payment past 30 days of receipt of goods/services be included in the records as evidence/support. Accordingly, it is the responsibility of the school administration to review all supporting documentation prior to signing the check thereby authorizing the payment.

In those instances where an individual purchase exceeds \$1,000, but is less than \$50,000, at least three (3) written quotations must be solicited. One of these quotations must be from a certified minority enterprise. The written quotations must be included as part of the ancillary documentation supporting the disbursement to show compliance with vendor selection requirements and lowest price selected.

Our review of a sample of 15 disbursements for the two-year audit period totaling approximately \$20,000 (which included field trip related expenditures, purchases of T-shirts, awards, office furniture, and office and custodial and cleaning supplies) disclosed the following discrepancies:

- 5.1. In 11 instances, the invoice/receipt supporting the disbursement did not reflect acknowledgement of receipt of goods and/or services to indicate that the goods/services had been received and payment was in order. Several disbursements included multiple invoices for a total of 27 invoices.

- 5.2. In two instances, the payment to a vendor was not made in a timely manner and the school did not have on file a written arrangement with the vendor to justify payments made past the deadline. Both instances involved several invoices that were dated months apart and that were paid with one check. These represented a total of 14 invoices.
- 5.3. In five instances, individual purchases of \$1,000 or more were made and three documented written quotations, one of which must have been a certified minority enterprise were not obtained. According to the invoices, these were for charter buses, T-shirts and office furniture purchased between February and May 2015.
- 5.4. In six instances, the school did not have an itemized invoice on file to support the disbursement. In addition, there were two instances where Purchase Orders were entered into the MSAF (legacy) system; however, there was no Internal Fund Purchase Order [FM-1012] form on file at the school.
- 5.5. In two instances, sales tax was not paid on the purchase of T-shirts. Total sales tax due to the State of Florida was approximately \$125.

#### *Non-Compliance With Instructional Materials and Supplies (Fund 9) Account*

The Instructional Materials and Supplies Account (Fund 9) was established in the internal funds of the school to provide purchasing flexibility at the school site level. To obtain revenue for the Fund 9 account, schools are allowed to transfer specified amounts of their allocated tax dollar budget funds for purchases of materials and supplies.

Regarding internal fund purchases charged to Fund 9 revenue, Section III, Chapter 9 of the *Manual of Internal Fund Accounting* provides the guidelines over Fund 9 purchases and restrictions placed on the use of Fund 9 revenue. Specifically, the *Manual* provides a list of those expenditures that are not allowed to be made using Fund 9 revenue, and clearly *prohibits* schools from purchasing equipment with an individual value of \$1,000 or more with Fund 9 monies because of inventory control purposes. In addition, individual purchases made from Fund 9 revenue must not exceed \$2,999 per single purchase.

Aside from the Fund 9 guidelines, Section 2.5 of the *Manual of Property Control Procedures*, provides that equipment acquisitions with an individual value of \$1,000 or more not processed through the District's purchasing system must be reported on an Incoming Control Equipment Form to request the tagging of the equipment for inventory control purposes. Our review disclosed that:

- 5.6. In two instances, expenditures were not authorized under the Fund 9 guidelines. These included office furniture with an individual cost of over \$1,000 and T-shirts for staff members costing approximately \$4,000. In two additional instances, purchases of 12 leather chairs for administration/staff and a large purchase of office supplies exceeded the \$2,999 threshold established for individual Fund 9 purchases.
- 5.7. The purchase of office furniture noted above included an display case with a cost of approximately \$2,000 that was not tagged for inventory control purposes. An Incoming Control Equipment Form was completed and submitted to the District, at the request of the auditor.
- 5.8. A personal purchase for \$117 corresponding to the bookkeeper was improperly listed in the 2014-2015 Outstanding Liabilities report as a school purchase that was outstanding payment at the closing of the school year. According to the school administration, this was an oversight by the bookkeeper. *This invoice was removed from school records and paid by the employee prior to the audit visit.* We contacted the vendor to verify those purchases paid by the school and by the employee and it appears that the purchase in question and how it was initially reported was an isolated instance.

## RECOMMENDATIONS

- 5.1. The school administration should discuss the disbursement documentation requirements with appropriate staff to ensure that: 1) invoices are obtained to document/support all purchases; 2) the invoices are signed to indicate acknowledgement of receipt of goods/services; 3) in cases of purchases of \$1,000 or more, the minimum of three written quotations are obtained including one from a certified minority enterprise. In addition, the school administration should discuss the timelines for making vendor payments.
- 5.2. The school administration should ensure that all disbursement documentation accompanies a check requisition before signing a check. The school administration should not sign a check unless it is properly supported with an invoices and any other ancillary documentation, and should discuss any such situations with the Bookkeeper for immediate corrective action.
- 5.3. The school administration should discuss with staff procedures regarding the purchase of furniture, fixtures, equipment and software costing \$1,000 or more that require the tagging of the equipment for inventory control purposes. In similar cases of FF&E purchases costing \$1,000 or more, we

**strongly recommend the use of a shopping cart through the regular procurement district channels for these purchases.**

**5.4. The school administration should review the sales tax exemption guidelines set forth by the State of Florida Department of Revenue.**

**5.5. Going forward, the school administration should review the disbursements periodically to ensure compliance; and should monitor the timelines for making payments to ensure that vendors are paid in a timely manner.**

**Person(s) Responsible:**

**Principal And Bookkeeper**

**Management Response:**

The Principal reviewed the guidelines as stated in the *Manual of Internal Fund Accounting* with the Assistant Principal, Treasurer and staff to ensure understanding and awareness of the procedures that must be followed with disbursements, invoices, check requisitions and the purchasing of FF&E items.

The Principal has established policies and procedures to strengthen controls over the bookkeeping process. She conducts scheduled weekly meetings with the Treasurer to review check requisitions, invoices and disbursements. The Principal will not sign any checks without all required documents attached and will address discrepancies and seek further assistance if needed in a timely manner. Additionally, the Principal will ensure that purchases of \$1,000.00 or more have a minimum of three written quotes, one being from a minority vendor.

The Principal will ensure that purchases made through Fund 9 do not exceed the \$2,999.00 threshold and will utilize the shopping cart for future FF&E purchases. The Principal has reviewed the sales tax exemption guidelines with her Treasurer to ensure compliance moving forward. Also, the Principal has requested that her recent furniture purchase (display case) is tagged for inventory control purposes.

Finally, as part of the overall strengthening of the controls within, the Principal, along with the Treasurer, will ensure that all vendor payments are made in a timely manner.

**Person(s) Responsible:**

**North Region Office Administration**

**Management Response:**

The North Region Office Financial Human Capital Director and the Principal established an organized plan for the Principal to implement and monitor the process for disbursements to ensure that all documentation is completed and compliant with District

policy. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Treasurer.

The Principal was instructed to meet weekly with the Treasurer to ensure that the overall disbursement process was organized and follows policy. The Principal will review all documentation for accuracy before signing any checks and will also ensure that all purchases of \$1,000.00 or more have the minimum of three written quotes, one being from a certified minority enterprise.

The Principal was instructed to ensure that the strengthened control process carefully delineates a review of procedures for purchasing through Fund 9 and ensures that all FF&E purchased items costing \$1,000.00 or more are properly tagged for inventory control purposes.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Robert Renick Educational Center.

**6. School Non-Compliant With  
Full-Time Equivalent (FTE)  
ELL Student Records Resulted In  
Potential FTE Funding  
Disallowances  
*Fairlawn Elementary School***

For the 2015-2016 school year, guidelines and procedures for maintaining student information for *English Language Learners (ELL)*, also known as *English for Speakers of Other Languages (ESOL)*, were provided through the 2015-2016 Opening of School Year Information and Reminders, the Division of Bilingual Education and World Languages memoranda, and the *District Plan For Services to English Language Learners*.

According to the guidelines, all sections of the Individual *English Language Learners/Limited English Proficiency* ELL/LEP Student Plan for elementary students [FM-4649] must be appropriately initiated and/or updated in a timely manner and maintained in the student's cumulative folder. A Web-based ELL/LEP Plan (WLEP) must be completed for *all* ELL students. In addition, the Florida Comprehensive English Language Learning Assessment (CELLA) test score report must be included in the LEP folder.

In those instances where a student has been enrolled over six semesters in the ESOL program, the student folder must hold evidence that the LEP Committee convened annually to assess adequate progress, and include an evaluation of such assessment in writing. All LEP Committee meetings should take place and documentary evidence must be completed and filed in a timely manner.

For all students with three academic years or more in ESOL, an ELL Committee must be convened to re-evaluate the student's progress towards English language proficiency. Pursuant to State Rule 6A-6.09022 *Extension of Services in English for Speakers of Other Languages (ESOL) Program*, the ELL Committee's consideration as to whether a student is an *English Language Learner* or not must be similarly documented based on a minimum of two criteria or rationale, which is specified in this rule. The ELL Committee must convene no earlier than 30 school days prior to the third anniversary of the student's *Date Entered United States School (DEUSS)*<sup>8</sup>. The exception to this requirement is *if the student's anniversary date falls between the Spring CELLA administration and October 1 of the following school year*. In such case,

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<sup>8</sup> The *Date Entered United States School (DEUSS)* refers to the first time the student *enters a school in the United States*. DEUSS is obtained from the parents; consequently, *school personnel must make every effort to obtain any previous schooling information for the student from a U.S. school*. The date is necessary to calculate whether a student has attended a U.S. school for three (3) full academic years.

the school may use the Spring CELLA and Florida Standards Assessments (FSA) or any other data available for assessment to re-evaluate the student's progress without having to test the ELL student again.

At this school, according to the February 2016 FTE Survey<sup>9</sup> records, a total of 331 students were enrolled in the ESOL program.

A review of a sample of 33 ELL student folders disclosed discrepancies in 20 of the 33 student folders (approximately 60%). *Based on our samples, the oversight could have generated a funding disallowance to the District totaling approximately \$3,000.* Details follow:

- 6.1. In 11 instances, a student was enrolled in the ESOL program for more than six semesters; however, the LEP folder did not show documentary evidence that a committee had met to assess the student's progress. Three of these students had a DEUSS (Date Entered U.S. School) date that would have required a current assessment for the LEP Committee meeting; however, the students were not assessed to determine if they should continue enrolled in ESOL.
- 6.2. In eight instances, the Program Participation Section of the Individual ELL/LEP Student Plan [FM-4649] was not completed at all.
- 6.3. In two instances, the 2015 CELLA test score report (Florida Comprehensive English Language Learning Assessment) was not in the LEP folder.

## RECOMMENDATIONS

- 6.1. **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 timely filed in the folders.**
- 6.2. **In order to ensure future compliance with District guidelines, in those instances where students are enrolled over six semesters in the ESOL program, improved efforts should be made by the school administration to ensure that upcoming meetings are identified with sufficient time to schedule them in a timely manner and before the FTE week. Particular attention should be paid to the student's DEUSS date to ensure compliance with ESOL anniversary requirements.**

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<sup>9</sup> FTE Survey in February is otherwise referred to as FTE Survey Period 3.

**Person(s) Responsible:****Principal, ESOL Chairperson and Registrar****Management Response:**

As a result of the aforementioned findings, and in order to maintain compliance, the following corrective actions have been, and will continue to be, implemented:

All ESOL documentation for all students participating in the ESOL Program have been reviewed to ensure accuracy. LEP Committee Meetings have been held, all required signatures have been received, corrections, if needed, have been made, and all required documents have been filed in the students' LEP folders within the individual Cumulative Records. Further, the Department of Bilingual Education and World Languages Elementary ESOL Records Folder Checklist was reviewed with the assistant principal, ESOL Chairperson, and Registrar and it will be utilized. The ESOL folders of students newly enrolled at Fairlawn Elementary Community School, will be reviewed by the ESOL Chairperson and Assistant Principal to ensure District and State ESOL Compliance. The ESOL Compliance Checklists that are printed on each student's ESOL folder will be signed or initialed by the Registrar, ESOL Chairperson, and Administrator indicating that to the best of their knowledge all required documents are filed in the ESOL folders. The ESOL Chairperson and Assistant Principals will conduct mini reviews of a random sampling of approximately ten percent of the student population's ESOL folders, every nine weeks to ensure compliance. On a monthly basis, the administrator(s) will randomly review approximately five (5) percent of the students' ESOL folders to ensure the established plan of action is followed, and more importantly, to ensure compliance.

Additionally, in order to ensure future compliance with District guidelines in those instances where students are enrolled six semesters or more in the ESOL program, the following will occur:

- On a monthly basis, the reports that lists students who have been in the ESOL program for Six (6) Semesters or more will be printed by the Registrar and distributed to the ESOL Chairperson and Administrators.
- Upon reviewing the report, the ESOL Chairperson and Assistant Principal will devise a schedule of meetings for said students.
- During the meeting a determination will be made as to whether or not the students will benefit from remaining in the ESOL program or should they be exited from said program.
- All meetings will be appropriately documented and conducted in a timely manner.

The Bilingual Department has been contacted and request for assistance in reviewing our documents for compliance has been initiated.



**Person(s) Responsible:**

**Central Region Office Administration**

**Management Response:**

The Financial/Business Director instructed the Principal to develop a plan for reviewing the records of English Language Learners (ELL) to ensure that the records are maintained in accordance with the respective program guidelines.

The Financial/Business Operations Director will solicit assistance from the Office of Bilingual Education and World Languages to conduct mini-reviews each semester for compliance in selected areas of the programs. Results from the District's mini-reviews will be submitted to the Central Region Office Administrative Director. Discrepancies will be discussed with the Principal and corrections will be made accordingly.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Fairlawn Elementary School.

**7. School Non-Compliant With Full-Time Equivalent FTE Records And Procedures Resulted In Potential FTE Funding Disallowances Kensington Elementary School**

Our review of a sample of FTE SPED and ESOL records corresponding to one of the FTE survey periods in 2015-2016 disclosed discrepancies in both areas. Based on our samples, the non-compliance issues identified in these areas could have generated a combined funding disallowance to the District totaling approximately \$11,800. These issues were identified under the tenure of the former school administration since there was a change of Principal at this school after May 2016. Details are as follows:

*Results Of Review Of SPED Records*

The *Matrix of Services* form (referred to as a *Matrix*) is used to determine the cost factor for exceptional education students. The cost factor calculation in the *Matrix* is based on the decisions made by the Individual Education Plan Committee, which are documented on the *Individual Education Plan* (IEP). The *Matrix*, which is an official auditable document, encompasses five domains that are intended to cover the special services and supports provided to the student in an educational setting. The total number of points, determined by adding together the scores for each domain and applicable *special considerations points*, results in a rating for purposes of assigning the cost factor.

At this school, for the February 2016 FTE Survey<sup>10</sup>, the school reported 331 Special Education (SPED) students. Our review of a sample of 33 SPED student records and folders (of which 18 were *Exceptional Student Education* and 15 were *Gifted Student* folders) disclosed non-compliance with District policy in one of the 33 student folders sampled. *This was the only student reported for funding at the 255 Support Level 5 during the survey period.*

- 7.1. Regarding this particular instance of non-compliance, the student was erroneously funded at the 255 Support Level 5 (which represents the highest funding level under Exceptional Student Education services). Consequently, the error could have generated a funding disallowance to the District of approximately \$8,740. We noted that the error resulted when *special*

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<sup>10</sup> FTE Survey in February is otherwise referred to as FTE Survey Period 3.

*consideration points* for which the student did not qualify and was not eligible to receive were included in the rating and cost factor calculation.

### *Results Of Review Of ESOL Records*

For the 2015-2016 school year, guidelines and procedures for maintaining student information for *English Language Learners (ELL)*, also known as *English for Speakers of Other Languages (ESOL)*, were provided through the 2015-2016 Opening of School Year Information and Reminders, the Division of Bilingual Education and World Languages memoranda, and the *District Plan For Services to English Language Learners*.

According to the guidelines, all sections of the Individual *English Language Learners/Limited English Proficiency (ELL/LEP)* Student Plan for students attending elementary school [FM-4649] must be appropriately initiated and/or updated in a timely manner and maintained in the student's cumulative folder. A Web-based ELL/LEP Plan (WLEP) must be completed for *all* ELL students; and the *Home Language Survey* [FM-5196] and the *Notice To Parents/Guardians of ELL Students* attending elementary school [FM-6576] must be properly completed and filed in the ESOL Program Record Folder. In addition, the Florida Comprehensive English Language Learning Assessment (CELLA) test score report must be included in the LEP folder.

In those instances where a student has been enrolled over six semesters in the ESOL program, the student folder must hold evidence that the LEP Committee convened annually to assess adequate progress, and include an evaluation of such assessment in writing. All LEP Committee meetings should take place and documentary evidence must be completed and filed in a timely manner.

For all students with three academic years or more in ESOL, an ELL Committee must be convened to re-evaluate the student's progress towards English language proficiency. Pursuant to State Rule 6A-6.09022 *Extension of Services in English for Speakers of Other Languages (ESOL) Program*, the ELL Committee's consideration as to whether a student is an *English Language Learner* or not must be similarly documented based on a minimum of two criteria or rationale, which is specified in this rule. The ELL Committee must convene no earlier than 30 school days prior to the third anniversary of the student's *Date Entered United States School (DEUSS)*<sup>11</sup>. The exception to this requirement is *if the student's anniversary date falls between the*

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<sup>11</sup> The *Date Entered United States School (DEUSS)* refers to the first time the student *enters a school in the United States*. DEUSS is obtained from the parents; consequently, *school personnel must make every effort to obtain any previous schooling information for the student from a U.S. school*. The date is necessary to calculate whether a student has attended a U.S. school for three (3) full academic years.

*Spring CELLA administration and October 1 of the following school year.* In such case, the school may use the Spring CELLA and Florida Standards Assessments (FSA) or any other data available for assessment to re-evaluate the student's progress without having to test the ELL student again.

At this school, according to the February 2016 FTE Survey records, a total of 366 students were enrolled in the ESOL program. A review of a sample of 37 ELL student folders disclosed discrepancies in 20 of the 37 student folders sampled (approximately 54%). *Based on our samples, the following lapse in compliance with established procedures could have generated a funding disallowance to the District of approximately \$3,060.* Details follow:

- 7.2. In 12 instances, a student was enrolled in the ESOL program for more than six semesters; however, the LEP folder did not show documentary evidence that a LEP Committee had convened to assess the student's progress. Four of these students had a DEUSS (Date Entered U.S. School) date that would have required a current assessment for the LEP Committee meeting; however, the students were not assessed to determine if they should continue enrolled in ESOL.
- 7.3. In three instances, the *Home Language Survey* [FM-5196] was not properly completed. Specifically, forms were not properly dated.
- 7.4. In three instances, evidence of the 2015 CELLA (Florida Comprehensive English Language Learning Assessment) was not on file. In two other instances, the date on the test material section was not indicated or did not agree with the date on the Individual ELL/LEP Student Plan.
- 7.5. In two instances, the school did not present a LEP folder for review; therefore, we were unable to review evidence of any LEP documents associated with the two students in question. In one other instance, the student's Individual ELL/LEP Student Plan [FM-4649] on file was not signed or dated by the teacher.
- 7.6. In one instance, the program entry date on the Individual ELL/LEP Student Plan *preceded* the student's initial assessment date.

## RECOMMENDATIONS

- 7.1. **To reduce the probability of potential losses in funding and other non-compliance issues regarding SPED criteria, appropriate staff and administration should review of SPED records and student folders to make certain that the information is accurate and that all pertinent forms are**

completed and filed in the folders. Particular attention should be paid to documentation corresponding to students funded at levels 254 Support Level 4 and 255 Support Level 5.

- 7.2. To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, appropriate 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 timely filed in the folders.
- 7.3. In order to ensure future compliance with District guidelines, in those instances where students are enrolled over six semesters in the ESOL program, improved efforts should be made by the school administration to ensure that upcoming meetings are identified with sufficient time to schedule them in a timely manner and before the FTE week. Particular attention should be paid to the student's DEUSS date to ensure compliance with ESOL anniversary requirements.

**Person(s) Responsible:**

**Principal, Assistant Principals,  
SPED Program Specialist,  
ESOL Chairperson, Registrar**

**Management Response:**

In regards to the matrix error, the correction was done by implementing a new IEP to correct the error on the new ESE- EMS system. To ensure this does not happen again, the IEP and matrix will be rechecked by SPED Program Specialist before having parent sign and finalized.

To prevent future errors, internal reviews will be conducted by the ESE Team at the end of each grading period using the SPED checklist with the participation of the Assistant Principal. Principal will conduct random review of 3 cumulative records each grading period.

The ESOL Chair and Registrar have created a system of checks and balances, where a specific protocol is used when an ESOL student is registered. Before data is entered into DSIS, the ESOL Chairperson will review the Home Language Survey to ensure no discrepancies exist. Once a student is registered, and the cumulative record is requested, the ESOL Chair will conduct weekly reviews of missing LEP folders to expedite their arrival at our location. In the event, we are not able to procure a folder in a timely fashion, we will create a duplicate folder for the interim. When CELLA/WIDA report is missing from a LEP folder at our location, we will print from the Assessment

section of WLEP, thus ensuring we have all proper documentation. As part of routine maintenance of LEP folders, the ESOL chair will ensure all documentation is signed and properly dated by conducting monthly reviews with the Assistant Principals.

Administrators will provide the ESOL Chairperson with the Control D “three years or more anniversary date” Report at the beginning of each month to ensure that LEP Committee Meetings are held annually for students enrolled in the ESOL program for six semesters or more. As part of this process students will be assessed when necessary to measure adequate progress. The assessment will include an evaluation in writing. All LEP Committee meetings will take place and documentation will be completed in a timely manner. Accountability measures in place will include but not be limited to the “Parent Notification Letter”, “LEP Committee Log”, and “LEP Committee Minutes”. To prevent future errors, internal reviews will be conducted at the end of each grading period by an Assistant Principal and the ESOL chairperson using Bilingual checklist. Principal will conduct random reviews of a number of ESOL cumulative records each grading period.

**Person(s) Responsible:**

**Central Region Office Administration**

**Management Response:**

The Financial/Business Director instructed the Principal to develop a plan for reviewing the records of English Language Learners (ELL) and Special Education Students to ensure that the records are maintained in accordance with the respective program guidelines.

The Financial/Business Operations Director will solicit assistance from the Office of Bilingual Education and World Languages and the Special Education Department to conduct mini-reviews each semester for compliance in selected areas of the programs. Results from the District’s mini-reviews will be submitted to the Central Region Office Administrative Director. Discrepancies will be discussed with the Principal and corrections will be made accordingly.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report’s Appendix Section for School Operations administration’s comprehensive response addressing the recommendations to the school findings of Kensington Park Elementary School.

**8. Non-Compliance  
With Title I Program  
Inventory Requirements  
And Use Of Equipment  
*Brownsville Middle School***

During the audit, we identified discrepancies with the Title I Program equipment inventory and with purchases of capitalized and non-capitalized equipment made under various Title I programs. We found that the school did not keep track of the equipment since an equipment inventory was not on file. This required that audit staff physically verify all computers/technology equipment located throughout the school (with assistance from school staff) to identify the location of equipment purchased with Title I Program funds. Regarding the equipment purchases, we found that computer equipment purchased with Title I Program funds was located in administrative offices for administrative use, as well as computer equipment that could not be located at the school or that was stored in the school's vault not being utilized by students. We also noted that the equipment purchased with Title I Program funds was not labeled as Title I property.

As prescribed by the Title I Administration Office in their School-level Compliance Reference Document, all schools funded with Title I Program funds must maintain a complete filing system of Title I Program documentation. This filing system **must** include an inventory listing of capitalized and non-capitalized equipment purchased with Title I Program funds. All equipment items, *regardless of their acquisition cost*, must be identified with the Title I Property label provided the Title I Administration Office.

According to Title I Program guidelines, all purchases made with Title I Program funds must be for the direct improvement of student academic achievement as reflected in the schools' School Improvement Plan. Specifically, Section B of the *Title I Administration Handbook delineates the procedures for making purchases* and provides a list of those expenditures not allowed under Title I Program funds. This list indicates that the purchase of computer/technology equipment for administrators/clerical staff is not an allowable expenditure.

*Previous to our initial audit visit, as part of the on-site technical assistance provided by staff from the Title I Administration office<sup>12</sup>, this site was advised of the requirements for maintaining on file an inventory of equipment purchased with Title I Program funds, regardless of its cost.*

Details of our findings are as follows:

- 8.1. The school had not implemented controls over the Title I Program inventory. Specifically, the school was not keeping track of the capitalized and non-capitalized Title I equipment purchased during the audit year and previous years. We also noted that Title I capitalized and non-capitalized equipment purchased in the 2015-2016 fiscal year was not identified with the Title I label.
- 8.2. Regarding equipment purchases, during our initial visit in June we found that in December 2015 the school had purchased 59 computers and 59 monitors. Of the 59 computers, two were located in administrative offices and one could not be located. Of the 59 monitors, nine were not being utilized and remained in boxes, three were located in administrative offices and three could not be located.

Regarding another purchase made in February 2016 consisting of 32 laptops and a laptop cart, we found that 31 of the 32 laptops were stored in the school's vault not being utilized and one could not be located. This laptop was located by the school subsequent to the audit visit. In addition, the laptop cart was not being utilized.

Both purchases amounted to approximately \$46,500. Except for the computer cart (\$1,525), the rest of the desktop computers and laptops had an individual cost less than \$600.

We discussed these matters with the school administration for their information and follow-up. After the start of the new school year, audit staff scheduled a second audit visit to complete the audit. During our visit in September 2016 we noted that the laptops had been taken out of the vault, software had been uploaded, and the equipment along

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<sup>12</sup> For the 2015-2016 school year, Title I Administration implemented a two-tiered model of technical assistance and support (desktop support and onsite support) to assist school site administrators with the requirement of compiling and maintaining the Title I School-level Compliance Reference Document and Filing System. While desktop support involves the review of documentation and assistance that is provided remotely through a collaboration site, onsite support consisted of a physical visit to the school to review the compiled documentation. These visits are scheduled during the months of January through May 2016, excluding the testing weeks, to review the *Budget and Expenditures* and *Property* sections of the School-level Filing System.



with the cart had been moved to the reading lab. We also noted that the desktops and monitors previously located in administrative offices had been relocated to the media center.

#### **RECOMMENDATIONS:**

- 8.1. The school administration should discuss the Title I Program guidelines with staff for maintaining inventory in order to properly identify the property purchased with Title I Program funds and its location on campus.**
- 8.2. The school administration should devise a system to track *all* equipment items purchased and distributed to staff/students; as well as any equipment that may be removed from the inventory due to loss or damage.**

**Person(s) Responsible:** **Principal, Assistant Principal,  
Treasurer, Computer Technician**

#### **Management Response:**

The Principal has reviewed the Title I Program guidelines, especially those associated with the Title I Equipment Purchase and Inventory with the Assistant Principal, Treasurer and Computer Technician. The Principal will assign the Assistant Principal, to be the Designated Site Person (DSP) for inventory to monitor deliveries and maintain a log of all items entering or leaving the building. All staff members will be advised that all deliveries will be delivered to the Main Office. The treasurer, a 12 month employee, will ensure all items located on the packing slips have been delivered with the shipment. The treasurer will also ensure that Title I stickers are placed on all items funded with Title I dollars.

The Assistant Principal will create a spreadsheet with information that delineates (1) description of equipment, (2) serial number, (3) Title I number from sticker, (4) location of equipment, (5) last verification date of location, (6) individual who last verified location, (7) initial of individual who verified the location of the item (8) date removed from location, and (9) outgoing property control number. An internal property review will be conducted utilizing this spreadsheet on a monthly basis by the Assistant principal.

The Assistant Principal will submit this spreadsheet to the Principal each month by the last school day of the month. Safeguards to ensure staff members do not relocate items from designated areas without prior authorization will be implemented and will be reviewed with all staff members in a faculty meeting indicating that they must first ask the Assistant Principal for permission to move an item from a location via an electronic correspondence and wait for a response before moving an item. The Assistant Principal

will ensure the responding to staff members regarding the relocating of property has a quick turnaround.

The treasurer will be the individual that will ensure all equipment that was ordered was received. This will be accomplished by comparing the packing slip with the items contained in the shipment that was delivered. A meeting was held with the treasurer to ensure she is aware of the procedures that should be in place when Title I items are delivered to the school-site. The treasurer will (1) account for all materials that should have been shipped, (2) ensure the Assistant Principal is aware of the shipment, (3) label the items with Title I stickers. The Assistant Principal will then sign-out all equipment to the individuals who should be utilizing the equipment.

**Person(s) Responsible:**

**Central Region Administration**

**Management Response:**

The Central Region Office Financial/Business Operations Director instructed the Principal to meet with staff to review the Title I Program guidelines, specifically how it relates to maintaining inventory and its location on campus. In addition, the Principal will devise a system to track all equipment items purchased and distributed to staff and students.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Brownville Middle School.

**9. Inadequate Controls Over Capitalized Property Inventory Resulted In Loss Of Equipment And The Reporting Of “Unlocated” Items  
Brownsville Middle School**

The *Manual of Property Control Procedures* establishes the guidelines for recording and managing property. According to Section 4 and pursuant to Chapter 10.400 of the Auditor General, State of Florida, an inventory of all property shall be taken once every fiscal year. Items on record which cannot be found will be listed as “unlocated” and reported accordingly. Furthermore, the Florida Department of Financial Services, Rule Chapter 69I-73 establishes that “all property with a value or cost of \$1,000 or more and projected useful life of one year or more shall be recorded in the local government’s financial system as property for inventory purposes”.

*Discrepancies regarding results of property audits at this school were identified during the prior two audits. During the prior audit, we cited the school regarding “unlocated” property<sup>13</sup>.*

Our most recent property inventory, which we finalized in September 2016, consisted of the physical verification of 335 property items with an individual cost of \$1,000 or more. The total acquisition cost of this inventory was approximately \$756,000.

Our physical verification of the property disclosed that of the 335 inventoried items, eight desktop computers with an acquisition cost of approximately \$8,100 and fully depreciated could not be accounted for and are reported as “unlocated”.

Property Audits staff discussed these matters with school administration and staff on various occasions during the performance of the property audit. Although the school administration was given ample time to resolve the discrepancies and locate the equipment, the eight items are still missing.

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<sup>13</sup> During the prior audit in May 2015, four equipment items totaling approximately \$9,200 were reported “unlocated”. Previously in May 2014, four equipment items totaling approximately \$4,600 were reported “unlocated”. There was a change of Principal at this school in October 2014.

## **RECOMMENDATIONS:**

**We again recommend:**

- 9.1. The school administration should devise and implement an effective action plan for the safeguarding of assets and the management of property, and designate staff to carry out the plan.**
- 9.2. The school administration should ensure that the entire school staff, especially those in charge of property management, understand and are fully aware of the procedures for safeguarding and maintain control over property.**
- 9.3. The monitoring and accounting of property should be strengthened by conducting in-house property inventories periodically to identify discrepancies and resolve them in a timely manner.**

**Person(s) Responsible:**

**Principal, Assistant Principal,  
Treasurer, Computer Technician**

The Principal will review the district policies regarding the safeguarding and maintaining control over property with all responsible persons. In addition, this information will be shared with all faculty and staff. The principal will assign the Assistant Principal, to be the Designated Site Person (DSP) for inventory to monitor deliveries and maintain a log of all items entering or leaving the building. All items requiring property tags will be secured until they are properly labeled.

The Assistant Principal will work with the Computer Technician to conduct regular property reviews to ensure property is accounted for and location is known. Plans will also be developed to secure property during long breaks and while the building is being cleaned during the summer. Procedures for disposing property will be adhered to and follow-up will occur to ensure disposed property is removed from the school's property control. If at any time property is identified as missing police and plant security reports will be filed immediately. The Principal will sign off on all property reviews and ensure that they are being conducted on a regular basis. In addition, the Principal will make random property control checks to confirm that the procedures established are being followed.

**Management Response:**

**Person(s) Responsible:**

**Central Region Administration**

**Management Response:**

The Central Region Office Financial/Business Operations Director instructed the Principal to meet with staff to review the district guidelines, specifically how it relates to maintaining capitalized property inventory. In addition, the Principal will devise a system to track all equipment items purchased and distributed to staff/students or removed from the inventory due to loss or damage.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Brownville Middle School.

**10. Follow-Up To Prior Year Audit  
Disclosed Non-Compliance  
With Title I Program  
Inventory Requirements  
And The Duties/Responsibilities  
Of The Community Involvement  
Specialist (CIS)  
*Georgia Jones-Ayers Middle School***

At the onset of the audit, on June 2, 2016, audit staff coordinated a school visit with staff from the Title I Administration Office to review procedures currently implemented at the school related to Title I program records, expenditures and procedures. This was part of the follow-up to prior audit findings which were cited at this school regarding inadequate controls over the inventory of Title I equipment and the discrepancies with the duties of the Community Involvement Specialist (CIS) and the associated recordkeeping of parental involvement. During this visit, we found some of the same discrepancies in both areas. We discussed these matters with the current school administration<sup>14</sup>. Details follow:

*Title I Property Inventory Not Maintained*

As prescribed by the Title I Administration Office in their School-level Compliance Reference Document, all schools funded with Title I Program funds must maintain a complete filing system of Title I Program documentation. This filing system **must** include an inventory listing of capitalized and non-capitalized equipment purchased with Title I Program funds. In addition, equipment items, *regardless of their acquisition cost*, must be identified with the Title I Property label provided the Title I Administration Office.

During the prior audit, under the tenure of the former school administration, we identified discrepancies with purchases of non-capitalized<sup>15</sup> equipment made with Title I Program funds. Discrepancies involved several purchases of equipment that could not be located at the school. We recommended that going forward a property inventory be maintained. However:

- 10.1. During our current audit, we found that the school had not implemented corrective action, and controls over the Title I Program inventory were still lacking, such as not keeping track of the non-capitalized Title I equipment purchased in previous years. Several of these items, costing approximately \$6,000 that were located during the prior audit could not be located at this time.

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<sup>14</sup> Change of Principal at this school in June 2015.

<sup>15</sup> Non-capitalized relates to equipment with an individual cost of less than \$1,000.

During the 2015-2016 fiscal year, we found that the school did not make any purchases of non-capitalized equipment. For the most part, Title I non-payroll expenditures related to purchases of school supplies and a field trip.

*Community Involvement Specialist Assignment and Recordkeeping Not Compliant With Title I Program Policy*

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.

During the prior audit, under the tenure of the former school administration, we cited the school for records maintained by the CIS that were incomplete, duties that were questionable and a parent resource center that could not be readily identified. We made recommendations for improvement in these areas going forward.

Our follow-up which included a review of the records maintained by the CIS disclosed the following discrepancies:

- 10.2. Weekly schedules reflected that, between the hours of 12:00-12:30 p.m. the CIS was providing school support on a daily basis. According to the CIS, the specific duties performed included assisting in the school's pep rally, answering telephones, answering the call station from teacher classrooms, making copies and assisting in the office.
- 10.3. The Monthly Reports reflected very limited parental communication through telephone call logs and Parent Resource Center attendance. Some monthly reports reflected no calls or visits.
- 10.4. Although the Parental Involvement Monthly Reports on file were signed by the Principal and the supporting documentation was verified in the Title I Program folders, according to staff from the Title I Administration Office, there were only three monthly reports submitted to the Title I Administration Office.

- 10.5. The District Advisory Council (DAC) and Parent Advisory Council (PAC)<sup>16</sup> Representative form [FM-6996] was not on file. The CIS indicated on the CIS Questionnaire that she attended one PAC meeting; however, we verified with Title I Administration Office that the CIS had not attended any of the DAC or PAC meetings based on the Title I sign-in sheet participation forms.
- 10.6. Supporting documentation such as a flyer, agenda, and minutes were not on file to indicate that the school had conducted the annual Title I school meeting.

Similar to the prior audit, the location of the Parent Resource Center was not clearly distinguished from the rest of the main office and parent sign-in sheets were not evident.

## **RECOMMENDATIONS**

### ***Regarding purchases of Equipment made with Title I Program funds:***

- 10.1. The current school administration should discuss the Title I Program guidelines with staff for maintaining inventory in order to properly identify the property purchased with Title I Program funds and its location on campus.
- 10.2. The current school administration should devise a system to track *all* equipment items purchased and distributed to staff/students; as well as equipment that is removed from the inventory due to loss or damage.

### ***Regarding the CIS and the Parent Resource Center:***

- 10.3. The current school administration should review the responsibilities of the new Community Involvement Specialist with appropriate staff to ensure an understanding and awareness of their duties and responsibilities. Specifically, the school administration should ensure that the CIS understands and complies with the recordkeeping requirements associated with the position, and should request training from the District if needed.
- 10.4. The current school administration should ensure that the location of the Parent Resource Center is clearly identified and advertised, and appropriate documentation is available to parents.

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<sup>16</sup> The Title I District Advisory Council and Regional Center Parent Advisory Council members are representatives of parents who consult with the School District Title I DAC about the planning and implementation of the Title I Program.



**Person(s) Responsible:**

**Principal, Assistant Principal,  
Treasurer  
and the Community Involvement Specialist (CIS)**

**Management Response:**

The Principal has reviewed the Title I Program guidelines, especially those associated with the Title I Equipment Purchase Inventory, with the Assistant Principal, and the Community Involvement Specialist (CIS). The Assistant Principal and Community Involvement Specialist (CIS) will attend trainings to ensure compliance with the *Manual of Internal Fund Accounting* and Title I Administration.

The Principal and Assistant Principal will ensure that procedures have been implemented to closely monitor incoming/outgoing of equipment. Use the Treasurer to confirm receipt of all equipment and attach the Title I sticker to new Title I material and equipment. The sign-out log will require school administration authorizing signature and a time frame for return of equipment. Assistant Principal will conduct semi-annual property review and all obsolete equipment, following District Policy and procedures.

The Principal and CIS will attend training to ensure compliance with all Title I procedures. The Principal will review section F of the Title I Administration Handbook with the CIS. The Principal and Assistant Principal will monitor CIS daily schedule and duties to ensure adherence to the assigned work schedule and requirements of Title I guidelines. The Assistant Principal will monitor the securing and filing of required documentation, as delineated in the Title I Administration Handbook. Any anomalies will be corrected immediately. A review of all CIS/Parent Involvement records will be conducted monthly by the administration.

School administration will ensure the Parent Resource Center is clearly identified, advertised, and properly stocked with materials to foster parent involvement.

**Person(s) Responsible:**

**Central Region Administration**

**Management Response:**

The Central Region Office Financial/Business Operations Director instructed the Principal to meet with staff to review the Title I Program guidelines, specifically how it relates to maintaining inventory and its location on campus. In addition, the Principal will devise a system to track all equipment items purchased and distributed to staff/students or removed from the inventory due to loss or damage.

The Principal will also meet with the appropriate staff to review the responsibilities of the Community Involvement Specialist. A plan will be developed to ensure that the CIS

complies with the recordkeeping requirements of the position in order to fulfill the Title I guidelines.

As a result of these audit findings, the following support activities will be implemented for all schools at the Region level:

- The effected Principals will be required to address specific fiscal management 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.
- The Central Region Office Financial/Business Operations Administrative Director will direct the Principals to attend Money DOES Matter Support Program.
- The Central Region Office Financial/Business Operations Administrative Director in collaboration with the appropriate district office will coordinate a support system for the Principal and designee to ensure that all after school records are properly maintained.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Georgia Jones-Ayers Middle School.

**11. Inadequate Controls  
Over Athletic Department  
Collections Led To  
Misappropriation Of Funds  
By Former Athletic Director  
*Cutler Bay Senior High School***

The Office of the Inspector General (OIG) contacted our office to request our assistance with the audit of the internal funds of this school. The OIG had received an anonymous complaint alleging that the school's Athletic Director<sup>17</sup> had collected \$50 cash from the student-athletes to cover athletic insurance (\$30) and an additional "athletic" fee (\$20). It was further alleged that the Athletic Director did not issue official receipts to the students to document receipt of these collections, and did not deposit the collections in the internal funds of the school. During the audit, the students brought forth to the OIG another allegation that they had given monies to the Athletic Director to purchase Letterman Jackets, but had not received the jackets.

Regarding the first allegation, we were able to substantiate that in 2015-2016 the Athletic Director received monies from the students for athletic insurance and the "athletic fee" and did not issue official receipts to document the collections. The collections in question were not deposited in the internal funds of the school. During an audit visit in December 2015, the Athletic Director admitted to internal audit staff that he collected monies from the students and deposited the collections in his personal checking account; and that he was willing to pay the money back. Subsequent to his acknowledgment, the Athletic Director submitted a personal check to the insurance company to pay insurance for some of the student-athletes; however, the check was returned pending completion of the investigation. Consequently, no monetary restitution has been made at this time.

Regarding the second allegation involving the Letterman jackets, we were unable to substantiate the allegation based on the school records reviewed during the audit. Although no collections were posted to the internal funds of the school related to this activity, we were able to identify the sportswear company that furnished the jackets. According to our inquiries with the vendor, it appears that the jackets may have been individually ordered and paid directly to the vendor. The vendor provided copy of an invoice for what appeared to be a varsity jacket; however, could not provide the name of the payee.

In addition to our findings regarding the allegations, we identified additional monetary discrepancies involving the Athletic Director. Specifically, during 2015-2016, the Athletic

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<sup>17</sup> This refers to the school's Athletic Director during the 2014-2015 and 2015-2016 fiscal years up to March 11, 2016 when he retired from the school system.

Director made several purchases of athletic sportswear merchandise under the name of the school without the authorization of the school administration. There was a corresponding outstanding liability that the school was not aware of until we brought it to their attention. In addition, a review of fundraisers sponsored by the Athletic Director during the audit period discovered unfavorable monetary discrepancies that were not properly documented.

We also reviewed the athletic insurance activity corresponding to the 2014-2015 school year; and although collections for athletic insurance had been posted to the account and payments had been made to the insurance company, we identified a shortfall in the collections posted to the internal funds of the school based on the number of participating student-athletes during 2014-2015.

In summary, the aggregate of the insurance and athletic fee monetary discrepancies calculated by us<sup>18</sup> for both school years under audit \$(4,660), the invoices \$(1,340) and the unfavorable fundraising differences \$(770) amounted to approximately \$(6,770).

During our follow-up visit on March 10, 2016, after the discovery of the outstanding liability<sup>19</sup> with the sportswear vendor, we were informed that the Athletic Director had notified the Principal of his decision to retire from Miami-Dade County Public Schools on March 11, 2016.

In his role as Athletic Director responsible for administering the school's interscholastic athletic program, not purchasing the mandatory insurance for students participating in interscholastic sports is not only negligence, but a breach of School Board Policy 2431, which makes the purchase of insurance (for appropriate accident coverage) **mandatory**. With regard to the procedures for insuring students, the District communicates this information to the school's administrators and staff yearly, via the Weekly Briefing mechanism implemented by the District for communication purposes. Furthermore, District policy was also breached when students paid an "athletic" fee, which is not allowed by School Board Policy 6152-Student Fees. Regarding the collection of funds from the students, the Athletic Director did not follow the proper receipting and collection procedures established in Section II, Chapter 3 of the *Manual of Internal Fund Accounting* when he failed to issue official receipts and opted to keep the collections.

The school hired a new Athletic Director for the 2016-2017 fiscal year. We extended our review of the financial activities related to athletic insurance collections and disbursements for the 2016-2017 fiscal year up to October 2016 and noted that the school had posted to the internal funds of the school collections from 78 participating

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<sup>18</sup> Total amount calculated was based on the number of participating student-athletes.

<sup>19</sup> Outstanding liability subsequently paid by the school.

student-athletes totaling \$2,340 for insurance coverage purposes. We also verified that these collections had been remitted to the insurance company to purchase insurance for the participating student-athletes as required. Consequently, discrepancies similar to those previously identified were not noted for the 2016-2017 fiscal year.

The results of our findings were reported to the OIG for their consideration and follow-up.<sup>20</sup>

Details of our work are as follows:

*Substantiated Allegation--Athletic Director's Oral Confession Regarding the Withholding of Student Collections*

- 11.1. On December 7, 2015, internal audit staff interviewed the Athletic Director at the school site to inquire about the monies allegedly collected from the students earlier that summer. Present at the interview were the current Principal and Assistant Principal. During the interview, the Athletic Director admitted that he had collected the fees from the students and had deposited them in his personal checking account. According to him, he did this because of a shortage of personnel at the school site. He was apologetic for his actions and stated that he was willing to pay the money back. Subsequent to the interview, the Athletic Director sent payment to the insurance company for 45 student-athletes, totaling \$1,350 in the form of a personal check.

On December 16, 2015, the insurance company contacted internal audit staff and provided a copy of the Athletic Director's personal check, which was backdated to November 3, 2015. According to insurance company staff, the uncashed check was returned to the Athletic Director.

*Policy Regarding Mandatory Insurance Fees and Receipting Procedures Was Not Observed*

Senior High Schools offering sports programs must comply with the guidelines of School Board Policy 2431 - *Interscholastic Athletics*. Pursuant to this Board Policy, regulations to be observed by school personnel are found in *the Interscholastic Athletic Manual*. *The Interscholastic Athletic Manual* is also referred in Section III, Chapter I of the *Manual of Internal Fund Accounting*. According to guidelines in Chapter II, Section B of the *Interscholastic Athletic Manual*, all students taking part in an interscholastic athletic program **must** participate in the Board-approved insurance program for that sport. In addition, the purchase of School Board-approved insurance **is required prior**

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<sup>20</sup> The OIG presented the case to the State Attorney's Office. Subsequently, the Athletic Director was charged with Grand Theft, 3<sup>RD</sup> Degree and was taken to jail.

**to participation** in the fall football program, spring football program, and all other interscholastic sports programs. In addition, Section II, Chapter 5 of the *Manual of Internal Fund Accounting* provides that financial transactions for certain activities associated with the Athletic Program must be accounted for in the Internal Fund Trust Program because of the restricted usage of the money received. Specifically, the athletic insurance function must be used to record the money collected for student athletic insurance premiums and all amounts collected for athletic insurance premiums must then be forwarded to the insurance carrier.

Regarding other fees charged to students, Section III, Chapter 7 of the *Manual of Internal Fund Accounting* requires that the financial transactions associated with fees charged to students be accounted for through the schools' Internal Fund. Furthermore, School Board Policy 6152 - *Student Fees* establishes guidelines for instructional fees and charges imposed on students. In addition, it stipulates that schools **may not** charge for individual athletic fees.

#### *Proper Receipting Procedures Not Followed*

As far as the collection of funds and issuance of receipts, Section II, Chapter 2 of the *Manual of Internal Fund Accounting* requires that at the point of collection, money handled by or coming into direct custody of a school employee **must** be documented, at a minimum, in a Recap of Collections form [FM-1004] and submitted to the school treasurer for deposit. In addition to a Recap of Collections, individual collections of \$15 or more must be supported by issuing an official receipt (an official pre-numbered Official Teacher's Receipt Book [FM-0976] (Board of Public Instruction (BPI) employee receipt). All funds must be turned in on the same day collected and deposited in the internal funds of the school.

- 11.2. Regarding the receipts issued to the students in 2015-2016, the OIG agent was able to obtain from students several "receipts" issued by the Athletic Director for payments received from students during the 2015-2016 school year. These receipts were either a piece of school stationary paper or receipts purchased from an office supplies store. These receipts totaling \$350 were dated in July 2015, listed the name of the student, the amount paid (\$50) and were signed by the Athletic Director. From these documents, we were able to confirm the allegation that "athletic" fees in addition to insurance fees were being charged to the students, and that official receipts were not issued.

#### *Calculation Of Fees And Associated Monetary Shortfalls In Both School Years*

The table below summarizes our calculation of fees totaling \$4,660 (\$4,000 during 2015-2016 and \$660 during 2014-2015):

School Year	No. Of Athletes	Insurance Fee	Total Insurance	No. Of Athletes	"Athletic Fee"	Monetary Shortfall-- "Athletic Fee" Only	Insurance Paid By The School With Internal Funds			Monetary Shortfall-- Insurance Fee Only		
							No. Of Athletes	Insurance Fee	Total Insurance	No. Of Athletes	Fee	Total
2015-2016	80	\$30	\$2,400	80	\$20	\$ 1,600	0	0	0	80	\$30	\$2,400
2014-2015	60	\$30	1,800	See Note			38	\$30	\$(1,140)	22	\$30	660
Total			\$4,200			\$ 1,600			\$(1,140)			\$3,060
Note: To our knowledge, an "Athletic Fee" was not collected in 2014-2015.												

11.3. During the audit, final student-athlete rosters were obtained and verified with the coaches. For the 2015-2016 school year (the year corresponding to the allegation), we determined that 80 student-athletes participated in interscholastic sports. Had all 80 students paid both fees in full, their participation would have generated collections of \$2,400 for insurance and \$1,600 for the "athletic" fee totaling \$4,000. However, as noted in condition 1.1, the Athletic Director's personal check was intended for insurance coverage of only 45 students, or \$1,350; and other than those receipts obtained by the OIG (as previously noted in condition 1.2 totaling \$350), we were unable to find additional receipts or documents at the school that would point to the exact amount paid by the students and collected by the Athletic Director during the 2015-2016 school year.

11.4. For the 2014-2015 school year, based on school rosters, 60 students participated in fall interscholastic sports; therefore, the school should have collected a total of \$1,800 from the 60 students. Instead, the internal funds account reflected collections totaling \$1,140 or insurance collections from only 38 students, thus leaving 22 students uninsured, representing a \$660 shortfall in the collections.

Of the \$1,140 deposited in the internal funds of the school, \$990 in receipts issued were dated September 19, 2014. However, the receipts did not reflect a time of issuance, and none was *signed*. According to the procedures, *a receipt needs to be dated and have a time of purchase for the insurance policy to be valid*. The remaining receipts (\$150) were dated in January 2015.

Regarding payment, we noted that the school made three separate payments totaling \$1,140 to the insurance company. We contacted the insurance company and verified that only 38 students had been insured during the 2014-2015 school year, which matched the official receipts issued during this school year.

Once these discrepancies were discussed with the current school administration in December 2015, the school corrected the matter by reporting to the insurance company the names of the student-athletes to obtain proper insurance coverage. At the time of this communication, payment to the insurance company is still pending.

*Additional Monetary Discrepancies-Verification of Collections Raised from Fundraising Activities Handled by the Athletic Director Disclosed Outstanding Liabilities from a Sportswear Company*

- 11.5. The Athletic Director had purchased from a sportswear vendor merchandise for resale to the students through various fundraising activities that were reflected in the internal funds of the school. We contacted this vendor to inquire about any purchases made by the Athletic Director, including possible Letterman jackets. During our inquiries, we found out that the Athletic Director had purchased sportswear merchandise that was delivered to the school; however, the school was not aware of these purchases since there were no purchase orders approved by the school administration for any purpose. *All outstanding invoices were paid in April 2016 after they were brought to the attention of the current school administration.*

The following table summarizes the purchases in question:

Invoice No.	Invoice Date	Description	Total Amount
002370042	09/05/2015	12 Sport shirts-Teal Blue	\$ 255.53
002371739	09/12/2015	48 T-Shirts- Sport Grey	283.29
002373155	09/19/2015	24 Hoodies Fleece-Black	799.98
Total Invoices			\$ 1,338.80

*Additional Monetary Discrepancies-Analysis Of Fundraisers Sponsored by The Athletic Director Disclosed Unfavorable Differences*

- 11.6. We reviewed all financial transactions associated with fundraisers sponsored by the Athletic Director during the 2014-2015 and 2015-2016 school years up to February 2016, and found monetary shortfalls in several activities, as summarized in the table below:

Activity No.	Description	Date(s)	Projected Revenues	Actual Collections Posted to Accounts	Difference
12	Athletic Banquet	May 2015	\$ 875.00	\$ 497.00	\$ (378.00)
-	Car Decals	Both FYs	390.00	150.00	(240.00)
3	Bagels	Oct-Dec 2015	2,092.00	1,975.00	(117.00)
6	Pompoms	Nov 2015	148.75	112.50	(36.25)
Total			\$ 3,505.75	\$ 2,734.50	\$ (771.25)

According to the Athletic Director, some of the differences were due to items given away as complimentary that were not properly documented; however, although possible, their



distribution was not documented with a list of signatures of recipients to support his statement.

## **RECOMMENDATIONS**

**11.1. Discuss the following Board Policy and sections of the various manuals with Athletic Department Staff and other faculty/staff to ensure future compliance with these policies and guidelines:**

- **School Board Policy 2431 - *Interscholastic Athletics*;**
- **School Board Policy 6152 - *Student Fees*, regarding the guidelines for instructional fees and charges imposed on students to ensure that the school is not charging students for individual athletic fees;**
- **Chapter II, Section B of the *Interscholastic Athletic Manual* regarding *mandatory insurance* for students taking part in an interscholastic athletic program;**
- **Section II, Chapter 5 of the *Manual of Internal Fund Accounting* regarding that financial transactions for certain activities associated with the Athletic Program must be accounted for in the Internal Fund Trust Program because of the restricted usage of the money received. Specifically, the athletic insurance function must be used to record the money collected for student athletic insurance premiums;**
- **Section III, Chapter 1 of the *Manual of Internal Fund Accounting* regarding the *Athletic Program*;**
- **Section III, Chapter 7 of the *Manual of Internal Fund Accounting* regarding the financial transactions associated with fees charged to students for materials and supplies needed for certain academic subjects, as well as extracurricular activities offered as part of the school's educational and athletics programs, must be accounted for through the schools' Internal Fund;**
- **Any Weekly Briefings related to the subject of athletic insurance, etc.;**  
**and**
- **Section IV, Chapter 2 of the *Manual of Internal Fund Accounting* regarding fundraising activities.**

**11.2. Discuss receipting and depositing procedures with Athletic Department staff members for understanding and awareness of the requirements. Direct them to receipt students when making collections.**

**11.3. Strengthen oversight over the collections from the Athletic Department by designating an administrator to review the financial activities on a periodic basis to ensure that collections are properly receipted, documented, and**

timely deposited; and direct the administrator to verify the collections in addition to the Treasurer.

- 11.4. Meet with the administrator on a regular basis and request that discrepancies be brought to your attention to ensure that corrective action is timely implemented.

Person(s) Responsible:

Principal,  
Assistant Principal,  
Treasurer, Athletic Director,  
Athletic Department

Management Response:

In order to ensure compliance with procedures for collections of athletic fees for insurance, the Principal hired a new Athletic Director for the 2016-2017 Fiscal year.

The Principal met with the Assistant Principal, Athletic Director, and the Treasurer on July 26, 2016, to review ***School Board Policy 2431- Interscholastic Athletics, School Board Policy 6152- Student Fees and Section II Chapter 5, Section III Chapter 1, Section III Chapter 7 and Section IV Chapter 2 of the Manual of Internal Fund Accounting.*** The procedures regarding internal accounting for the athletics programs will be strengthened to meet the district's requirements as well as receipting and depositing, periodic review of financial activities, and a regular review of collections being deposited.

On August 19, 2016, the Principal, Treasurer, Athletic Director, Student Activities Director, Club Sponsors, and Teachers who serve any functions with internal funds met to discuss the ***Manual of Internal Fund Accounting*** and school procedures that must be followed in order to ensure compliance is met when conducting any school business. At the meeting, procedures for requesting a purchase order, receipting, and depositing were reviewed to ensure meeting compliance. Moreover, the Principal reviewed and discussed the district policies and procedures for the collection of monies. Proper use of Employee (BPI) Receipts (FM-0976) were discussed with all staff members to ensure their understanding of the receipting process and staff were directed to promptly inform the administration of any instances where the Treasurer fails to follow proper receipting/depositing procedures.

Furthermore, a meeting was held on October 11, 2016 with the new Athletic Director to review the recommendations from the audit report. The Athletic Director who has been formerly trained prior to assuming this position was reminded of the aforementioned Board Policies. The Athletic Director, Treasurer, and this administration reviewed all sections regarding athletics, fee collections, and proper handling of financial

transactions. The Athletic Director has a copy of the ***Manual of Internal Fund Accounting*** as well as any related weekly briefings regarding athletics or internal funds.

In this same meeting, the Principal, Assistant Principal, Treasurer, and Athletic Director reviewed that any collections of monies must be deposited within the same day. In addition, specifically, the Principal reviewed **Section II, Chapter 2 of the *Manual of Internal Fund Accounting*** with the Treasurer and directed the Treasurer to attach the computer-generated eSAS receipts to the official receipt books when issuing individual receipts from the books and provide teachers a copy of the eSAS receipt when turning in collections.

The Principal assigned the Assistant Principal to review the financial activities periodically to ensure that collections are properly receipted, documented, and timely deposited and directed the administrator to verify collections in addition to the Bookkeeper. The Principal, Assistant Principal, Treasurer, and Athletic Director will review on a quarterly basis any collections to ensure that receipts have been prepared and properly documented.

**Person(s) Responsible:**

**South Region Office Administration**

**Management Response:**

The South Region Office Financial/Business Operations Director instructed the Principal to meet with the newly assigned Athletic Director and Treasurer to review Section II and III of the *Manual of Internal Fund Accounting*, School Board Policy 6152- Student Fees, and Chapter II, Section B of the *Interscholastic Athletic Manual* to ensure compliance with the respective policies and procedures.

The Financial/Business Operations Director directed the Principal to develop a system for the monitoring of collections and receipting procedures of the Athletic Department staff members to ensure that collections are properly receipted, documented, and timely deposited.

Additionally, the affected school Principal will be required to participate in the District's Money Does Matter Support Program.

**Person(s) Responsible:**

**School Operations Administration**

**Management Response:**

Refer to page 57 of this report and page 139 in the report's Appendix Section for School Operations administration's comprehensive response addressing the recommendations to the school findings of Cutler Bay Senior High School.

## OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our audits were to:

- express an opinion on the internal fund financial statements of the schools/centers for the fiscal year(s) ended June 30, 2015 and/or June 30, 2016, depending on the school/center audited;
- evaluate compliance by the schools/centers with the policies and procedures prescribed in the *Manual of Internal Fund Accounting*;
- verify compliance by the schools/centers 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;
- provide assurances regarding compliance with *current payroll procedures*, as well as compliance with *current purchasing credit card program procedures*; and *certain information technology controls*;
- 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 Policy, manuals, directives and FTE reporting documentation procedures as they relate to student attendance, Special Education, English Language Learners, Cooperative Education and Teacher Certification.

While the scope of our audits generally covered operations during the period of July 1, 2014 through June 30, 2015 and/or July 1, 2015 through June 30, 2016 (depending on whether the audit scope was one or two-year audit at the individual school/center being audited), payroll, purchasing credit card transactions, and information technology controls included current periods. The scope of the Title I Program audit was the 2015-2016 fiscal year for financial reporting purposes. FTE audits covered the 2015-2016 fiscal year Survey Period 3 (February).

Our procedures were as follows:

- reviewed written policies, procedures, and School Board Policies;
- 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 its 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/centers 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, 2015 and June 30, 2016 was 0.64%.

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/centers' 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 its 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, 2015 and June 30, 2016, the MDCPS-Money Market Pool Fund's interest rate was 0.64%.

### *New Accounting Software To Account For The Internal Funds Of Schools/Centers*

In 2013, Miami-Dade County Public Schools needed to upgrade the centralized accounting system applicable for the bookkeeping of the internal funds of the schools and centers districtwide. According to Information Technology Services (ITS), the existing internal funds' centralized accounting system software platform was outdated and difficult to sustain going forward. In addition, the District aimed at an accounting solution that would be capable of accepting credit card payments as well as on-line payments at all schools to mirror current advances in marketing technology and reduce the volume of cash handled at the sites.

After complying with the district-mandated processes for seeking vendor proposals, selecting and engaging a vendor, testing the product, training staff and creating the support infrastructure, the solution was the implementation of *Microsoft Dynamics GP*, an accounting (ERP) software package, which the District deployed on a full-scale for the internal funds of all 21 adult and community education centers/technical colleges effective at the beginning of April 2015. The District named it the *Electronic Student Accounting System* (otherwise referred to as the eSAS system). Unlike the legacy bookkeeping software where the financial activity was reflected on the cash basis of accounting, this new system records the financial transactions under the full accrual basis of accounting.

Regarding K-12 schools/centers, the migration from the old to the new system happened in stages between September 2015 and early March 2016 due to the large number of schools/centers involved (335). As of early March 2016, the District had migrated the bookkeeping of the internal funds of all K-12 centers from the legacy system to the new eSAS accounting system. The deployment was accomplished by establishing a system whereby schools were segregated into four different groups (the first being the pilot group followed by three cohort groups). Each group migrated to the new bookkeeping system according to an agreed upon schedule between the district and the software vendor. The end-dates and start-dates of this exercise are noted in the following table:

Group Designation	MSAF (Legacy) System End Date	eSAS System Available For Conversion	No. Of Schools/Centers
Pilot	9/29/2015	10/1/2015	18
Cohort 1	11/24/2015	12/1/2015	60
Cohort 2	1/27/2016	2/1/2016	149
Cohort 3	2/24/2016	3/1/2016	108
Total Schools/Centers			335

Not all the schools/centers within the same group migrated to the new system on the same date. Although the system was available on the dates noted above for each of the pilot group/cohort groups, schools/centers were directed not to input any information until they attended the “Go Live” meeting scheduled at ITS, where Treasurers were given guidance on how to migrate to the new system and initialize the financial information in the new system. “Go Live” meetings were scheduled following the day available for conversion and throughout the next few days to accommodate all the schools/centers within the group. For purposes of our opinion, we will use the “eSAS System Available For Conversion” date for the schools/centers in each group/cohort.

The conversion to the new automated system presented many challenges. These included familiarization with the bookkeeping of the funds on a web-based full-accrual system, sorting through discrepancies with the reports and understanding/resolving technical issues with the system in general. As a result, several reporting tasks and reconciliations associated with the bookkeeping of the internal funds were not always completed by the schools/centers in a timely manner. *We took these matters into consideration when performing and reporting the results of our audits.*

## PROPERTY

At M-DCPS, 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. Furthermore, the Florida Department of Financial Services, Rule Chapter 69I-73 establishes that “all property with a value or cost of \$1,000 or more and a projected useful life of one year or more shall be recorded in the local government’s financial system as property for inventory purposes”.

Our office conducts yearly inventories at each school/center of all property items with an original cost of \$1,000 or more. These inventories are customarily scheduled and performed at the sites ***after the first day of school and before the end of the school year***. Consequently, the property inventories of schools/centers audited during the summer months of July and August are customarily conducted at a later date, unless staff is available at the sites and time permits. Inventories pending at year-end will be conducted and reported for the next fiscal year.



## 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.

At M-DCPS, the Systems Applications and Products in Data Processing (SAP) Time, Payroll and Benefits module replaced the mainframe Payroll Absence Reporting System previously used by the school system to process the payroll. The changeover to the SAP module became effective on October 28, 2011 and the first pay date under SAP Time, Payroll and Benefits was November 18, 2011. At present, although the 'behind-the-scenes' system processes are significantly different and updated, the payroll procedures for documenting employees' time and attendance at the school sites have not changed when compared to the former system.

**Each school/center 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.

## 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 school sites to make small dollar purchases (less than \$3,000 per individual transaction) for materials and supplies. The program is currently managed by the Accounts Payable Department.

- *The P-Card Program enables school sites to make small purchases of less than \$3,000 per individual transaction for materials and supplies*
- *It expedites the procurement process at the school sites.*

## TITLE I PROGRAM

Schools/centers 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/centers 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/centers 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/centers 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/centers, 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/centers effective February 2007.

## 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. Generally, these audits are conducted every two-three years; but could be scheduled sooner.

Schools/centers 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/centers to verify the data and make corrections as needed. Once this process is completed, the district transmits the information to the FDOE. During the 2015-2016 fiscal year, months selected by the FDOE for these surveys are as follows:

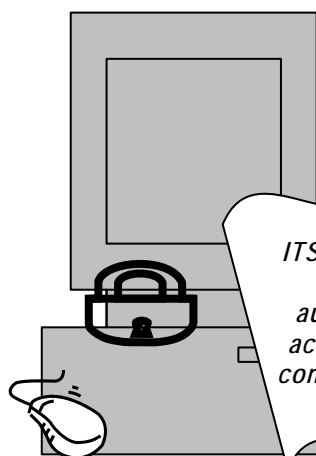
Survey Period No.	Time Period of Survey
1	July (Summer School only)
2	October
3	February
4	June (Summer School only)

Schools/centers are also responsible for maintaining an audit trail to ascertain compliance with State law, State Board of Education and School Board Policies 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 2007-2008 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/centers based on audit criteria developed by this office.

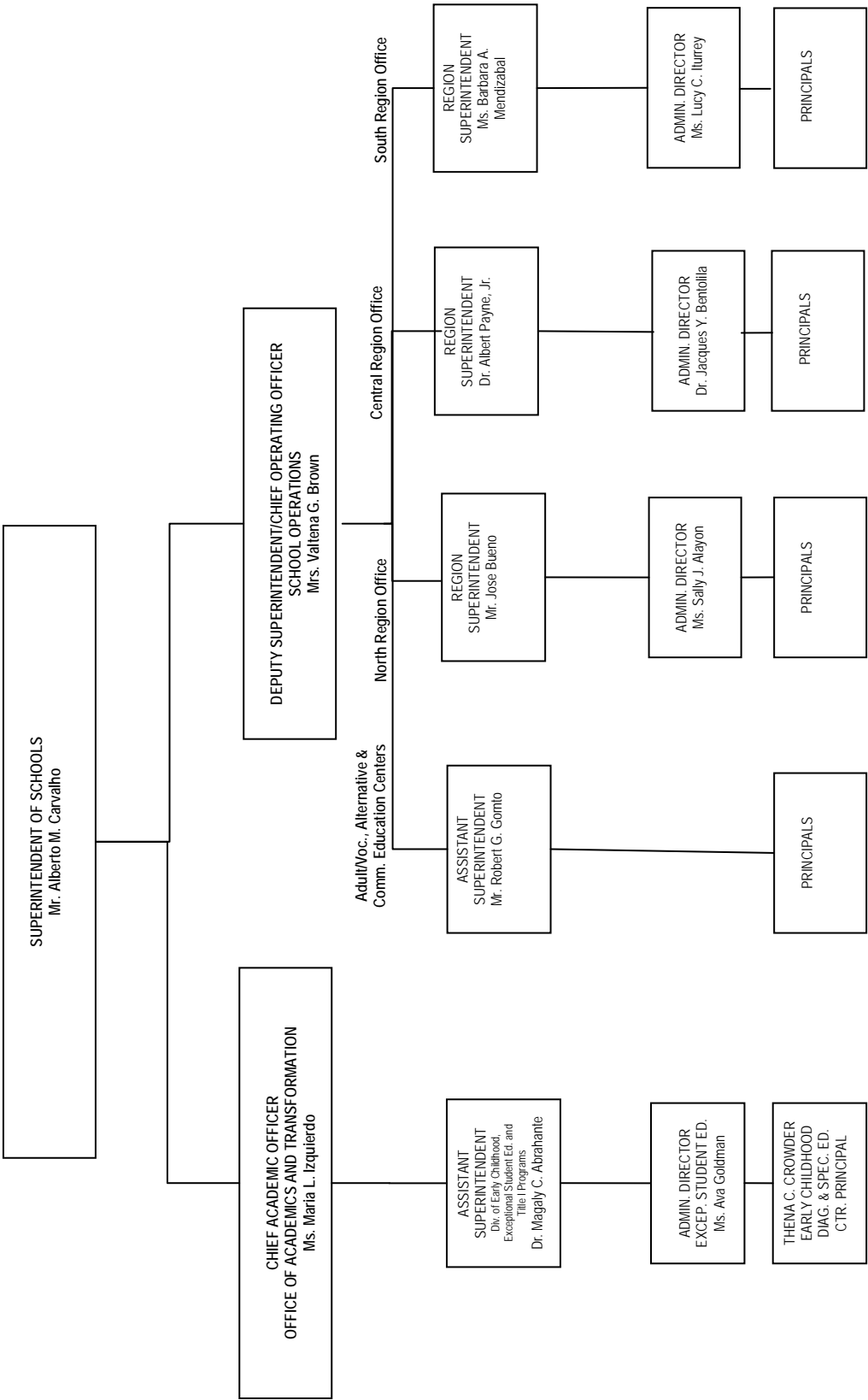
## DATA SECURITY MANAGEMENT REPORT



*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.

ORGANIZATIONAL CHART (SCHOOLS/CENTERS)



***APPENDIX***  
***MANAGEMENT'S RESPONSES***






**MEMORANDUM**

October 19, 2016

**TO:** Mr. Jose Bueno, Region Superintendent  
North Region Office

**FROM:** Dalia Villar, Principal   
Treasure Island Elementary School

**SUBJECT: ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF  
TREASURE ISLAND ELEMENTARY SCHOOL FOR THE 2014-2015 AND  
2015-2016 FISCAL YEARS**

This memorandum serves as a response to the Internal Funds Audit Report finding at Treasure Island Elementary School for the fiscal years July 1, 2014 – June 30, 2015 and July 1, 2015 – June 30, 2016.

The audit finding has been carefully reviewed by the Principal. As a result, the Principal has implemented the following corrective measures in order to prevent the recurrence of similar conditions and to ensure that strict compliance is maintained with School Board policies and procedures.

**FINDINGS**

1. Inadequate Controls Over The Bookkeeping Function Disclosed  
Posting/Deposit Delays And Other Bookkeeping Discrepancies

**RECOMMENDATIONS**

- 1.1 School staff and administration should review receipting procedures for understanding and awareness of the requirements. This also includes the procedures for documenting the receipts and the deposits.
- 1.2 School administration and staff (bookkeeper) would benefit from additional training in Internal Funds to improve bookkeeping procedures and the monitoring of the internal funds of the school.
- 1.3 The school administration should periodically review the internal funds records with the bookkeeper to strengthen control over the bookkeeping of the funds and the financial records, and resolve discrepancies in a timely manner.
- 1.4 The school administration should review the monthly reconciliation with the bookkeeper to ensure understanding, and to ensure that pending

adjustments are processed and cleared from the reconciliations in a timely manner.

- 1.5 The school administration should monitor the Fund 9 account to ensure that funds are available before approving disbursements, and the account can be timely replenished (before the closing of the year).
- 1.6 The school administration should implement use of the Collections/Deposits Log (FM-7249), review periodically and maintain on file.

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

**Management Response:**

The Principal reviewed the guidelines as stated in the *Manual of Internal Fund Accounting* with the Treasurer to ensure understanding and awareness of bookkeeping functions to avoid posting delays and to ensure adjustments are processed and cleared from reconciliations in a timely manner.

The Principal and the Treasurer have met and communicated with the District's Business Manager on various occasions and the Business Manager will continue to provide support. Also, the Principal and Treasurer will attend additional Internal Funds and e-SAS trainings to improve and strengthen bookkeeping procedures.

Additionally, the Principal has established and strengthened policies and procedures with the Treasurer to ensure that as soon as the Fund 9 account reaches the 25% threshold, the account will be replenished.

The Principal is meeting with the Treasurer bi-weekly to review the monthly financial reports for accuracy. Also, the Principal has directed the Treasurer to maintain a running checkbook balance and the Principal reviews the checkbook regularly to ensure that this procedure is being implemented. She is strengthening controls over the bookkeeping of the funds and the financial records, and resolving discrepancies in a timely manner.

Furthermore, in order to ensure future misplacement of any documents and to strengthen the organization of the Treasurer, the Principal has made changes in the setting by assigning the Treasurer a very exclusive private office. Also, the burden of the substitute locator was removed from the Treasurer's responsibility list.

Finally, the Principal has implemented the use of the collection/deposits logs which will be reviewed weekly with the Treasurer maintained on file.

## FINDINGS

2. Inadequate Controls Over Disbursements Resulted In Supporting Documentation That Was Incomplete and Late Vendor Payments.

## RECOMMENDATIONS

- 2.1. The school administration should discuss the disbursement documentation requirements with appropriate staff to ensure that : 1) check requisitions are completed and filed; 2) invoices are obtained to document/support all purchases; and 3) the invoices are signed to indicate acknowledgment of receipt of goods/services. In addition, the school administration should discuss the timelines for paying vendors.
- 2.2 The school administration should ensure that all disbursement documentation accompanies a check requisition before signing a check. The school administration should not sign a check unless it is properly supported with an invoice and any other ancillary documentation; and should bring to the attention of the bookkeeper those instances where documentation is incomplete/missing for immediate corrective action.
- 2.3 Going forward, the school administration should review the disbursements periodically to ensure compliance; should monitor the timelines for making payments to ensure that vendors are paid in a timely manner.

Person(s) Responsible: Principal, Treasurer

### Management Response:

The Principal reviewed the guidelines as stated in the *Manual of Internal Fund Accounting* with the Treasurer, to ensure understanding and awareness of properly completing check requisitions and invoices supporting disbursements.

The Principal will meet bi-weekly with the Treasurer to strengthen controls and ensure proper organization and avoid misplacement of any invoices/documentation. The Principal will ensure that all check requisitions are completed and filed, that invoices are obtained to support purchases and that they are signed as acknowledgement of receipt of goods/services. Also, the Principal will ensure that the vendors are paid in a timely manner.

The Principal is monitoring all shopping carts closely to ensure that every order's packing slip is stamped and receipted upon delivery. Also, copies of invoices with corresponding purchase order numbers will be sent to accounts payable for final processing and disbursement to vendor.

## FINDINGS

3. Inadequate Recordkeeping, Documenting, and Reporting of Payroll

## RECOMMENDATIONS

- 3.1 The school administration should discuss payroll procedures with faculty/staff and the payroll preparer to ensure understanding of the payroll procedures for completing/signing/filing/retaining leave cards as part of the payroll records.
- 3.2 The school administration should discuss payroll procedures with the payroll preparer to ensure understanding of the payroll procedures for the proper filing of payroll record; and the proper completion of attendance rosters for Temporary Instructors Pool and Emergency Substitutes.
- 3.3 The school administration should implement procedures for recording the attendance of employees working off-site to ensure that the school maintains a complete record of their personal attendance.

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

### **Management Response:**

The Principal has reviewed the *Payroll Processing Procedures Manual* with the Assistant Principal and Payroll Clerk to ensure awareness and understanding of the proper procedures for recording, reporting, and filing payroll records (inclusive of leave cards).

The Principal and Payroll Clerk have completed a comprehensive review with faculty and staff on the importance of following attendance procedures when completing leave cards. The Principal has strengthened the organization of the record keeping and proper recording of staff attendance.

The Principal has assigned the Assistant Principal to assist in reviewing the leave cards for accuracy and the proper completion of all attendance rosters and for Temporary Instructors. The Principal has implemented changes to allow for better tracking of leave cards, proper documentation of staff, and ensuring the accounting structures are charged correctly.


The Principal and the Treasurer will implement procedures for recording the attendance of employees working off-site to ensure that the school maintains a complete record of their personal attendance.

cc: Sally J. Alayon  
Cynthia Gracia

## MEMORANDUM

October 19, 2016

**TO:** Mr. Jose Bueno, Region Superintendent  
North Region Office

**FROM:** Paulette Covin-Fredrik, Principal   
Robert Renick Educational Center

**SUBJECT:** ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF  
ROBERT RENICK EDUCATIONAL CENTER FOR 2014-2015 AND 2015-2016

The following is a response to the findings of the Audit Report for Robert Renick Educational Center for the fiscal years July 1, 2014 – June 30, 2015, and July 1, 2015 – June 30, 2016.

The audit findings were carefully reviewed by the Principal. As a result, the Principal implemented the following corrective measures in order to prevent the recurrence of similar conditions and ensure strict compliance is maintained with Board policies and procedures.

### FINDINGS

1. Inadequate Controls Over the Bookkeeping Function Disclosed Posting/Deposit Delays and Other Bookkeeping Discrepancies

### RECOMMENDATIONS

- 1.1 School staff and administration should review receipting procedures for understanding and awareness of the requirements. This also includes the procedures for documenting the receipts, the deposits as well as procedures over fundraising activities.
- 1.2 School administration and staff (bookkeeper) would benefit from additional training in Internal Funds to improve bookkeeping procedures and the monitoring of the Internal funds of the school.
- 1.3 The school administration should periodically review the internal funds records with the bookkeeper to strengthen control over the bookkeeping of the funds, the financial records, the fundraisers, and resolve discrepancies in a timely manner.
- 1.4 The school administration should implement use of the Collections/Deposits Log (Form-7249), review periodically and maintain on file.
- 1.5 All fundraising records should be completed and kept on file.

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

**Management Response:**

The Principal reviewed the guidelines as stated in the *Manual of Internal Fund Accounting* with the Assistant Principal, Treasurer, faculty and staff, to ensure understanding and awareness of receipting and deposit procedures and the process that must be followed in regards to fundraising activities.

The Principal scheduled an Internal Funds training session with the school's Business Manager for her and the Treasurer to participate in to improve the bookkeeping procedures and monitoring of the internal funds of the school. Also, the Principal and Treasurer will attend additional District e-SAS trainings.

The Principal has established and strengthened policies and procedures for a check and balance system. She conducts scheduled weekly meetings with the Treasurer to review all fundraisers, financial and bookkeeping records and will address discrepancies and seek further assistance if needed in a timely manner.

The Principal has strengthened the overall fundraising activity process to ensure that she approves all activities first, followed by region approval if applicable. During her weekly meetings with the Treasurer, she will ensure that the club sponsors do not take action on any activity until all necessary approvals have been provided. Fundraising guideline packets have been issued to each sponsor and the activity form will be placed on file with the treasurer and the activity date placed on the school calendar. Furthermore, the Principal and Treasurer will ensure that staff utilizes the Collections/Deposits Log (Form-7249).

**FINDINGS****2. Inadequate Controls Over Disbursements Resulted in Documentation That Was Incomplete and Non-Compliant With District Policy**

- 2.1 The school administration should discuss the disbursement documentation requirements with appropriate staff to ensure that 1) invoices are obtained to document/support all purchases; 2) the invoices are signed to indicate acknowledgement of receipt of goods/services; 3) In cases of purchases of \$1,000 or more, the minimum of three written quotations are obtained including one from a certified minority enterprise. In addition, the school administration should discuss the timeline for making vendor payments.
- 2.2 The school administration should ensure that all disbursement documentation accompanies a check requisition before signing a check. The school administration should not sign a check unless it is properly supported with an invoices and any other ancillary documentation, and should discuss any such situations with Bookkeeper for immediate corrective action.

- 2.3. The school administration should discuss with staff procedures regarding the purchase of Furniture, fixtures, equipment and software costing \$1,000 or more that require the tagging of the equipment for inventory control purposes. In similar cases of FF&E purchases costing \$1,000 or more, we strongly recommend the use of a shopping cart through the regular procurement district channels for these purchases.
- 2.4. The school administration should review the sales tax exemption guidelines set forth by the state of Florida Department of Revenue.2.4
- 2.5 Going forward, the school administration should review the disbursements periodically to ensure compliance; and should monitor the timelines for making payments to ensure that vendors are paid in a timely manner.

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

**Management Response:**

The Principal reviewed the guidelines as stated in the *Manual of Internal Fund Accounting* with the Assistant Principal, Treasurer and staff to ensure understanding and awareness of the procedures that must be followed with disbursements, invoices, check requisitions and the purchasing of FF&E items.

The Principal has established policies and procedures to strengthen controls over the bookkeeping process. She conducts scheduled weekly meetings with the Treasurer to review check requisitions, invoices and disbursements. The Principal will not sign any checks without all required documents attached, and will address discrepancies and seek further assistance if needed in a timely manner. Additionally, the Principal will ensure that purchases of \$1,000.00 or more have a minimum of three written quotes, one being from a minority vendor.

The Principal will ensure that purchases made through Fund 9 do not exceed the \$2,999.00 threshold and will utilize the shopping cart for future FF&E purchases. The Principal has reviewed the sales tax exemption guidelines with her Treasurer to ensure compliance moving forward. Also, the Principal has requested that her recent furniture purchase (display case) is tagged for inventory control purposes.

Finally, as part of the overall strengthening of the controls within, the Principal, along with the Treasurer, will ensure that all vendor payments are made in a timely manner.


cc: Ms. Sally J. Alayon  
Ms. Cynthia Gracia



## MEMORANDUM

October 31, 2016

TO: Dr. Albert Payne, Jr., Region Superintendent  
Central Region Office

FROM: Heather D. Tyler, Principal   
Fairlawn Elementary Community School

SUBJECT: **ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF  
FAIRLAWN ELEMENTARY COMMUNITY SCHOOL**

This memorandum serves as a response to the relevant findings in the internal audit for Fairlawn Elementary Community School for 2014-2015 and 2015-2016 fiscal years.

### RECOMMENDATIONS

- 1.1 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 timely filed in the folders.
- 1.2 In order to ensure future compliance with District guidelines, in those instances where students are enrolled over six semesters in the ESOL program, improved efforts should be made by the school administration to ensure that upcoming meetings are identified with sufficient time to schedule them in a timely manner and before the FTE week. Particular attention should be paid to the student's DEUSS date to ensure compliance with ESOL anniversary requirements.

### RESPONSIBLE PERSON(S):

Principal, Assistant Principals, ESOL Chairperson, and Registrar

### MANAGEMENT RESPONSE:

As a result of the aforementioned findings, and in order to maintain compliance, the following corrective actions have been, and will continue to be, implemented:

All ESOL documentation for all students participating in the ESOL Program have been reviewed to ensure accuracy. LEP Committee Meetings have been held, all required signatures have been received, corrections, if needed, have been made, and all required documents have been filed in the students' LEP folders within the individual Cumulative



Records. Further, the Department of Bilingual Education and World Languages Elementary ESOL Records Folder Checklist was reviewed with the assistant principal, ESOL Chairperson, and Registrar and it will be utilized. The ESOL folders of students newly enrolled at Fairlawn Elementary Community School, will be reviewed by the ESOL Chairperson and Assistant Principal to ensure District and State ESOL Compliance. The ESOL Compliance Checklists that are printed on each student's ESOL folder will be signed or initialed by the Registrar, ESOL Chairperson, and Administrator indicating that to the best of their knowledge all required documents are filed in the ESOL folders. The ESOL Chairperson and Assistant Principals will conduct mini reviews of a random sampling of approximately ten percent of the student population's ESOL folders, every nine weeks to ensure compliance. On a monthly basis, the administrator(s) will randomly review approximately five (5) percent of the students' ESOL folders to ensure the established plan of action is followed, and more importantly, to ensure compliance.

Additionally, in order to ensure future compliance with District guidelines in those instances where students are enrolled six semesters or more in the ESOL program, the following will occur:

- On a monthly basis, the reports that lists students who have been in the ESOL program for Six (6) Semesters or more will be printed by the Registrar and distributed to the ESOL Chairperson and Administrators.
- Upon reviewing the report, the ESOL Chairperson and Assistant Principal will devise a schedule of meetings for said students.
- During the meeting a determination will be made as to whether or not the students will benefit from remaining in the ESOL program or should they be exited from said program.
- All meetings will be appropriately documented and conducted in a timely manner.


The Bilingual Department has been contacted and request for assistance in reviewing our documents for compliance has been initiated.

cc: Dr. Jacques Bentolila  
Cynthia Gracia

**MEMORANDUM**

October 28, 2016

**TO:** Dr. Albert Payne Jr., Region Superintendent  
Central Region Office

**FROM:** Susana Suarez, Principal   
Kensington Park Elementary

**SUBJECT: ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT  
REPORT OF KENSINGTON PARK ELEMENTARY FOR 2015-2016**

This memorandum serves as a response to the relevant findings in the internal audit for Kensington Park Elementary for the 2015-2016 fiscal school year(s).

**RECOMMENDATIONS**

- 1.1. To reduce the probability of potential losses in funding and other non-compliance issues regarding SPED criteria, appropriate staff and administration should review of SPED records and student folders to make certain that the information is accurate and that all pertinent forms are completed and filed in the folders. Particular attention should be paid to documentation corresponding to students funded at levels 254 Support Level 4 and 255 Support Level 5.
- 1.2. To reduce the probability of potential losses in funding and other non-compliance issues regarding ESOL criteria, appropriate 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 timely filed in the folders.
- 1.3. In order to ensure future compliance with District guidelines, in those instances where students are enrolled over six semesters in the ESOL program, improved efforts should be made by the school administration to ensure that upcoming meetings are identified with sufficient time to schedule them in a timely manner and before the FTE week. Particular attention should be paid to the student's DEUSS date to ensure compliance with ESOL anniversary requirements.

**RESPONSIBLE PERSON(S):** Principal, Assistant Principals, SPED Program Specialist, ESOL Chairperson, Registrar.

**MANAGEMENT RESPONSE:**

In regards to the matrix error, the correction was done by implementing a new IEP to correct the error on the new ESE- EMS system. To ensure this does not happen

again, the IEP and matrix will be rechecked by SPED Program Specialist before having parent sign and finalized.

To prevent future errors, internal reviews will be conducted by the ESE Team at the end of each grading period using the SPED checklist with the participation of the Assistant Principal. Principal will conduct random review of 3 cumulative records each grading period.

The ESOL Chair and Registrar have created a system of checks and balances, where a specific protocol is used when an ESOL student is registered. Before data is entered into DSIS, the ESOL Chairperson will review the Home Language Survey to ensure no discrepancies exist. Once a student is registered, and the cumulative record is requested, the ESOL Chair will conduct weekly reviews of missing LEP folders to expedite their arrival at our location. In the event, we are not able to procure a folder in a timely fashion, we will create a duplicate folder for the interim. When CELLA/WIDA report is missing from a LEP folder at our location, we will print from the Assessment section of WLEP, thus ensuring we have all proper documentation. As part of routine maintenance of LEP folders, the ESOL chair will ensure all documentation is signed and properly dated by conducting monthly reviews with the Assistant Principals.

Administrators will provide the ESOL Chairperson with the Control D "three years or more anniversary date" Report at the beginning of each month to ensure that LEP Committee Meetings are held annually for students enrolled in the ESOL program for six semesters or more. As part of this process students will be assessed when necessary to measure adequate progress. The assessment will include an evaluation in writing. All LEP Committee meetings will take place and documentation will be completed in a timely manner. Accountability measures in place will include but not be limited to the "Parent Notification Letter", "LEP Committee Log", and "LEP Committee Minutes". To prevent future errors, internal reviews will be conducted at the end of each grading period by an Assistant Principal and the ESOL chairperson using Bilingual checklist. Principal will conduct random reviews of a number of ESOL cumulative records each grading period.


cc: Dr. Jacques Y. Bentolila  
Ms. Cynthia Gracia



## MEMORANDUM

October 28, 2016

**TO:** Dr. Albert Payne, Jr., Region Superintendent  
Central Region Office

**FROM:** Mrs. Ebony N. Dunn, Principal   
Brownsville Middle School

**SUBJECT:** ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF  
BROWNSVILLE MIDDLE SCHOOL FOR THE 2014-2015 AND 2015-2016  
AUDIT PERIOD

This memorandum serves as a response to the relevant findings in the internal audit for Brownsville Middle School for the fiscal school year 2014-2015 and 2015-2016.

### RECOMMENDATIONS

- 1.1 The current school administration should discuss the Title I Program guidelines with staff for maintaining inventory in order to properly identify the property purchased with Title I Program funds and its location on campus.
- 1.2 The current school administration should devise a system to track all equipment items purchased and distributed to staff/students; as well as any equipment that may be removed from the inventory due to loss or damage.

PERSON(S) RESPONSIBLE: Principal, Assistant Principal, Treasurer, Computer Technician

### MANAGEMENT RESPONSE:

The Principal has reviewed the Title I Program guidelines, especially those associated with the Title I Equipment Purchase and Inventory with the Assistant Principal, Treasurer and Computer Technician. The Principal will assign the Assistant Principal, to be the Designated Site Person (DSP) for inventory to monitor deliveries and maintain a log of all items entering or leaving the building. All staff members will be advised that all deliveries will be delivered to the Main Office. The treasurer, a 12 month employee, will ensure all items located on the packing slips have been delivered with the shipment. The treasurer will also ensure that Title I stickers are placed on all items funded with Title I dollars.

The Assistant Principal will create a spreadsheet with information that delineates (1) description of equipment, (2) serial number, (3) Title I number from sticker, (4) location of equipment, (5) last verification date of location, (6) individual who last verified location, (7) initial of individual who verified the location of the item (8) date removed from location, and (9) outgoing property control number. An internal property review will be conducted utilizing this spreadsheet on a monthly basis by the Assistant principal.

The Assistant Principal will submit this spreadsheet to the Principal each month by the last school day of the month. Safeguards to ensure staff members do not relocate items from designated areas without prior authorization will be implemented and will be reviewed with all staff members in a faculty meeting indicating that they must first ask the Assistant Principal for permission to

move an item from a location via an electronic correspondence and wait for a response before moving an item. The Assistant Principal will ensure the responding to staff members regarding the relocating of property has a quick turnaround.

The treasurer will be the individual that will ensure all equipment that was ordered was received. This will be accomplished by comparing the packing slip with the items contained in the shipment that was delivered. A meeting was held with the treasurer to ensure she is aware of the procedures that should be in place when Title I items are delivered to the school-site. The treasurer will (1) account for all materials that should have been shipped, (2) ensure the Assistant Principal is aware of the shipment, (3) label the items with Title I stickers. The Assistant Principal will then sign-out all equipment to the individuals who should be utilizing the equipment.

#### **RECOMMENDATIONS**

- 2.1 The school administration should devise and implement an effective action plan for the safeguarding of assets and the management of property, and designate staff to carry out the plan.**
- 2.2 The school administration should ensure that the entire school staff. Especially those in charge of property management, understand and are fully aware of the procedures for safeguarding and maintaining control over property.**
- 2.3 The monitoring and accounting of property should be strengthened by conducting in-house property inventories periodically to identify discrepancies and resolve them in a timely manner.**

**PERSON(S) RESPONSIBLE:** Principal, Assistant Principal, Treasurer, Computer Technician

#### **MANAGEMENT RESPONSE:**

The Principal will review the district policies regarding the safeguarding and maintaining control over property with all responsible persons. In addition, this information will be shared with all faculty and staff. The principal will assign the Assistant Principal, to be the Designated Site Person (DSP) for inventory to monitor deliveries and maintain a log of all items entering or leaving the building. All items requiring property tags will be secured until they are properly labeled.

The Assistant Principal will work with the Computer Technician to conduct regular property reviews to ensure property is accounted for and location is known. Plans will also be developed to secure property during long breaks and while the building is being cleaned during the summer. Procedures for disposing property will be adhered to and follow-up will occur to ensure disposed property is removed from the school's property control. If at any time property is identified as missing police and plant security reports will be filed immediately. The Principal will sign off on all property reviews and ensure that they are being conducted on a regular basis. In addition, the Principal will make random property control checks to confirm that the procedures established are being followed.

cc: Dr. Jacques Y. Bentolila  
Ms. Cynthia Gracia

**MEMORANDUM**

October 28, 2016

**TO:** Dr. Albert Payne, Region Superintendent  
Central Region Office

**FROM:** Bernard O. Edwards, Principal *BOE*  
Georgia Jones-Ayers Middle School

**SUBJECT: ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT OF  
GEORGIA JONES-AYERS MIDDLE SCHOOL FOR 2014-2015, AND  
2015-2016**

This memorandum serves as a response to the relevant findings in the internal audit for Georgia Jones-Ayers Middle School for the fiscal school year 2014-2015 and 2015-2016.

**RECOMMENDATIONS**

- 1.1. The current school administration should discuss the Title I Program guidelines with the staff for maintaining inventory in order to properly identify the property purchased with the Title I Program funds and its location on campus.
- 1.2. The current school administration should devise a system to track all equipment items purchased and distributed to staff/students; as well as equipment that is removed from the inventory due to loss or damage.
- 1.3. The current school administration should review the responsibilities of the new Community Involvement Specialist with appropriate staff to ensure an understanding and awareness of their duties and responsibilities. Specifically, the school administration should ensure that the CIS understands and complies with the recordkeeping requirements associated with the position, and should request training from the District if needed.
- 1.4. The current school administration should ensure that the location of the Parent Resource Center is clearly identified and advertised, and appropriate documentation is available to parents.

**PERSON(S) RESPONSIBLE:** Principal, Assistant Principal, Treasurer, and the Community Involvement Specialist (CIS)

**MANAGEMENT RESPONSE:**

The Principal has reviewed the Title I Program guidelines, especially those associated with the Title I Equipment Purchase and Inventory, with the Assistant Principal, and the



Community Involvement Specialist (CIS). The Assistant Principal and Community Involvement Specialist (CIS) will attend trainings to ensure compliance with Manual of Internal Fund Accounting and Title I Administration.

The Principal and Assistant Principal will ensure that procedures have been implemented to closely monitor incoming/outgoing of equipment. Use the Treasurer to confirm receipt of all equipment and attach the Title I sticker to new Title I material and equipment. The sign-out log will require school administration authorizing signature and a time frame for return of equipment. Assistant Principal will conduct a semi-annual property review and all obsolete equipment will be removed, following District Policy and procedures.

The Principal and CIS will attend training to ensure compliance with all Title I procedures. The Principal will review Section F of the Title I Administration Handbook with the CIS. The Principal and Assistant Principal will monitor CIS daily schedule and duties to ensure adherence to the assigned work schedule and requirements of Title I guidelines. The Assistant Principal will monitor the securing and filing of required documentation, as delineated in the Title I Administration Handbook. Any anomalies will be corrected immediately. A review of all CIS/Parent Involvement records will be conducted monthly by the Administration.


School administration will ensure the Parent Resource Center is clearly identified, advertised, and properly stocked with materials intended to foster parent involvement.

Cc: Dr. Jacques Bentolila  
Cynthia Gracia

## MEMORANDUM

November 2, 2016

**TO:** Mrs. Barbara Mendizábal, Region Superintendent  
South Region Office

**FROM:** Mr. Lucas J. De La Torre, Principal  
Cutler Bay Senior High School 

**SUBJECT:** ADMINISTRATIVE RESPONSE OF INTERNAL AUDIT REPORT  
OF CUTLER BAY SENIOR HIGH SCHOOL FOR THE 2014-2015  
AND 2015-2016 FISCAL YEAR - JULY 1, 2014 THROUGH JUNE  
30, 2016

This following is a response to the audit findings for Cutler Bay Senior High School Audit Report for the 2014-2015 and 2015-2016 Fiscal Years. The audit findings have been carefully reviewed by the Principal. As a result, the following corrective actions have been established to prevent recurrence.

### RECOMMENDATIONS

- 1.1 Discuss the following Board Policy and sections of the various manuals with Athletic Department Staff and other faculty/staff to ensure future compliance with these policies and guidelines:
- School Board Policy 2431- *Interscholastic Athletics*;
  - School Board Policy 6152- *Student Fees*, regarding the guidelines for instructional fees and charges imposed on students to ensure that the school is not charging students for individual athletic fees;
  - Chapter II, Section B of the *Interscholastic Athletic Manual* regarding mandatory insurance for students taking part in an interscholastic athletic program;
  - Section II, Chapter 5 of the *Manual of Internal Fund Accounting* regarding that financial transactions for certain activities associated with the Athletic Program must be accounted for in the Internal Fund Trust Program because of the restricted usage of the money received. Specifically, the athletic insurance function must be used to record the money collected for student athletic insurance premiums;
  - Section III, Chapter I of the *Manual of Internal Fund Accounting* regarding the Athletic Program;
  - Section III, Chapter 7 of the *Manual of Internal Fund Accounting* regarding the financial transactions associated with fees charged to students for materials and supplies



needed for certain academic subjects, as well as extracurricular activities offered as part of the school's educational and athletics programs, must be accounted for through the school's Internal Fund;

- Any Weekly Briefings related to the subject of athletic insurance, etc.; and
- Section IV, Chapter 2 of the *Manual of Internal Fund Accounting* regarding fundraising activities.

- 1.2 Discuss receipting and depositing procedures with Athletic Department staff members for understanding and awareness of the requirements. Direct them to receipt students when making collections.
- 1.3 Strengthen oversight over the collections from the Athletic Department by designating an administrator to review the financial activities on a periodic basis to ensure that collections are properly receipted, documented, and timely deposited; and direct the administrator to verify the collections in addition to the Treasurer.
- 1.4 Meet with the administrator on a regular basis and request that discrepancies be brought to your attention to ensure that corrective action is timely implemented.

**Responsible Person(s):** Principal, Assistant Principal, Treasurer, Athletic Director, Athletic Department.

**Management Response:**

In order to ensure compliance with procedures for collections of athletic fees for insurance, the Principal hired a new Athletic Director for the 2016-2017 Fiscal year.

The Principal met with the Assistant Principal, Athletic Director, and the Treasurer on July 26, 2016, to review *School Board Policy 2431-Interscholastic Athletics*, *School Board Policy 6152- Student Fees* and *Section II Chapter 5, Section III Chapter 1, Section III Chapter 7 and Section IV Chapter 2 of the Manual of Internal Fund Accounting*. The procedures regarding internal accounting for the athletic programs will be strengthened to meet the district's requirements as well as receipting and depositing, periodic review of financial activities, and a regular review of collections being deposited.

On August 19, 2016, the Principal, Treasurer, Athletic Director, Student Activities Director, Club Sponsors, and Teachers who serve any functions with internal funds met to discuss the **Manual of Internal Fund Accounting Manual** and school procedures that must be followed in order to conduct any related business. At the meeting, procedures requesting a purchase order, receipting, and depositing were reviewed to ensure meeting compliance. Moreover, the Principal reviewed and discussed the district policies and procedures for the collection of monies. Proper use of Employee (BPI) Receipts (FM-0976) were discussed with all staff members to ensure their understanding of the receipting process and staff were directed to promptly inform the administration of any instances where the Treasurer fails to follow proper receipting/depositing procedures.

Furthermore, a meeting was held on October 11, 2016 with the new Athletic Director to review the recommendations from the audit report. The Athletic Director who has been formerly trained prior to assuming this position was reminded of the aforementioned Board Policies. The Athletic Director, Treasurer, and this administration reviewed all sections regarding athletics, fee collections, and proper handling of financial transactions. The Athletic Director has a copy of the **Manual of Internal Fund Accounting** as well as any related weekly briefings regarding athletics or internal funds.

In this same meeting, the Principal, Assistant Principal, Treasurer, and Athletic Director reviewed that any collections of monies must be deposited within the same day. In addition, specifically, the Principal reviewed **Section II, Chapter 2 of the Manual of Internal Fund Accounting** with the Treasurer and directed the Treasurer to attach the computer-generated eSAS receipts to the official receipt books when issuing individual receipts from the books and provide teachers a copy of the eSAS receipt when turning in collections.

The Principal assigned an Assistant Principal to review the financial activities periodically to ensure that collections are properly receipted, documented, and timely deposited and directed the administrator to verify collections in addition to the Bookkeeper. The Principal, Assistant Principal, Treasurer, and Athletic Director will review on a quarterly basis any collections to ensure that receipts have been prepared and properly documented.

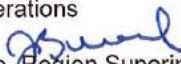
If you need any additional information, please feel free to contact me..

cc: Ms. Cynthia Gracia  
Ms. Lucy Iturrey

## MEMORANDUM

October 24, 2016  
JB#034/2016-2017  
(305) 572-2800

TO: Ms. Valtena G. Brown, Deputy Superintendent/Chief Operating Officer  
School Operations

FROM:  Jose Bueno, Region Superintendent  
North Region Office

### SUBJECT: RESPONSES TO AUDIT REPORTS OF NORTH REGION OFFICE SCHOOLS

Attached, please find the response to the audit findings for the 2014-2015 and 2015-2016 fiscal years for Robert Renick Educational Center and Treasure Island Elementary. The North Region Office has reviewed the exceptions cited. The following support activities will be implemented at the Region level.

#### Robert Renick Educational Center

##### 1. Inadequate Controls Over the Bookkeeping Function Disclosed Posting/ Deposit Delays and Other Bookkeeping Discrepancies

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Treasurer, to ensure that bookkeeping functions are timely and accurate. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Treasurer.

The Principal was instructed to schedule and attend (with the Treasurer) an Internal Funds training session with the Business Manager and attend a District e-SAS training to in turn strengthen the organization over the bookkeeping functions.

The Principal was instructed to meet weekly with the Treasurer to review all fundraising and bookkeeping records to be prepared to address any discrepancies and seek further assistance in a timely manner.

The North Region Office Financial Human Capital Director assigned the Treasurer a mentor Treasurer to serve as an immediate liaison to answer questions or concerns she may have regarding her bookkeeping responsibilities.

Furthermore, the Principal has been instructed to attend School Operations' Money Does Matter Support Program sessions. Lastly, the North Region Office Financial Human Capital Director will ensure that the "In-House Review Teams" within each feeder pattern assist the school to provide additional support in this area.

**2. Inadequate Controls Over Disbursements Resulted in Documentation that was Incomplete and Non-Compliant with District Policy**

The North Region Office Financial Human Capital Director and the Principal established an organized plan for the Principal to implement and monitor the process for disbursements to ensure that all documentation is completed and compliant with District policy. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Treasurer.

The Principal was instructed to meet weekly with the Treasurer to ensure that the overall disbursement process was organized and follows policy. The Principal will review all documentation for accuracy before signing any checks and will also ensure that all purchases of \$1,000.00 or more have the minimum of three written quotes, one being from a certified minority enterprise.

The Principal was instructed to ensure that the strengthened control process carefully delineates a review of procedures for purchasing through Fund 9 and ensures that all FF&E purchased items costing \$1,000.00 or more are properly tagged for inventory control purposes.

**Treasure Island Elementary**

**1. Inadequate Controls Over the Bookkeeping Function Disclosed Posting/ Deposit Delays and Other Bookkeeping Discrepancies**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Treasurer, to ensure deposits and bookkeeping functions are timely and accurate. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Treasurer.

The Principal was instructed to schedule and attend (with the Treasurer) an Internal Funds training session with the Business Manager and attend a District e-SAS training to in turn strengthen the organization over the bookkeeping functions.

The Principal was instructed to meet weekly with the Treasurer to strengthen the organization of the school's financial records. She will review all records for accuracy, resolve discrepancies in a timely manner and seek additional assistance if needed.

The North Region Office Financial Human Capital assigned the Treasurer a mentor Treasurer to serve as an immediate liaison to answer questions or concerns she may have regarding her bookkeeping responsibilities.

Furthermore, the Principal has been instructed to attend School Operations' Money Does Matter Support Program sessions. Lastly, the North Region Office Financial Human Capital Director will ensure that the "In-House Review Teams" within each feeder pattern assist the school to provide additional support in this area.



**2. Inadequate Controls Over Disbursements Resulted in Supporting Documentation that was Incomplete and late Vendor Payments**

The North Region Office Financial Human Capital Director and the Principal established a plan for the Principal to implement and monitor with the Treasurer, to ensure disbursements are organized and vendor payments are timely and accurate. The Principal will thoroughly review the *Manual of Internal Fund Accounting* with the Treasurer.

The Principal was instructed to alleviate any job assignments outside of the Treasurer's responsibility list to ensure that she can solely focus on processing and maintaining organized financial records.

The Principal was instructed to meet weekly with the Treasurer to ensure that all disbursements present the proper documentation including the check requisition and invoice and that no checks are signed without this needed documentation.

**3. Inadequate Recordkeeping, Documenting, and Reporting of Payroll**

The North Region Office Human Capital Director and the Principal established an organized plan for the Principal to implement and monitor with affected staff. The Principal will thoroughly review the *Payroll Processing Procedures Manual* with the Assistant Principal and the Payroll Clerk to ensure a greater understanding of the proper procedures for recording, reporting and filing payroll records.

The Principal was instructed to review the proper procedures with the faculty and staff to fully understand the importance of completing leave cards appropriately. The Principal was also instructed to communicate with the principals of the other schools where staff serves as an itinerant to maintain complete records of their attendance.

The Principal was instructed to assign the Assistant Principal to assist with the payroll review process and devise a plan to meet with the Payroll Clerk regularly to ensure that attendance is being recorded accurately and in a timely manner and that all leave cards are completed properly.

Should you need additional information, please contact me at (305) 572-2800.


JB/SA

cc: Ms. Sally J. Alayon  
Ms. Cynthia Gracia

**MEMORANDUM**

November 3, 2016  
AP/#018/2016-17

**TO:** Mrs. Valtena G. Brown, Deputy Superintendent/Chief Operating Officer  
School Operations

**FROM:** Albert Payne, Region Superintendent   
Central Region Office

**SUBJECT:** **CENTRAL REGION OFFICE RESPONSE TO INTERNAL REPORTS FOR FAIRLAWN ELEMENTARY, KENSINGTON PARK ELEMENTARY, BROWNSVILLE MIDDLE, AND GEORGIA JONES-AYERS MIDDLE**

Please find attached the responses to the audit findings for Fairlawn Elementary, Kensington Park Elementary, Brownsville Middle and Georgia Jones-Ayers Middle. The Central Region Office has reviewed the exceptions cited. The following support activities will be implemented at the Region level.

**Fairlawn Elementary**

**1. School Non-Compliant with Full-Time Equivalent (FTE) Records and Procedures Resulted in Potential FTE Funding Disallowances**

The Financial/Business Director instructed the Principal to develop a plan for reviewing the records of English Language Learners (ELL) to ensure that the records are maintained in accordance with the respective program guidelines.

The Financial/Business Operations Director will solicit assistance from the Office of Bilingual Education and World Languages to conduct mini-reviews each semester for compliance in selected areas of the programs. Results from the District's mini-reviews will be submitted to the Central Region Office Administrative Director. Discrepancies will be discussed with the Principal and corrections will be made accordingly.

**Kensington Park Elementary**

**1. School Non-Compliant with Full-Time Equivalent (FTE) Records and Procedures Resulted in Potential FTE Funding Disallowances**

The Financial/Business Director instructed the Principal to develop a plan for reviewing the records of English Language Learners (ELL) and Special Education Students to ensure that the records are maintained in accordance with the respective program guidelines.

The Financial/Business Operations Director will solicit assistance from the Office of Bilingual Education and World Languages and the Special Education Department to conduct mini-reviews each semester for compliance in selected areas of the programs. Results from the District's mini-reviews will be submitted to the Central Region Office Administrative Director. Discrepancies will be discussed with the Principal and corrections will be made accordingly.

**Brownsville Middle**

**1. Non-Compliance with Title 1 Program Inventory Requirements and Use of Equipment**

The Central Region Office Financial/Business Operations Director instructed the Principal to meet with staff to review the Title 1 Program guidelines, specifically how it relates to maintaining inventory and its location on campus. In addition, the Principal will devise a system to track all equipment items purchased and distributed to staff and students.

**2. Inadequate Controls Over Capitalized Property Inventory Resulted in Loss of Equipment and the Reporting of "Unlocated" Items**

The Central Region Office Financial/Business Operations Director instructed the Principal to meet with staff to review the district guidelines, specifically how it relates to maintaining capitalized property inventory. In addition, the Principal will devise a system to track all equipment items purchased and distributed to staff/students or removed from the inventory due to loss or damage.

**Georgia Jones-Ayers Middle**

**1. Follow-Up to Prior Year Audit Disclosed Non-Compliance with Title 1 Program Inventory Requirements and the Duties/Responsibilities of the Community Involvement Specialist (CIS)**

The Central Region Office Financial/Business Operations Director instructed the Principal to meet with staff to review the Title 1 Program guidelines, specifically how it relates to maintaining inventory and its location on campus. In addition, the Principal will devise a system to track all equipment items purchased and distributed to staff/students or removed from the inventory due to loss or damage.

The Principal will also meet with the appropriate staff to review the responsibilities of the Community Involvement Specialist. A plan will be developed to ensure that the CIS complies with the recordkeeping requirements of the position in order to fulfill the Title 1 guidelines.

As a result of these audit findings, the following support activities will be implemented for all schools at the Region level:

- The effected Principals will be required to address specific fiscal management 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.
- The Central Region Office Financial/Business Operations Administrative Director will direct the Principals to attend Money DOES Matter Support Program.
- The Central Region Office Financial/Business Operations Administrative Director in collaboration with the appropriate district office will coordinate a support system for the Principal and designee to ensure that all after school records are properly maintained.

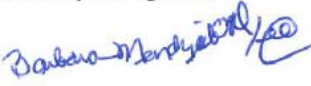
If there are any additional questions, please contact me. Thank you for your assistance and cooperation.

cc: Dr. Jacques Bentolila  
Ms. Cynthia Gracia

**MEMORANDUM**

November 2, 2016

**TO:** Mrs. Valtena G. Brown, Deputy Superintendent/Chief Operating Officer  
District/School Operations

**FROM:** Barbara A. Mendizábal, Region Superintendent   
South Region Office

**SUBJECT:** **RESPONSE TO AUDIT FINDINGS OF CUTLER BAY SENIOR HIGH SCHOOL  
- 6081**

Please find attached the response to the audit findings for the 2014-2015 and 2015-2016 fiscal years for Cutler Bay Senior High School. The South Region Office has reviewed the exceptions cited. The following support activities will be implemented at the Region level.

**Cutler Bay Senior High School**

**1. Inadequate Controls Over Athletic Department Collections Led To Misappropriation of Funds By Former Athletic Director**

The South Region Office Financial/Business Operations Director instructed the Principal to meet with the newly assigned Athletic Director and Treasurer to review Section II and III of the *Manual of Internal Fund Accounting*, School Board Policy 6152- Student Fees, and Chapter II, Section B of the *Interscholastic Athletic Manual* to ensure compliance with the respective policies and procedures.

The Financial/Business Operations Director directed the Principal to develop a system for the monitoring of collections and receipting procedures of the Athletic Department staff members to ensure that collections are properly receipted, documented, and timely deposited.

Additionally, the affected school Principal will be required to participate in the District's Money Does Matter Support Program.

Should you need additional information, please contact me at (305) 252-3041.

M#27  
BAM/lg


cc: Ms. Cynthia Gracia  
Ms. Lucy Iturrey



**MEMORANDUM**

**November 9, 2016**

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

**FROM:** Valtena G. Brown, Deputy Superintendent/Chief Operating Officer 

**SUBJECT:** **SCHOOL OPERATIONS RESPONSE TO SCHOOL AUDITS OF SELECTED SCHOOLS  
IN NORTH, CENTRAL AND SOUTH REGION OFFICES**

School Operations has reviewed the audit exceptions cited in the 2014-2015 and 2015-2016 fiscal year(s) audit reports of the following schools reporting to the North Region, Central Region and South Region Offices: Robert Renick Educational Center, Treasure Island Elementary, Fairlawn Elementary, Kensington Park Elementary, Brownsville Middle, Georgia Jones-Ayers Middle, and Cutler Bay Senior High School. The following preventive actions will be taken through School Operations:

- Monitor mini-review reports conducted at affected schools submitted by the Region Superintendent to ensure that collections are properly receipted, documented, and timely deposited. Discrepancies with the aforementioned areas will be investigated through the appropriate Region Office;
- Coordinate collaboratively with the Region Offices, the Bilingual and Exceptional Student Education District Offices and develop a compliance team that will conduct mini-review of records to ensure documents are properly maintained.
- School Operations will coordinate monthly presentations from the Bilingual Education and Exceptional Student Education district offices on policies, procedures and recordkeeping best practices through Scaled Leadership Meetings
- Coordinate and provide information to school site administrators and staff on best business practices, including related financial areas of concern through Money DOES Matter Support Program.
- School Operations in collaboration with the Region Office will continue to provide support to the schools by assigning a Fiscal Review Team to conduct financial reviews, periodically.

If you have any questions, please contact me at 305 995-2938.

VGB:cg  
M073

cc: Mr. Jose Dotres  
Region Superintendents  
Ms. Cynthia Gracia  
Region Directors



## Anti-Discrimination Policy

### Federal and State Laws

The School Board of Miami-Dade County, Florida adheres to a policy of nondiscrimination in employment and educational programs/activities 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 gender 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.

**Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA)** - prohibits discrimination against employees or applicants because of genetic information.

**Boy Scouts of America Equal Access Act of 2002** – no public school shall deny equal access to, or a fair opportunity for groups to meet on school premises or in school facilities before or after school hours, or discriminate against any group officially affiliated with Boy Scouts of America or any other youth or community group listed in Title 36 (as a patriotic society).

*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.*

#### **In Addition:**

**School Board Policies 1362, 3362, 4362, and 5517** - Prohibit harassment and/or discrimination against students, employees, or applicants on the basis of sex, race, color, ethnic or national origin, religion, marital status, disability, genetic information, age, political beliefs, sexual orientation, gender, gender identification, social and family background, linguistic preference, pregnancy, and any other legally prohibited basis. Retaliation for engaging in a protected activity is also prohibited.

***Miami-Dade County Public Schools***



***INTERNAL AUDIT REPORT  
SELECTED SCHOOLS/CENTERS  
DECEMBER 2016***

**Office of Management and Compliance Audits  
1450 N. E. 2nd Avenue, Room 415  
Miami, Florida 33132  
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<http://mca.dadeschools.net>**